



27 ANNUAL REPORT AND ACCOUNTS 2020



The New York Times

The show forces a discussion on feminism— what it is and what it isn't, and what the modern Indian woman looks like. It challenges the Indian audience to confront its collective fantasies and anxieties.

South China Morning Post

The juicy lives and adventures of four young women living in Mumbai are setting small screens across India alight. *Four More Shots Please!* is currently the platform's most watched TV show of 2020 in India.

The Sydney Morning Herald

Season 1 of *Four More Shots Please!* was one of the top three Indian Amazon original series in 2019. Since the debut of Season 2 in mid-April, it has become Amazon's most watched original Indian series this year.

*Aparna Purohit,
Head, Amazon India Originals*

PRITISH NANDY COMMUNICATIONS LTD
27 ANNUAL REPORT AND ACCOUNTS 2020

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Santosh Gharat

CHIEF FINANCIAL OFFICER

Kishor Palkar

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
Kishor Palkar | Chief Financial Officer Yatender Verma | Vice President, Finance, Compliances & Legal Affairs
Anoop Kumar | Chief Production Officer Imtiaz Chougale | Manager, Accounts

CHAIRMAN'S STATEMENT

I welcome you to your Company's 27th Annual General Meeting.

For the first time in 27 years we are conducting this meeting as an online event for reasons you are all aware of. I will not have the privilege of meeting some of you in person and shaking your hand as I have been doing for all these years. This is a bit disconcerting but then many things have changed in recent times and this is just one more change we will perhaps have to learn to live with for a while.

The content business has also changed dramatically over the years. This is not surprising because every generation makes its own cultural and artistic choices. The nature of entertainment depends on these very choices. Technology has also moved at a remarkable pace and those who have not changed with it find themselves left behind. Fortunately, your Company is not one among them. We have always believed in and anticipated change, and tried to stay one step ahead of it. That is why your 27-year old Company still has the indomitable spirit of a new start-up.

We began 27 years ago as makers of news content for State-run terrestrial television, covering the national elections and debating issues that most concern the nation. From news and interviews we moved on to entertainment as the market for that opened up with the coming of satellite television and the opening of private channels for whom we made some path breaking shows. Then, after a few years, we decided to take our skill sets to the motion picture business and produced a genre of movies that brought your Company both success and critical acclaim. And then, four years ago, we anticipated the arrival of streaming platforms and shifted focus to content that best suits the needs of growing audiences who are watching these platforms today. Now our shows appear in 200 countries across continents, in multiple language versions reaching a massive global audience.

Needless to say, each change we made was ahead of its times, and helped us to stay in business. Content defines the viewing habits of a generation and it is always a challenge to anticipate today what tomorrow's viewers would like to watch. And as the profile of viewership changes and becomes younger and more demanding over the years, to stay in the race we must be prescient and responsive to changes in viewing habits and the constantly evolving taste of consumers. Today's audiences watch different kinds of shows from what audiences watched a decade back. In fact, I would like to believe they are today watching shows that audiences even five years ago would not have watched, nor had access to.

Just like satellite television brought about a total change in content and its viewership, streaming has transformed what people today watch and respond to. Streaming has also successfully grown the viewership of entertainment content, scripted and unscripted, and demonstrated that home entertainment is what content makers must focus on. OTT is clearly the new future.

This is precisely why four years ago your Company retooled itself towards making content for OTT platforms and you will be pleased to know that our first and most successful show, *Four More Shots Please!* (we are readying to make its third season) has been acknowledged as the year's most watched show on Amazon. In the New York Times, no less. We are developing more shows for some of the world's most prestigious OTT platforms and you would have seen some of them streaming this year were it not for the pandemic that rudely interrupted your Company's production schedule.

The way things are, it will be difficult (and a tad improper) for me to predict today how things will shape out in the immediate future. But you can be reassured by the fact that we have, during the lockdown, signed on new shows and are developing

several more. Once things return to normal—whatever that new normal may be-- your Company will be among the first off the mark to return to the screen. It is 13 years since we last raised money and yet we remain debt free. Our pursuit of excellence has taken us to the best global platforms where our shows are repeatedly winning awards. The latest, an International Emmy nomination for *Four More Shorts Please!* is the highest possible recognition for what we do. We have also won Asia’s Best Rising Star Award at Busan’s Asia Content Awards.

What is of concern, however, is the impact of the pandemic on our production schedules and the delays this will entail. This will impact our performance in the current year. While pointing this out, I must also impress upon you that your Company, despite the crippling lockdowns, is taking every possible step to reduce costs and prepare itself to make up for time lost. Work on new projects are proceeding apace, at the development level. Your Company is confident it can return to business swiftly once actual production commences, with safety protocols in place.

This is a year when we must pause to thank every stakeholder. Our bankers, our business associates, our clients, our vendors-- and all members of Team PNC who have won us so many plaudits in these trying times. Their support, their commitment, their unwavering faith in the future of your Company will go a long way towards our returning to business in full strength once the pandemic is under control and the nation returns to the urgent task of rebuilding its economy.

To
The Members
Pritish Nandy Communications Limited

Your Directors present the 27th Annual Report on the business and operations of the Company together with the audited financial accounts for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

Total income for this year was ₹ 2,728.27 lakh as compared to ₹ 1,504.27 lakh for the earlier year. The Company made a profit of ₹ 66.04 lakh before tax as compared to a profit of ₹ 86.01 lakh before tax in the preceding year.

In ₹ lakh

Particulars	Standalone	
	Year ended March 31, 2020	Year ended March 31, 2019
Income from operations	2,728.27	1,504.27
Other income	69.39	64.64
Total turnover	2,797.66	1,568.91
Total expenditure	2,731.62	1,482.90
Profit/(loss) before exceptional and extraordinary items and tax	66.04	86.01
Current tax	14.50	26.26
Profit/(loss) after current tax	51.54	59.75
Deferred tax	(12.68)	(35.06)
Short/ (excess) provision for tax (earlier year)	(23.87)	0.97
Profit/(loss) after tax	88.09	93.84
Dividend (%)	0	0
Transfer to reserves	0	0
Balance in statement of profit and loss	(106.87)	(189.17)
Paid up capital	1,446.70	1,446.70
Earnings per share	0.61	0.65
Book value per share	57.24	56.67

PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

The increasing demand for content, mainly serialized and filmed digital streaming shows, added to your Company's revenues and we are actively developing and growing our footprint in the digital content market. Your Company is well positioned to deliver shows for OTT platforms—particularly the international ones-- to grab mindshare of the new age youth audiences, the largest consumers of such content across all different platforms. It is an audience your Company has been successfully addressing in the past as well. But a new orientation is now taking place and a growth in the global entertainment market that allows for more OTT content to be delivered and consumed. Your Company has repeatedly demonstrated its ability to successfully relate to the content expectations of new generation viewers but it was perhaps a bit ahead of its time. The global OTT business has now given us the opportunity to do so and, that too, on a global scale where both our content and its quality have found new takers.

Your Company visualizes an increasing opportunity for creating and producing more shows for these international OTT services. We have successfully delivered two seasons of an Amazon Prime Original, Four More Shots Please which has been appreciated by both audiences and critics across 200 countries and territories. This show was among the three most popular Amazon shows last year and this year Amazon has announced that it is its most watched show out of India. Leading international newspapers like the New York Times, South China Morning Post and the Sydney Morning Herald have reported on its extraordinary success.

All ten episodes of the second season of the show were dropped for binge-watching on April 17, 2020 across the global Amazon Prime Video platform and immediately demonstrated the show's popular appeal. The show has been imagined and developed in-house; both the creator and the associate creator, who double up as the show-runners of Four More Shots Please are senior in-house professionals. This is the creative hot shop that the Company set out to be 26 years ago and, today, we take pride not only in the sustainable model of business that we have created in the content business but also in the talent we have built up over the years to produce and execute our own creative projects.

Your Company after having successfully worked within the budget and deadlines for the first two seasons, has developed the third season of Four More Shots Please and is ready to immediately go on the floor with it. Owing to concerns over the Covid-19 pandemic and the subsequent lockdown announced by both the Union and State Governments, filming was held back from its original starting schedule in mid-March. We intend to commence filming once conditions and protocols are restored to ensure the safety of our cast and crew. Their security and wellbeing is our primary concern in the current circumstances.

Another Original show planned for shooting in the current financial year 2020-21 has also been delayed, as well as an anthology film shoot in which the Company was participating. We will be ready to start work on these shows and the film when normal life and work resumes and it is possible to commence filming safely with cast and crew. Meanwhile, work on the writing of other shows already commissioned continues. We consider writing as one of the most important aspects of our production business and we intend to stay the course on it.

Your Company is also in dialogue with several other international OTT players for developing scripted and unscripted shows.

The Company's existing film library is also being streamed on a non-exclusive basis on several OTT platforms, including Netflix, Amazon, Disney+Hotstar, Jio, Sony LIV, Eros Now, MX Player and Spuul.

Meanwhile, the Company has made a detailed assessment of the impact of the pandemic on its business and cash flows. It being an unanticipated global event, our options are limited and we will require some more time to return to normalcy and what that new normal will be is a matter of intense international conjecture and debate. The Company is working on the assumption that the setback caused to its business because of the pandemic will be only temporary and we can return to production in the current financial year. The Company does not anticipate material medium to long term risks to its business prospects. In fact, it appears from global reports, that the business of our clients, the streaming networks, has actually increased during the lockdown as millions of viewers have shifted to online entertainment even as theatres remain closed both in India as well as in many parts of the world where our shows are viewed.

As a preventive measure, your Company has reduced salaries of all its employees during the current financial year. It has also negotiated a reduced rent for the registered office and shut down its production office since shooting is currently not taking place. It has also taken several measures to preserve its available resources and cut overhead costs to bring down cash burn during the current period. It is however possible that your Company may face a cash crunch if the commencement of filming gets delayed beyond the next six months. However, in the view of the management, the ability of the Company and constituents of the group to continue as a going concern shall not be affected.

As mentioned earlier, the safety of our employees, and the cast and crew of our shows is currently of paramount importance to us and till date no case of Covid-19 has been reported from among them. Production, when it commences, will take place under carefully drawn out safety protocols and abundant precaution, following guidelines agreed upon by the government and the industry.

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 2020-21 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

The principal business of this Subsidiary Company 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. Net enabled platforms for distributing and exploiting media and entertainment content have emerged as the most powerful means of delivery and the fastest growing. Single screen cinema halls have been downing shutters over the past decade while multiplexes have been severely compromised by the lockdown and no one quite knows when they will return to business as usual. This subsidiary explores new opportunities that may emerge in the streaming business by leveraging the goodwill and stature of the PNC brand. One of its roles can be that of an intermediary providing distribution services to content makers who are struggling to shift from traditional media to digital, where our Company believes the future lies.

PNC Wellness Limited

This Subsidiary Company operates in the wellness business segment which it pioneered in India when it opened Moksh: The Wellness Place in Mumbai. After a decade of pioneering activity, with rentals increasing and the wellness business, like many others, shifting to digital platforms Moksh was shut down. The subsidiary however continues, intending to use the brand's goodwill and reputation to build a digital opportunity at an appropriate time. It has designed several yoga brands that it hopes to commercialize as yoga picks up pace as a matter of intense global interest. Considering there was no revenue generation during the year under review, the Company has made further provision for diminution in values of its investments by 1/5th of its book value and will review the value of this investment from time to time.

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:

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and articles of associations of the Company, Rangita Pritish Nandy, Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers herself for reappointment. A resolution seeking shareholders' approval for her re-appointment forms part of the notice.

Santosh Gharat, Company Secretary of the Company who was also appointed additionally as Chief Financial Officer, has relinquished this additional responsibility with effect from November 14, 2019 and in his place Kishor Palkar was appointed as Chief Financial Officer of the Company. Mr Palkar has been in the employment of the Company since the last 18 years and his last designation was Chief Accounts Officer of the Company.

COMPLIANCE ON CRITERIA OF INDEPENDENCE BY 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.

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) 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year five meetings of the Board of Directors were held and no meeting of Independent directors was held. The details of the meetings of the Board are furnished in the Corporate Governance Report.

ANNUAL EVALUATION OF THE 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 by the Securities and Exchange Board of India (SEBI) and the SEBI Listing Regulations.

Further, the meeting of independent directors could not be held due to lockdown and it was later also exempted vide MCA General Circular No. 11 /2020 - F No.2/1/2020-CL-V wherein MCA confirmed that there will be no violation if the meeting of independent directors was not held.

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

Statutory Auditors

BD Jokhakar & Co., Chartered Accountants (FRN 104345W) were appointed as Statutory Auditors of the Company for a period of four consecutive years at the Annual General Meeting (AGM) of the Members held on September 24, 2018 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at the ensuing AGM is not being sought.

There is no audit qualification, reservation or adverse remark for the year under review.

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 36 (a) on the standalone financial statements which relates to investment in wholly owned subsidiary company "PNC Wellness Ltd.". The investment in this subsidiary stands at ₹ 58.20 lakh whereas the net worth of the subsidiary is ₹ 32.79 lakh as at March 31, 2020. Considering that the Company has made provision for diminution in value of investment in this subsidiary of 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 36 (b) on the standalone 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 ₹ 7.42 lakh as at March 31, 2020. The Company has agreed to provide its films to this Subsidiary Company 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 38 (a) on the standalone financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹150 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 standalone financial statements which describes that the Company has received an award of ₹ 352 lakh in its favour in the arbitration case filed against White Feather Films. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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 and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 39 on the standalone 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 A M 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 46 to the standalone financial statements, which describes the impact of COVID-19 pandemic on the operations of the Company.

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 36(a), 36(b), 38(a), 38(b), 39 and 46 on the financial statements forming part of the Balance Sheet and Statement of Profit and Loss, and are self-explanatory and reproduced below..

Note – 36 (a)

PNC Wellness Limited

The Company has an investment of ₹ 58.20 lakh (PY ₹ 116.40 lakh) in equity shares of wholly owned subsidiary viz PNC Wellness Limited. The net worth of this subsidiary is ₹ 32.79 lakh as on March 31, 2020. There was no revenue generation by this subsidiary during the year under review. This Subsidiary, which owns several wellness brands like Moksh and sub brands like 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. 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 realisable. No further provision is made for the diminution in book value of investment which is considered as temporary.

Note – 36 (b)

PNC Digital Limited

The company has an investment of ₹ 70.20 lakh (LY ₹ 70.20 lakh) in equity shares of subsidiary viz PNC Digital Limited. The net worth of this subsidiary is ₹ 7.42 lakh as on March 31, 2020. The Company has agreed to provide its films to this subsidiary Company 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 – 38(a)

The legal proceedings initiated by the Company for the recovery of an advance of ₹ 150 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 the Company 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.

Note – 38(b)

The Company has received an award of ₹ 352 lakh in its favour in the arbitration case filed against White Feather Films. Company has filed an Execution Application with the Bombay High Court for recovery of the Arbitral Award amount. The Execution Application will be mentioned before the Bombay High Court when it reopens. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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.

Note - 39

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.

Note – 46

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, the Company had to hold back the scheduled shoot of Season 3 of Four More Shots Please which was scheduled to commence in the third week of March, 2020. Another Original show planned for shooting in the current financial year 2020-21 has been delayed, as well as an anthology film shoot in which PNC was participating. We will be ready to start work on these shows and the film when normal life and work resumes and it is possible to commence filming safely with cast and crew. Meanwhile, work on the writing of other shows continues. This is one of the most important aspects of our production business and we hope to stay ready with what we have in hand. Meanwhile, the Company has made a detailed assessment of the impact of the pandemic on its business and cash flows. It being an unanticipated global event, our options are limited and we will require some more time to return to normalcy and what that new normal will be is a matter of intense international debate. The Company is working on the assumption that the setback caused to its business because of the pandemic will be only temporary and we can return to the floors in the current financial year. The Company does not anticipate material medium to long term risks to its business prospects. In fact, it appears from global reports, that the business of our clients, the streaming networks, has actually increased during the lockdown as millions of viewers have shifted to online entertainment as theatres remain closed both in India as well as in many parts of the world where our shows are viewed. As a preventive measure, the Company has reduced salaries of all its employees during the current financial year. It has also negotiated a reduced rent for the registered office and shut down its production office since shooting is currently not taking place. It has also taken several measures to preserve its available resources and cut overhead costs to bring down cash burn during the current period. It is possible the Company may face a cash crunch if the commencement of shoot gets delayed beyond the next six months. However, in the view of the management, the ability of the company and constituents of the group to continue as a going concern shall not be affected. The safety of our employees, and the cast and crew of our shows is currently of paramount importance to us and till date no case of Covid 19 has been reported from among them. Production, when it commences, will take place under carefully drawn out safety protocols and abundant precaution, following necessary guidelines.

SECRETARIAL AUDITORS' REPORT

VN Deodhar & Company, practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the fiscal year 2020, as required under Section 204 of the Act and rules thereunder.

The Secretarial Auditors' Report is given as Annexure III which forms part of this report. The Secretarial Auditors' 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.

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 & 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, within the ICC, 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 and refresher programs in the organization on a continuous basis.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(12) of the Act and Rules framed thereunder.

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 framed thereunder, the Company has adopted and constituted a CSR Committee of Directors comprising of the following

1. Udayan Bose (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, 2020 as the average net profit of the Company for the last three financial years is an inadequate profit.

However, the Company has put in place a policy that ensures all excess and unconsumed food for unit people, including cast and crew, during production shoots are immediately given away to the NGO Feeding India for urgent distribution to the needy and hungry.

DISCLOSURE REQUIREMENT

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

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Details of the familiarization programs 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.

Policy on fair disclosure and code of Conduct required to be set out by the Company under SEBI (PIT) Regulations, 2015 effective from April 1, 2019, which 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 SEBI 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 Annexure V which forms part of the report.

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 the year. It also wishes to record its appreciation of the efforts put in by all staff and associates of the Company.

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholtime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Mumbai, June 30, 2020

ANNEXURE - I

STATEMENT PURSUANT TO FIRST PROVISIO 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			
Sr. No.	Name of Subsidiary Company	PNC Wellness Ltd	PNC Digital Ltd
1.	Reporting currency	INR	INR
2.	Exchange rate	NA	NA
3.	Share capital	66.00	50.00
4.	Reserves and surplus	0	0
5.	Total assets	52.61	15.01
6.	Total liabilities (except share capital and reserve and surplus)	19.82	7.59
7.	Investments	0.00	0.00
8.	Turnover (including other income)	0.00	0.00
9.	Profit/ (loss) before taxation	(0.63)	(0.14)
10.	Provision for taxation (including deferred tax)	0.00	0.00
11.	Profit/ (loss) after taxation	(0.63)	(0.14)
12.	Proposed dividend	Nil	Nil
13.	% of shareholding	100%	99.78%

Note

- Reporting period for all the Subsidiaries is March 31, 2020.

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

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20

Description	Ratio of median remuneration
Wholetime Directors	
Pallab Bhattacharya	4.70
Rangita Pritish Nandy	8.05

- The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2019-20

Name	% increase in remuneration in the financial year
Pallab Bhattacharya, Wholetime Director and CEO	0.00
Rangita Pritish Nandy, Creative Director	0.00
Kishor Palkar, CFO	37.50
Santosh Gharat, Company Secretary	25.81

- The percentage increase in the median remuneration of employees in the financial year: 6.43%.

The number of permanent employees on the rolls of Company: 19

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

The increment in remuneration during the year 2019-20 was 5.20%.

- Comparison of the remuneration of the key managerial personnel against the performance of the Company

Aggregate remuneration of Key Managerial Personnel (KMP)	
FY 2019-20	Amount (In ₹ lakh)
Revenue from operation	2,728.27
Remuneration of KMP (as % of revenue)	3.63
Profit/ (loss) before tax (PBT)	66.04
Remuneration of KMP (as % of PBT)	150.02

- 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, 2020	March 31, 2019	% Change
Market Capitalization (in ₹ lakh)	1,085.03	2,553.45	(57.51)
Price Earnings Ratio	11.83	27.15	(59.44)

- 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, 2020	IPO	% Change
Market Price (BSE)	7.50	155	(95.16)
Market Price (NSE)	7.45	155	(95.19)

- 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

The salaries of employees was increased by 11.38 % during the year.

- Comparison of remuneration of each key managerial personnel against the performance of the Company

This year was devoted to finalising and putting in place new projects to be taken up by the Company. Such projects are in an advanced stage of pre-production. These projects will generate revenue on completion and release. Consequently, the Company was unable to make adequate profit resulting in excess payment on Directors' remuneration account.

- 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.

- 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 highest paid Directors.

- Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

- 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 sixty lakh rupees per annum or rupees five lakh per month.

ANNEXURE - IIISECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[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,
Pritish Nandy Communications Limited
87/88, Mittal Chambers
Nariman Point
Mumbai- 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pritish 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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 Pritish Nandy Communications Limited. ("the Company") for the financial year ended on March 31, 2020 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. During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have been informed that there are no laws applicable specifically to the Company. Additionally, we have been informed that compliance of various statutes is monitored on monthly basis by the Compliance officer and necessary action is initiated for any non-compliance. Additionally, we have been informed that a status report signed by the Whole time Director and the Chief Financial Officer on compliance of various statutes is submitted to the Board at its every meeting.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India, and
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate 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 its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For VN Deodhar & Co
Company Secretaries

VN Deodhar
Proprietor
FCS number 1880
CP number 898

Mumbai, June 30, 2020

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Pritish Nandy Communications Limited

Our Secretarial Audit Report of even date for the financial year ended March 31, 2020 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. 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 & 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 & Co
Company Secretaries

VN Deodhar
Proprietor
FCS number 1880
CP number 898

Mumbai, June 30, 2020

ANNEXURE - IV

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i. CIN - L22120MH1993PLC074214
- ii. Registration Date - September 28, 1993
- iii. Name of the Company – Pritish Nandy Communications Limited
- iv. Category/ sub-Category of the Company – Company limited by shares
- v. Address of the registered office and contact details
Pritish Nandy Communications Limited
87/88 Mittal Chambers, Nariman Point, Mumbai 400021
Tel : 91-22-42130000
Fax : 91-22-42130033
Email: companysecretary@prishnandycom.com
Website: www.pritishnandycom.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any
Linkintime India Private Limited
C-101, 247 Park, LBS Marg
Vikhroli (West)
Mumbai 400 083
Tel: 022-49186000
Fax: 022-49186060
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.	Production of television programmes or television commercials	59113	99.97%
2.	Production of motion pictures	59111	0.03%

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 Limited Address 87/88 Mittal Chambers, Nariman Point, Mumbai 400021	U22110MH1994PLC076934	Subsidiary	99.78	2(87)
2.	PNC Wellness Limited 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, 2019)				No. of shares held at the end of the year (i.e as on March 31, 2020)				% Change during the year	
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares		
A.										
1.										
a.	Individual/ HUF	3,896,307	0	3,896,307	26.93	3,896,307	0	3,896,307	26.93	0.00
b.	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c.	State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d.	Bodies Corp.	2,605,354	0	2,605,354	18.01	33,22,118	0	3,322,118	22.96	4.95
e.	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f.	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(1)	6,501,661	0	6,501,661	44.94	7,218,425	0	7,218,425	49.90	4.95
2.										
a.	NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b.	Others – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c.	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d.	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e.	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoters/ Promoter Group (A)=(A)(1)+(A)(2)	6,501,661	0	6,501,661	44.94	7,218,425	0	7,218,425	49.90	4.95
B.										
1.										
a.	Institutions									
b.	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
c.	Banks/ FI	192,653	0	192,653	1.33	183,155	0	183,155	1.27	(0.07)
d.	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
e.	State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
f.	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
g.	Insurance Companies	25,000	0	25,000	0.17	25,000	0	25,000	0.17	0.00
h.	FIs	0	0	0	0.00	0	0	0	0.00	0.00
i.	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j.	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	217,653	0	217,653	1.50	208,155	0	208,155	1.44	(0.07)

Category of shareholders	No. of shares held at the beginning of the year (i.e as on April 1, 2019)				No. of shares held at the end of the year (i.e as on March 31, 2020)				% Change during the year		
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares			
2.	Non-Institutions										
a.	Individuals										
	1.	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	2,196,211	4,279	2,200,490	15.21	2,091,801	4,229	2,096,030	14.49	(0.72)
	2.	Individual shareholders holding nominal share capital in excess ₹ 1 Lakh	3,334,277	0	3,334,277	23.05	3,339,765	0	3,339,765	23.09	0.04
b.	NBFCs registered with RBI										
c.	Overseas Depositories										
d.	Others (specify)										
	1.	Trusts	3,000	0	3,000	0.02	3,000	0	3,000	0.02	0.00
	2.	Clearing members	48,562	0	48,562	0.34	13,031	0	13,031	0.09	(0.25)
	3.	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
	4.	HUFs	381,973	0	381,973	2.64	370,246	0	370,246	2.56	(0.08)
	5.	Non resident Indians (Non Repat)	5,600	0	5,600	0.04	5,880	0	5,880	0.04	0.00
	6.	Other directors	58,000	0	58,000	0.40	86,000	0	86,000	0.59	0.19
	7.	Bodies Corporate	1,668,943	1	1,668,944	11.54	1,101,666	1	1,101,667	7.62	(3.92)
	8.	Non resident Indians (Repat)	46,340	0	46,340	0.32	24,801	0	24,801	0.17	(0.15)
	Sub-total (B)(2)		7,743,406	4,280	7,747,686	53.55	7,036,190	4,230	7,040,420	48.67	(4.89)
	Total Shareholding (B)=(B)(1)+(B)(2)		7,961,059	4,280	7,965,339	55.06	7,244,345	4,230	7,248,575	50.10	(4.95)
	Total (A) + (B)		14,462,720	4,280	14,467,000	100.00	14,462,770	4,230	14,467,000	100.00	0.00
C.	Share held by Custodian for GDRs & ADRs Public										
	Grand Total (A+B+C)		14,462,720	4,280	14,467,000	100.00	14,462,770	4,230	14,467,000	100.00	0.00

b. Shareholding of Promoters

Sr. No.	Shareholders' name	Shareholding at the beginning of the year as on April 1, 2019			Shareholding at the end of the Year as on March 31, 2020			% 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	1,608,978	11.12	0.00	1.48
3.	Ideas.com India Pvt. Ltd.	1,210,565	8.37	0.00	1,713,140	11.84	0.00	3.47
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	6,501,661	44.95	0.00	7,218,425	49.90	0.00	4.95

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

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year as on April 1, 2019		Transactions during the year		Cumulative shareholding during the year as on March 31, 2020	
		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.	Ideas.com India Pvt Ltd	1,210,565	8.39				
				June 3, 2020	502,575	1,713,140	11.84
2.	Artinvest India Pvt Ltd	1,394,789	9.64				
				June 14, 2019	55,016	1,449,805	10.02
				June 21, 2019	8,453	1,458,258	10.08
				June 29, 2019	16,117	1,474,375	10.19
				July 5, 2019	2,181	1,476,556	10.21
				August 30, 2019	40,016	1,516,572	10.48
				September 6, 2019	387	1,516,959	10.49
				September 13, 2019	9,023	1,525,982	10.55
				September 27, 2019	33,936	1,559,918	10.78
				September 30, 2019	1,698	1,561,616	10.79
				October 4, 2019	4,163	1,565,779	10.82
				October 25, 2019	24,653	1,590,432	10.99
				December 6, 2019	16,055	1,606,487	11.10
				December 20, 2019	2,491	1,608,978	11.12

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, 2019		Transactions during the year		Cumulative shareholding during the year March 31, 2020	
		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	1,402,842	9.70			1,402,842	9.70
				February 28, 2020	(500,000)	902,842	6.24
3.	Radheshyam Ramgopal	175,269	1.21				
				December 7, 2019	2,607	177,876	1.23
				December 27, 2019	(2,607)	175,269	1.21
				January 10, 2020	1,067	176,336	1.22
				January 17, 2020	(1,067)	175,269	1.21
				February 21, 2020	5,000	180,269	1.25
4.	Sushma Daga	178,123	1.23	NA	0	178,123	1.23
5.	Parag Suresh Kamat	156,260	1.08	NA	0	156,260	1.08
6.	Poonamchand Ramnarayan Rathi	132,997	0.92	NA	0	132,997	0.92
7.	Naminder Singh Dhir	142,433	0.98				
				July 5, 2019	(2,250)	140,183	0.97
				July 12, 2019	(4,000)	136,183	0.94
				July 19, 2019	(2,300)	133,883	0.93
				July 26, 2019	(8,883)	125,000	0.86
				August 2, 2019	(5,400)	119,600	0.83
8.	Sonal Parag Kamat	118,662	0.82				
				May 17, 2019	600	119,262	0.82
9.	Hasmukh Parekh	100,000	0.69	NA	0	100,000	0.69
10.	Mustafa Rajkotwala	90,331	0.62	NA	0	90,331	0.62

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 April 1, 2019		Cumulative Shareholding during the year March 31, 2020	
				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	58,000	0.40	28,000	0.19
			At the end of the year	86,000	0.59	86,000	0.59

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	421.51	0.00	0.00	421.51
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 (i+ii+iii)	421.50	0.00	0.00	421.50
Change in indebtedness during the financial year				
i. Addition	1.90	0.00	0.00	1.90
ii. Reduction	171.05	0.00	0.00	171.05
Net Change (i+ii)	169.15	0.00	0.00	169.15
Indebtedness at the end of the financial year				
i. Principal amount	250.46	0.00	0.00	250.46
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	1.90	0.00	0.00	1.90
Total (i+ii+iii)	252.36	0.00	0.00	252.36

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In ₹ lakh)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Pallab Bhattacharya WTD & CEO	Rangita Nandy Creative Director	
1.	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	23.70	39.91	63.61
	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			
	- as % of profit	0.00	0.00	0.00
	- others, specify...	0.00	0.00	0.00
5.	Others, please specify	4.30	8.09	12.39
	Total	28.00	48.00	76.00
	Ceiling as per the Act	The remuneration is within the limit of Schedule V of Companies Act, 2013		

b. Remuneration to other directors:

(In ₹ lakh)

Sr. No.	Name of Directors	Fee for attending board / committee meetings	Commission others, please specify	Total amount
1.	Independent Directors			
	a. Udayan Bose	1.60	0.00	1.60
	b. Raghu Palat	3.20	0.00	3.20
	c. Hema Malini	0.80	0.00	0.80
	d. Pradeep Guha	2.80	0.00	2.80
	Total (1)	8.40	0.00	8.40
2.	Other Non-Executive Directors			
	a. Pritish Nandy	1.60	0.00	1.60
	b. Rina Pritish Nandy	1.60	0.00	1.60
	Total (2)	3.20	0.00	3.20
	Total Managerial Remuneration (1+2)	11.60	0.00	11.60
	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	Chief Financial Officer
1.	Gross salary		
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	6.87	5.77
	b. Value of perquisites under Section 17(2) income-tax Act, 1961	0.00	0.00
	c. Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0.00	0.00
2.	Stock option	0.00	0.00
3.	Sweat equity	0.00	0.00
4.	Commission	0.00	0.00
	- as % of profit		
	- others, specify...		
5.	Others, please specify	0.00	1.50
	Total	6.87	7.27

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCE:

There were no penalties, punishment, or compounding of offence during the year ended March 31, 2020.

ANNEXURE - V

FOREIGN EXCHANGE EARNINGS AND OUTGO

(In ₹ lakh)

Particulars	For the year 2019-20	For the year 2018-19
FOREIGN EXCHANGE EARNINGS		
Sale of owned content	0.90	46.41
Total	0.90	46.41
FOREIGN EXCHANGE OUTGO		
Traveling expenses	2.20	0.00
Cost of production - FMSP II	10.42	0.00
Total	12.62	0.00

OVERVIEW

In the current content business scenario, internet enabled streaming platforms have clearly emerged as the largest growing segment.

Our Company has proved over the years that it understands the content needs and preferences of young and emerging audiences. Be it through television content, films or now serialized shows that are streamed online. Our skills are backed by 26 years of actual experience.

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

a. CONTENT

PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

The increasing demand for content, mainly serialized and filmed digital streaming shows, added to the Company's revenues and we are actively developing and growing our footprint in the digital content market. The Company is well positioned to deliver shows for OTT platforms—particularly the international ones-- to grab the mindshare of the new age youth audiences, the largest consumers of streaming content across all different platforms. It is an audience the Company has been successfully addressing in the past as well. But a new orientation is now taking place and exciting growth in the global entertainment market that allows for quality OTT content to be delivered and consumed. The Company has repeatedly demonstrated its ability to relate to the content expectations of new generation viewers but it was perhaps a bit ahead of its time. The global OTT business has now given us the opportunity to do so on a scale where both our content and its quality have found new takers.

The Company sees a growing opportunity for creating and producing more shows for these international OTT services. We have successfully delivered two seasons of an Amazon Prime Original, Four More Shots Please which has been appreciated by both audiences and critics across 200 countries and territories. This show was among the three most popular Amazon shows last year and this year Amazon has announced that it is its most-watched show out of India. Leading international newspapers like the New York Times, South China Morning Post and the Sydney Morning Herald have reported on its extraordinary success.

All ten episodes of the second season of the show were dropped for binge-watching on April 17, 2020 across the global Amazon Prime Video platform and instantly demonstrated the show's popular appeal. The show has been imagined and developed in-house; both the creator and the associate creator, who double up as the show-runners of Four More Shots Please are in-house talent. This is the creative hot-shop that PNC set out to be 26 years ago and, today, we take pride not only in the sustainable model of business we have created but also in the talent we have built up over the years to produce and execute our own projects.

The Company after successfully completing the first two seasons, has developed the third season of Four More Shots Please and is ready to go on the floor with it. Owing to concerns over the Covid-19 pandemic and the subsequent lockdowns announced by both the Union and State governments, filming was postponed from its original starting schedule in mid-March. We intend to commence filming once conditions and protocols are restored to ensure the safety of our cast and crew. Their security and wellbeing is our primary concern in the current situation. Another Original show planned for shooting in the current financial year 2020-21 has also been delayed, as well as an anthology film shoot in which PNC was participating. We will be ready to start work on making these shows, plus an anthology and a film when normal work resumes. Meanwhile, work on the writing of two other commissioned shows continues. We consider writing as one of the most crucial aspects of creating content and we believe it is this that essentially defines the PNC brand.

The Company is also in dialogue with several international OTT players who have approached the Company for developing scripted and unscripted shows.

The Company's existing film library is also being streamed on a non-exclusive basis on several OTT platforms, including Netflix, Amazon, Disney+Hotstar, Jio, Sony LIV, Eros Now, MX Player and Spuul.

The Company has made a detailed assessment of the impact of the pandemic on its business and cash flows. It being an unanticipated global event, our options are strictly limited and we will require more time to return to normalcy and what that new normal will be is a matter of intense international conjecture and debate. The Company is working on the assumption that the setback caused to its business because of the pandemic will be only temporary and we can, hopefully, return to production in the current financial year. The Company does not anticipate material medium to long term risks to its business prospects. In fact, it appears from global reports, that the business of our clients, the streaming networks, has actually increased during the lockdown as millions of new viewers have shifted to online entertainment even as theatres remain closed both in India as well as in many parts of the world where our shows are viewed.

To conserve resources, the Company has reduced salaries of all its employees during the current financial year. It has also negotiated a reduced rent for the registered office and shut down its production office. It has taken other measures as well to reduce the cash burn. It is possible that the Company may face a cash crunch if the commencement of filming gets delayed beyond the next six months. However, in the view of the management, the ability of the company and constituents of the group to continue as a going concern shall not be affected.

As mentioned earlier, the safety of our employees, and the cast and crew of our shows is currently of crucial importance and till date no case of Covid-19 has been reported from among them. Production, when it commences, will take place under carefully drawn out safety protocols and abundant precaution, following guidelines agreed upon by the government and the industry.

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

PNC Digital Limited

The principal business of this Company 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. Net enabled platforms for distributing and exploiting media and entertainment content have emerged as the most powerful means of delivery and the fastest growing. Single screen cinema halls have been downing shutters over the past decade while multiplexes have been severely compromised by the lockdown and no one quite knows when they will return to business as usual. This subsidiary explores new opportunities that may emerge in the streaming business by leveraging the goodwill and stature of the PNC brand. One of its roles can be that of an intermediary providing distribution services to content makers who are struggling to shift from traditional media to digital, where our Company believes the future lies.

PNC Wellness Limited

This Subsidiary Company operates in the wellness business segment which it pioneered in India when it opened Moksh: The Wellness Place in Mumbai. After a decade of pioneering activity, with rentals increasing and the wellness business, like many others, shifting to digital platforms Moksh was shut down. The subsidiary however continues, intending to use the brand's goodwill and reputation to build a digital opportunity at an appropriate time. It has designed several yoga brands that is hopes to commercialize as yoga picks up pace as a matter of intense global interest. Considering there was no revenue generation during the year under review, the Company has made further provision for diminution in values of its investments by 1/5th of its book value and will review the value of this investment from time to time.

2. RISKS, CONCERNS AND THREATS

The content business is risk-prone. Shifting audience tastes has made the theatrical market unpredictable with films having shorter windows for generating revenues. Distributors are risk averse and are reluctant to pay minimum guarantees upfront. The Company is therefore focusing on entirely de-risked strategies for recovering its investments in content. We currently make content that is pre-sold or commissioned. It is however possible that we may, in future, when the market returns to normal, invest in shows where small investments may need to be made for a stake in the IPR.

The Company is constantly researching shifting audience tastes and trying to create innovative products that can meet the expectations of a maturing viewership which expects higher and higher standards of quality. For this, we are regularly updating our technological skills.

The negatives of the Company's archived filmed content are ageing and in the current digital scenario, can risk becoming technology-obsolete. To counter this and continue to generate income from these films, the Company has successfully digitized its entire film archives. Our films, some of them over two decades old, continue to be shown on the best and most rewarding satellite and streaming platforms available.

3. INTERNAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT

The Company has adequate internal control systems in place. These systems constantly assess and vet creative ideas. There is collective responsibility at every stage of decision making and a Corporate Leadership Team, chaired by the CEO and including representation from all key departments, examines and clears each project. 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 adopted by the management covering all important activities like revenue management, production, purchase, finance, statutory compliances, human resources, systems management, safety and audit. These policies and procedures are updated from time to time. Compliance is monitored by 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 follow:

- 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 applicable statutes
- Compliance with the PNC Code of Conduct

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 our Company has identified and categorized the following risks:

Operational risks like injury to lead actor/s and/ or technical crew, loss by fire, high personnel turnover ratio, piracy, delay in production cycles for reasons beyond our control, like the current pandemic, censor certification, litigation, recovery of pending dues, unanticipated technological shifts, new emerging trends, and statutory and legal compliances. Financial risks 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 injury to the PNC brand image.

Depending on the nature, impact and probability of the risk our Company has various mitigating solutions like providing for contingencies, taking insurance cover wherever possible, devising appropriate marketing strategies, aligning pay scale with industry standards, training staff and offering growth opportunities, maintaining work-life balance, providing for leisure, installing proper payment systems, ensuring effective project management, forming multiple teams with experienced team leaders, ensuring that the content complies with guidelines, ensuring proper contractual documentation of all acquired rights, ensuring clarifications are disseminated swiftly in the event of any mis-reporting, identifying new platforms, ensuring staff familiarity with the latest technology, identifying trends, carrying out research, ensuring proper filing of statutory documents and returns, ensuring proper budgetary planning and cash flow, complying with proper depreciation accounting policy, ensuring timely replacement of technology at best prices, maintaining, proper inward and outward register for content, checking the library periodically, initiating legal action whenever required, monitoring cash levels and installing cash safe, investing in liquid funds or fixed deposits, registering intellectual property with appropriate authorities and monitoring and managing brand imaging.

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. The Company would have done better if the lockdown did not happen in March, interrupting the shooting schedule of one of our most important shows.

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 talent bank that PNC has access to remains independent and is yet available to the Company at short notice.

The Company enjoys cordial relations with its employees and the 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 actions must reflect a sense of social responsibility and incorporate the importance of ethical values in all transactions. A systematic approach has therefore 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.

There has been a break with this tradition during the declaration of annual results this year which were not published in newspapers because of the Covid 19 pandemic and lockdowns across the nation. As per the guidelines issued by SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 have relaxed the publication of financial results in newspapers but the results were informed to the stock exchanges well in time and are also available on the Company website.

Effective corporate governance practices constitute the foundation on which successful commercial enterprises are built. The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, suppliers, service providers, investors and to our clients and society at large.

Strong leadership and effective Corporate Governance practices have been the Company's hallmark. It has a legacy of fair, transparent and ethical practices.

The Company has adopted a Code of Conduct for its employees including its Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors which includes a Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 (the Act). The Company's Corporate Governance philosophy has been further strengthened through the Company's Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as applicable, with regard to Corporate Governance.

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, 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 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, 2020, of who two are Promoter Non-Executive Directors, two are Executive Directors and four are Independent, Non-executive Directors. All the Directors are eminent experts with specialist experience. Both the Executive Directors have grown from the ranks and emerged as widely respected professionals.

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 or she is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2020 have been made by the Directors.

During the financial year 2019-20, the Board met 5 times: on April 16, 2019, May 28, 2019, August 8, 2019, November 14, 2019 and February 11, 2020. 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, 2020.

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	5	Yes	-	-	-	2,952,197
Udayan Bose	Independent, Non-Executive Director	3	Yes	2	2	2	-
Hema Malini	Independent, Non-Executive Director	2	No	-	-	-	-
Rina Pritish Nandy**	Promoter, Non-Executive Director	5	Yes	-	-	-	625,000
Pallab Bhattacharya (Wholetime Director and CEO)	Executive Director	5	Yes	2	-	-	86,000
Rangita Pritish Nandy** (Creative Director)	Executive Director	5	Yes	1	-	-	193,500
Raghu Palat	Independent, Non-Executive Director	5	Yes	-	-	-	-
Pradeep Guha	Independent, Non-Executive Director	5	No	-	-	-	-

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

+Committee includes only two committees: Audit Committee and Stakeholders' Relationship Committee of other public companies.

**Relationship among Directors: Pritish Nandy and Rina Pritish Nandy are spouses, founders and promoters of the Company. 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, 2015.

3. AUDIT COMMITTEE

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

As on March 31, 2020, the Audit Committee consists of Udayan Bose, Chairman of the Committee, Raghu Palat and Pradeep Guha as members of the Committee. Santosh Gharat, Company Secretary acts as Secretary to the Audit Committee.

During the financial year 2019-20, the Audit Committee met 4 times: on May 28, 2019, August 8, 2019, November 14, 2019 and February 11, 2020. Attendance of Committee members during the year 2019-20 is as under:

Name of member	Attendance	May 28, 2019	August 8, 2019	November 14, 2019	February 11, 2020
Udayan Bose (Chairman)	2	Yes	Yes	No	No
Raghu Palat	4	Yes	Yes	Yes	Yes
Pradeep Guha	3	No	Yes	Yes	Yes

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

Nomination and Remuneration Committee (NRC) has been established with the duty to assist the Board of Directors in fulfilling their roles and responsibility involving human resources as defined under the Act.

To rationalize all employees related issues, while adhering to the requirements of the Act, SEBI Listing Regulations as amended from time to time, the Board of the Company has constituted the Nomination and Remuneration Committee.

Constitution of the Nomination and Remuneration Committee and the terms of reference specified by the Board to the Committee are as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 and Schedule V of the Act. The Remuneration Committee consists of Udayan Bose as Chairman of the committee, Raghu Palat and Pradeep Guha as members of the Committee. Santosh Gharat, Company Secretary acts as Secretary to the Committee.

Directors' Remuneration

- a. Advisory fees: Non-Executive Chairman's advisory fees is ₹ 96 lakh per annum. The necessary approval has been obtained from the Ministry of Corporate Affairs.
- b. 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 for attending Board Meetings as well as for Audit Committee Meetings.
- c. Remuneration: Details of current remuneration of Whole time Directors are as under:

Pallab Bhattacharya was re-appointed as Wholetime Director and CEO of the Company for a further period of 5 years with effect from February 17, 2020 to February 16, 2025 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:

With the approval of Board of Directors his managerial agreement is amended and his remuneration is ₹ 350,000 per month.

- i. Salary: Not exceeding ₹ 350,000 per month, subject to annual increment
- ii. Perquisite: Company car with a driver.
- iii. Gratuity is payable as per rules of the Company at the end of service.
- iv. 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 February 18, 2020 to February 17, 2025 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:

With the approval of Board of Directors her managerial agreement is amended and her remuneration is ₹ 400,000 per month.

- i. Salary: Not exceeding ₹ 400,000 per month, subject to annual increment
- ii. Perquisite: Company car with a driver.
- iii. Gratuity is payable as per rules of the Company at the end of service.
- iv. Reimbursement of traveling, hotel and other reasonable expenses actually incurred by her for Company work.

Wholetime 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, 2020 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.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Your Company has a Stakeholders' Relationship Committee in accordance with the provisions of the Act and SEBI Listing Regulations, 2015.

This committee is constituted under the chairmanship of Independent Director Udayan Bose, Raghu Palat and Pallab Bhattacharya are its members. Santosh Gharat, Company Secretary acts as Secretary of the 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, etc. 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 request or complaint was received during the year 2019-20.

6. GENERAL BODY MEETINGS

Year	Location	Date and Time
Annual General Meeting(s)		
2016-2017	Walchand Hirachand Hall, Mumbai 400020	September 21, 2017 at 3.00 PM
2017-2018	Walchand Hirachand Hall, Mumbai 400020	September 24, 2018 at 3.00 PM
2018-2019	Walchand Hirachand Hall, Mumbai 400020	September 23, 2019 at 3.00 PM

7. OTHER COMMITTEES

RISK MANAGEMENT COMMITTEE: The Risk Management Policy which includes procedures for assessment and minimization is adopted by the Board. The said policy is also put 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, Non-Independent and 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:

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

INTERNAL COMPLAINTS COMMITTEE: The Company has formed and instituted a Complaints Committee for redressal of sexual harassment complaints and for ensuring time bound investigation of such complaints.

The Complaints Committee comprises of the following four members:

- a. Ms Ishita Pritish Nandy, Chairperson
- b. Ms Trisha Paralkar, Member
- c. Mr Anoop Kumar, Member
- d. Ms 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

- a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, 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.
- b. 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.
- c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report 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.
- d. 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, Insider Trading Policy and Fair Disclosure Policy. These policies are put up on the website of the Company.

9. CERTIFICATE FROM PRACTISING COMPANY SECRETARY

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr Vinayak N Deodhar (CP No. 898), Proprietor of V N Deodhar & Co., Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on June 30, 2020.

10. SECRETARIAL COMPLIANCE REPORT

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practising Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practising Company Secretaries under Form MR - 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of Mr V N Deodhar (CP No. 898), Practising Company Secretary and Secretarial Auditor of the Company for providing this certification.

11. RECOMMENDATIONS OF COMMITTEES OF THE BOARD

There were no instances during the financial year 2019-20, wherein the Board had not accepted recommendations made by any committee of the Board.

12. TOTAL FEES PAID TO STATUTORY AUDITORS OF THE COMPANY

Total fees of ₹ 540,000 (Rupees Five Lakh Forty Thousand Only) for financial year 2019-20, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditors are a part.

13. SUBSIDIARY COMPANIES

The audit committee reviews the Standalone and Consolidated financial statements of the Company and the investments made in 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 companies.

14. MEANS OF COMMUNICATION

- a. The unaudited 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.
- b. The quarterly unaudited and annual audited financial statements are generally published in all editions of the Business Standard and Lakshdeep, 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.
- c. The Company also makes presentations to investors from time to time.
- d. Management Discussion and Analysis forms part of this Annual Report.

15. GENERAL SHAREHOLDER INFORMATION**15.1 Annual General Meeting**

Date and time	:	December 17, 2020 at 3:00 P.M.
Meeting through	:	VC or Other Audio Visual Mode

15.2 Financial calendar (tentative) for financial year April 1, 2020 to March 31, 2021

A	Board meetings to consider financial results	
	Before August 14, 2020	: Results for the first quarter
	Before November 14, 2020	: Results for the second quarter
	Before February 14, 2021	: Results for the third quarter
	Before May 30, 2021	: Results for the fourth quarter and year ending March 31, 2021
B	Annual General Meeting	: September, 2021

15.3 Date of book closure : December 10, 2020 to December 17, 2020 (both days inclusive)**15.4 Dividend payment date** : Not applicable**15.5 Listing on Stock Exchanges** :

a.	Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400023
b.	National Stock Exchange of India Ltd Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051

15.6 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.

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

Period (As on March 31, 2019 and March 31, 2020)	% change in Company's share price	% change in Indices
BSE-Sensex	(57.51)	(23.80)
NSE-Nifty	(60.69)	(26.03)

15.8 Market price data:

	NSE		BSE	
	Month's high price (₹)	Month's low price (₹)	Month's high price (₹)	Month's low price (₹)
April 2019	19.00	15.45	21.45	16.10
May 2019	19.90	13.00	19.65	14.95
June 2019	19.45	15.30	18.75	16.50
July 2019	17.00	14.30	17.50	14.05
August 2019	16.25	13.20	16.40	14.85
September 2019	17.30	13.30	16.49	13.24
October 2019	15.45	12.10	14.79	12.60
November 2019	15.10	13.20	15.40	11.60
December 2019	19.50	13.30	18.43	12.18
January 2020	19.40	13.65	19.75	14.90
February 2020	17.50	13.15	18.05	15.40
March 2020	14.75	7.05	14.84	7.05

15.9 Registrar and transfer agents : Link Intime India Private Ltd

15.10 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.

15.11 Distribution of shareholding as on March 31, 2020

Equity shares of face value of ₹ 10 each					
Shares of nominal value of ₹	Number of shareholders	%	Number of shares	Share amount in (₹)	%
Up to 5,000	4,015	79.79	592,307	5,923,070	4.09
5,001 to 10,000	473	9.40	400,206	4,002,060	2.77
10,001 to 20,000	230	4.57	360,022	3,600,220	2.49
20,001 to 30,000	85	1.69	221,236	2,212,360	1.53
30,001 to 40,000	40	0.79	140,942	1,409,420	0.97
40,001 to 50,000	39	0.78	183,108	1,831,080	1.27
50,001 to 100,000	72	1.43	523,279	5,232,790	3.62
100,001 and above	78	1.55	12,045,900	120,459,000	83.26
Total	5,032	100.00	14,467,000	144,670,000	100.00

Distribution of shareholding as on March 31, 2020 (Category wise)

Particulars	%
Promoters holding	49.89
Banks and Financial Institutions	1.27
Insurance Companies	0.17
Clearing Member	0.09
Trust	0.02
Public and private corporate bodies	7.62
NRIs/ OCBs	0.21
Indian public and others	37.58
Other Directors	0.59
HUF	2.56
Total	100.00

15.12 Dematerialization of shares and liquidity:

About 14,462,770 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, 2020. 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.

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

15.14 Plant locations : The Company has no plant.

15.15 Address for investor correspondence
Registrar and share transfer agent
Link Intime India Pvt Ltd
Unit: Pritish Nandy Communications Ltd
C-101, 247 Park,
LBS Marg, Vikhroli (West),
Mumbai 400083
Tel : 022-49186000
Fax : 022-49186060
Email : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

Company
The Company Secretary
Pritish Nandy Communications Ltd
87/88, Mittal Chambers,
Nariman Point,
Mumbai 400021
Tel : 022-4213 00 00
Fax : 022-4213 00 33
email : investorgrievance@prishnandycom.com
Website : www.pritishnandycom.com

OTHER INFORMATION

a. Listing fees for the financial year 2020-21 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.pritishnandy.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 Pallab Bhattacharya, Wholetime Director and CEO and Kishor Palkar, CFO of the Company on the financial statement of the Company was placed before the Board.

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Kishor Palkar
Chief Financial Officer

Mumbai, June 30, 2020

DECLARATION BY CEO

I, Pallab Bhattacharya, Wholetime 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 website www.pritishnandy.com. I further confirm that the Company has received a declaration of compliance with the Code of Conduct for the year ended March 31, 2020 from Members of its Board and senior management personnel.

Mumbai, June 30, 2020

Pallab Bhattacharya
Wholetime Director and CEO

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
PRITISH NANDY COMMUNICATIONS LIMITED

1. We, BD Jekhakar & Co., Chartered Accountants, the Statutory Auditors of Pritish Nandy Communications Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2020, as per Regulations 17 to 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 ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining 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.

4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. 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

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, 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 during the year ended March 31, 2020.

8. 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.

Restrictions on use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For BD Jekhakar & Co.
Chartered Accountants
Firm Registration No.104345W

Pramod Prabhudesai
Partner
Membership No. 032992

Mumbai, June 30, 2020

INDEPENDENT AUDITOR'S REPORT

To
 The Members
 PRITISH NANDY COMMUNICATIONS LIMITED
 Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of PRITISH NANDY COMMUNICATIONS LIMITED ("the Company"), which comprise the Balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to Note 36 (a) on the standalone financial statements which relates to investment in wholly owned subsidiary company "PNC Wellness Ltd.". The investment in this subsidiary stands at ₹ 58.20 lakh whereas the net worth of the subsidiary is ₹ 32.79 lakh as at March 31, 2020. Considering that the Company has made provision for diminution in value of investment in this subsidiary of 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 36 (b) on the standalone 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 ₹ 7.42 lakh as at March 31, 2020. The Company has agreed to provide its films to this subsidiary company 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 38 (a) on the standalone financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹ 150 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 standalone financial statements which describes that the Company has received an award of ₹ 352 lakh in its favour in the arbitration case filed against White Feather Films. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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 and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 39 on the standalone 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 A M 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 46 to the standalone financial statements, which describes the impact of COVID-19 pandemic on the operations of the Company.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- a. Valuation of Inventory (as described in Note 9 and 2.5 of the standalone financial statements)

Description of Key Audit Matter:

Inventory includes cinematic content and television content. Cinematic content includes incomplete cinematic content, abandoned cinematic content and completed cinematic content. Television content includes unexploited television content, unfinished television content, production property and exploited television content.

Considering the distinctiveness of each type of inventory, the industry in which the Company is operating, and the peculiarity involved makes valuation a complex exercise. Additionally, the allocation of cost is done on the basis of genre, nature of the cinematic content involving significant judgments and estimates by the management. The value of the Company's Inventories as at March 31, 2020 amounts to ₹ 5,698.40 lakhs, which is a significant component of the Balance Sheet. Therefore, we have considered it to be a key audit matter.

Description of Auditor's response:

We have gained adequate understanding of the nature of Inventories and applied the prescriptions given in Ind AS 2 in their context.

We analyzed the valuation approaches adopted by management for each class of Inventories for their appropriateness. We also audited the methodology used by the Company and verified reasonableness of costs allocated and estimates applied by the Company including useful life of the content, implications of technological changes and other factors mention in Note 40 to the standalone financial statements. Further we have reviewed the valuation carried out on the basis of the accounting policy including realizations made in the past and expectation of future potential to earn there from. Finally, the appropriateness and adequacy of the presentation and disclosure of Inventory in the financial statements was audited.

- b. Amortisation of Inventory (as described in Note 2.5 and Note 40 of the standalone financial statements)

Description of Key Audit Matter:

Inventory of Company are intangible in nature. Determination of useful life of Intangible assets involves significant estimates by the management which involves the expected usage of the asset by the Company, product life cycles, technical, technological or other types of obsolescence, and various other factors mentioned in Note 40 to the standalone financial statements. Cost of inventory is divided into components such as Music Rights, Rights other than music such as theatrical rights, satellite, others and residual rights. Each of these components of costs are amortised by the management over their respective estimated useful lives as described in Note 2.5 and Note 40 to the standalone financial statements.

Considering the significant estimates involved by the management and its complexity, we have considered it to be a Key audit matter.

Description of Auditor's response:

Audit procedure included detailed review of rationale documented by the management for ascertaining useful life of intangible assets, basis of allocation of costs into different categories, basis of its amortization as per manner provided in Note 2.5 and Note 40 to the standalone financial statements. In addition we also verified the industry practice, past trends, examined the transactions to ascertain that amortization is in accordance with accounting policy.

- c. Revenue Recognition (as described in Note 2.8 and Note 25 of the standalone financial statements)

Description of Key Audit Matter:

Revenue (as disclosed in Note 25) from each stream of income is contracted uniquely based on number of factors. Costs incurred from conceptualisation onwards are typical to the industry and the Company considering the uncertainty and measurability of eventual success of a project. There are often timing differences between when revenue/ cost invoiced/ incurred to when revenue/ cost is actually earned/ charged. The resultant bifurcation between accruals and deferrals are brought to account at each reporting date.

The accounting policies for revenue recognition are set out in Note 2.8 to the standalone financial statements. This is considered to be a key audit matter due to significance of revenue in the Statement of Profit and Loss and the complexity involved in the revenue cycle for determination of existence, accuracy and timing of revenue recognition.

Description of Auditor's response:

Audit procedure relating to existence, accuracy and timing of revenue recognition included reading the terms and conditions of contracts relating to different classes of contracts, examination of transactions, cut off procedures to check that revenue is accrued in the correct accounting period, review of controls and analytical procedures covering revenue, direct costs and margins for different revenue streams were audited amongst other things.

- d. Advance for Content (as described in Note 8 of the standalone financial statements)

Description of Key Audit Matter:

Company carries out number of long term in-house content development projects for which it incurs costs for title registration, advances to writers, preshoot expenses, advance for finalizing cast, professional fees etc. These amounts have different ageing depending on the progress of each project. These costs are classified as "Advance for Content" amounting to ₹ 1,895.36 lakh as at March 31, 2020 which is a significant component of the Balance Sheet. Therefore, we have considered it to be a key audit matter.

Description of Auditor's response:

Audit procedure included understanding from the technical team about its realizable value, its future viability and management contention to continue with the project including considerations for write off/ impairment based on future plans of the Company. We verify the existence of title in the name of the Company, the agreements, and obtaining confirmation for material amounts. Finally, the appropriateness and adequacy of the presentation and disclosure of Advance for Content in the financial statements was audited.

OTHER INFORMATION

The Company's Board of Directors is responsible for the preparation of the other information. The Other information comprises the information included in the Chairman's Statement, Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. During the year term of Mr Pallab Bhattacharya and Ms Rangita Prithish Nandy have expired on February 17, 2020 and February 18, 2020 respectively and the appointment thereafter will be subject to the approval of Shareholders in the ensuing Annual General Meeting.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 and 39 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B.D Jokhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Pramod Prabhudesai
Partner
Membership No.032992

8 Ambalal Doshi Marg, Fort, Mumbai 400001
UDIN: 20032992AAAABU6533

Mumbai, June 30, 2020

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 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, unamortised 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, goods and services tax, 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, 2020 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, goods and 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, 2020 are as given below:

Name of the statute	Nature of the dues	Amount in lakhs*	Period to which it relates	Forum where dispute is pending
MVAT Act, 2002	Tax, Interest and Penalty	2.85	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

- *Interim Stay has been granted in these matters till disposal of respective first appeals.
- 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. 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.
 - x. 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.
 - xi. 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.
 - xii. 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. During the year term of Mr Pallab Bhattacharya and Ms Rangita Pritish Nandy have expired on February 17, 2020 and February 18, 2020 respectively and the appointment thereafter will be subject to the approval of Shareholders in the ensuing Annual General Meeting.
 - xiii. 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.
 - xiv. 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 financial statements as required by the applicable accounting standards.
 - xv. 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.
 - xvi. 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.
 - xvii. 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 Jkhakar & Co.
 Chartered Accountants
 Firm Registration No: 104345W

Pramod Prabhudesai

Partner

Membership No.032992

8 Ambalal Doshi Marg, Fort, Mumbai 400001

UDIN: 20032992AAAABU6533

Mumbai, June 30, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of Independent Auditors' Report on standalone 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 Pritish Nandy Communications Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BD Jkhakar & Co.
 Chartered Accountants
 Firm Registration No: 104345W

Pramod Prabhudesai

Partner

Membership No.032992

8 Ambalal Doshi Marg, Fort, Mumbai 400001

UDIN: 20032992AAAABU6533

Mumbai, June 30, 2020

Particulars	Note no.	(In ₹ lakh)	
		As at March 31, 2020	As at March 31, 2019
I. ASSETS			
Non-current assets			
a. Property, plant and equipment	3	173.28	195.99
b. Financial assets			
i. Investments	4	128.40	186.60
ii. Trade receivables	5	0.00	43.48
iii. Other financial assets	6	1,143.94	1,142.54
c. Income tax assets (net)	7	151.53	81.95
d. Other non-current assets	8	1,900.27	1,846.59
Total non current assets		3,497.42	3,497.15
II. Current assets			
a. Inventories	9	5,698.40	5,698.40
b. Financial assets			
i. Trade receivables	10	24.49	419.93
ii. Cash and cash equivalents	11	828.88	292.23
iii. Bank balances other than (ii) above	12	470.70	458.42
iv. Other financial assets	13	37.01	62.71
c. Other current assets	14	17.04	25.25
Total current assets		7,076.52	6,956.94
TOTAL ASSETS		10,573.94	10,454.09
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	15	1,446.70	1,446.70
b. Other equity	16	6,834.07	6,751.77
Total equity		8,280.77	8,198.47
LIABILITIES			
I Non-current liabilities			
a. Financial liabilities			
i. Borrowings	17	98.01	112.86
ii. Trade payables			
Total outstanding dues to			
Micro enterprises and small enterprises		0.00	0.00
Creditors other than micro enterprises and small enterprises	18	150.94	150.94
iii. Other financial liabilities	19	31.62	31.62
b. Deferred tax liabilities (net)	20	1,077.95	1,090.63
Total non-current liabilities		1,358.52	1,386.05
II. Current liabilities			
a. Financial liabilities			
i. Borrowings	21	137.60	295.11
ii. Trade payables			
Total outstanding dues to			
Micro enterprises and small enterprises		0.00	0.00
Creditors other than micro enterprises and small enterprises	22	45.72	84.43
iii. Other financial liabilities	23	26.94	23.73
b. Other current liabilities	24	724.39	466.30
Total current liabilities		934.65	869.57
TOTAL LIABILITIES		2,293.17	2,255.62
TOTAL EQUITY AND LIABILITIES		10,573.94	10,454.09
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our attached report of even date
For BD Jokhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholtime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

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(In ₹ lakh)

	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
I. Revenue from operations	25	2,728.27	1,504.27
II. Other income	26	69.39	64.64
III. Total income (I+II)		2,797.66	1,568.91
IV. EXPENSES			
Cost of content	27	2,131.17	837.82
Changes in inventories of content	28	0.00	104.59
Employee benefits expense	29	194.63	148.08
Finance costs	30	53.65	57.04
Depreciation and amortisation expense	3	27.28	21.26
Other expenses	31	324.89	314.11
Total expenses (IV)		2,731.62	1,482.90
V. Profit/ (loss) before tax (III-IV)		66.04	86.01
VI. Tax expense			
Current tax		14.50	26.26
Deferred tax		(12.68)	(35.06)
Short/ (excess) provision for tax (earlier years)		(23.87)	0.97
Total tax expense (VI)		(22.05)	(7.83)
VII. Profit/ (Loss) for the period (V-VI)		88.09	93.84
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)		(5.79)	(3.01)
Other comprehensive income, net of tax (VIII)		(5.79)	(3.01)
IX. Total comprehensive income for the period (VII+VIII)		82.30	90.83
X. Earnings per equity share (Face value of ₹ 10)			
Basic and diluted	42	0.61	0.65
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our attached report of even date
For BD Jokhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

STATEMENT OF CASH FLOWS

BRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax	66.04	86.01
Adjustment for		
Advances written off	0.00	5.49
Depreciation and amortisation	27.28	21.26
Finance costs	53.65	57.04
Diminution in value of investments	58.20	58.20
Bad debts written off	49.00	0.00
Loss on sale of assets	0.36	17.11
Property, plant and equipment written off	0.26	0.00
Centvat credit of service tax/ VAT written off	0.00	12.83
Expected credit loss	2.72	0.00
Trade payable balances written back	(0.71)	(29.71)
Proceeds from sale of investments	0.00	(0.15)
Interest on fixed deposit	(37.10)	(31.50)
Operating profit before working capital changes	219.70	196.58
Adjusted for		
Trade receivables	6.00	22.00
Other non-current financial assets	(1.40)	4.85
Other non-current assets	(53.68)	(43.05)
Cinematic and television content	0.00	104.59
Current trade receivables	381.20	(361.58)
Other financial assets	25.70	52.75
Current tax assets	(60.21)	(23.79)
Other current assets	2.41	(23.90)
Bank balance other than cash and cash equivalent	(12.28)	9.58
Non current trade payable	0.00	(17.63)
Current trade payables	(38.00)	(26.23)
Other current financial liabilities	3.22	(0.03)
Other current liabilities	258.09	249.00
Cash generated from operations	730.75	143.14
Direct taxes paid	0.00	0.00
Net cash flow from operating activities (A)	730.75	143.14
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment to acquire property, plant and equipment	(5.70)	(177.34)
Proceeds from sale of property, plant and equipment	0.51	53.22
Proceeds from sale of investments	0.00	0.15
Interest on fixed deposit	37.10	31.50
Net cash from/ (used in) investing activities (B)	31.91	(92.47)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	0.00	110.63
Repayment of non current borrowing	(14.85)	(60.41)
Proceeds from current borrowing	0.00	66.50
Repayment of current borrowing	(157.51)	(128.64)
Finance and other charges paid	(53.65)	(57.04)
Net cash from/ (used in) financing activities (C)	(226.01)	(68.96)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	536.65	(18.29)
Cash and cash equivalents at the beginning of the financial year	292.23	310.52
Cash and cash equivalents at the end of the financial year	828.88	292.23

Notes

- i. 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 as amended.
- ii. Refer Note 17.2 for a reconciliation of changes in liabilities arising from financing activities
- iii. Figures in brackets represents deductions/ outflows.
- iv. Previous year's figures have been regrouped wherever necessary..

As per our attached report of even date
For BD Jekhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

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A. EQUITY SHARE CAPITAL

Equity shares of Face value of ₹ 10 each

(In ₹ lakh)

Year	Note No.	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
Financial Year 2018-19	15	1,446.70	0.00	1,446.70
Financial Year 2019-20	15	1,446.70	0.00	1,446.70

B. OTHER EQUITY

(In ₹ lakh)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium	General reserves	Retained earnings	
As at March 31, 2018	0.37	6,719.59	220.98	(280.00)	6,660.94
Profit/ (loss) for the year ended March 31, 2019	0.00	0.00	0.00	93.84	93.84
Other comprehensive income	0.00	0.00	0.00	(3.01)	(3.01)
Total comprehensive income for the year ended March 31, 2019	0.00	0.00	0.00	90.83	90.83
As at March 31, 2019	0.37	6,719.59	220.98	(189.17)	6,751.77
Profit/ (loss) for the year ended March 31, 2020	0.00	0.00	0.00	88.09	88.09
Other comprehensive income	0.00	0.00	0.00	(5.79)	(5.79)
Total comprehensive income for the year ended March 31, 2020	0.00	0.00	0.00	82.30	82.30
As at March 31, 2020	0.37	6,719.59	220.98	(106.87)	6,834.07

Significant accounting policies

2

Notes to accounts form an integral part of financial statements

1 to 48

As per our attached report of even date
For BD Jekhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

Corporate information

British 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 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.

These financial statements for the year ended March 31, 2020 were approved for issue by the Board of Directors on June 30, 2020.

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

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as "the Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on accrual and going concern basis.

1.2 Historical cost convention

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

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

1.3 Rounding of amounts

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

1.4 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April, 2020.

1.5 Significant estimates, judgments 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 expenses 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 recognised in the period in which results are known or materialised.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations
- Measurement and likelihood of occurrence of contingencies
- Recognition of deferred tax assets
- Inventory valuation/ useful life of cinematic content

1.6 Current and non-current classification

Operating cycle of the Company is ascertained as twelve months as per the criteria set out in Division II of Schedule III of the Act. Accordingly, all assets and liabilities have been classified as current or non-current.

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.

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.

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.

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 on disposal 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.

2.2 Impairment of property, plant and equipment and intangible assets

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 value 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.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss section of the statement of profit and loss.

2.3 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated and continues to be reported under Ind AS 17.

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

As a Lessee:

The Company's lease asset classes primarily consist of leases for premises. The Company, at the inception of a contract, assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company shall use the incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

In the comparative period,

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.

Operating Lease payments are recognised on straight line basis over the lease period in the Consolidated Statement of Profit and Loss account unless increase is on account of inflation.

There is no impact due to change in accounting standard as all leases entered by the Company are short-term leases that have a lease term of 12 months or less and leases of low-value assets. Accordingly, no additional disclosures are made

2.4 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 up to 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.

2.5 Inventory

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 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, Rights other than Music and Residual 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	1 st	2 nd	3 rd	Residual Value
	Telecast	Telecast	Telecast	
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.

2.6 Financial Instruments:

a. Financial assets: 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. In the case of financial assets not recorded at fair value through profit or loss, financial assets are recognised initially at fair value plus, 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

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i. 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.

ii. 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

iii. 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. 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".

e. 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. Note 45 details how the Company assesses the impairment losses.

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.

f. 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 through statement of profit and loss or other comprehensive income as applicable.

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.

g. 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 contracts 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.

2.7 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 contracts 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 borrowing spending 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.

2.8 Revenue recognition

The Company derives revenues primarily from sale of owned content and commissioned content/ Web series.

Effective April 1, 2018, The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provides a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised content to customers in an amount that reflects the consideration the Company expects to receive in exchange for those contents.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time:

- i. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
- ii. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The following criteria are applied by the Company in respect of various components of revenue:

Content produced/ acquired	Criteria for revenue recognition
a. Commissioned content/ Web series	On the date of delivery of contracted deliverables/ on completion of performance obligation
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
Interest income	On accrual basis, using the effective interest method for financial assets measured at amortized cost and at FVTOCI.

2.9 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.

2.10 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 and any attributed tax thereto 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.

2.11 Foreign currency transactions

a. Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('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.

b. Transactions and balances

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).

2.12 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 is 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 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.

d. Other long term employment benefits

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.

2.13 Provisions, and contingent liabilities

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.

2.14 Segment reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the Wholtime Directors who assesses the financial performance and position of the Company, and makes strategic decisions. Refer Note 44 for segment information presented.

3. PROPERTY, PLANT AND EQUIPMENT

(In ₹ lakh)

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computer, printer and software	Total
Gross carrying value, at cost					
As at March 31, 2018	2.86	126.38	12.04	19.86	161.14
Additions during the year 2018-19	0.00	171.15	3.73	2.44	177.32
Disposal/ transfer during the year 2018-19	0.00	108.47	0.00	0.00	108.47
As at March 31, 2019	2.86	189.06	15.77	22.30	229.99
Additions during the year 2019-20	0.00	0.00	2.36	3.35	5.71
Disposal/ transfer during the year 2019-20	0.68	0.00	5.11	7.89	13.68
As at March 31, 2020	2.18	189.06	13.02	17.76	222.02
Accumulated depreciation/ amortisation					
As at March 31, 2018	1.24	27.89	5.18	16.58	50.89
Charges for the year 2018-19	0.30	17.11	2.28	1.57	21.26
Disposal/ transfer during 2018-19	0.00	38.15	0.00	0.00	38.15
As at March 31, 2019	1.54	6.85	7.46	18.15	34.00
Charges for the year 2019-20	0.28	22.51	2.44	2.05	27.28
Disposal/ transfer during 2019-20	0.65	0.00	4.41	7.48	12.54
As at March 31, 2020	1.17	29.36	5.49	12.72	48.74
Net book value					
As at March 31, 2020	1.01	159.70	7.53	5.04	173.28
As at March 31, 2019	1.32	182.21	8.31	4.15	195.99

4. NON CURRENT INVESTMENT

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in equity instruments		
Unquoted		
Investments carried at cost		
i. In wholly owned subsidiaries		
PNC Wellness Ltd		
660,000 (PY: 660,000) equity shares (Face value ₹ 10)	291.00	291.00
Less: Impairment in the value of investment till beginning of the year	(174.60)	(116.40)
Less: Impairment in the value of investment for current year	(58.20)	(58.20)
Total (i)	58.20	116.40
ii. In Subsidiaries		
PNC Digital Ltd		
498,900 (PY: 498,900) equity shares (Face value ₹ 10/-) (Extent of holding 99.78%)	90.20	90.20
Less: Impairment in the value of investment till beginning of the year	(20.00)	(20.00)
Less: Impairment in the value of investment for current year	0.00	0.00
Total (ii)	70.20	70.20
Total (i + ii)	128.40	186.60
Aggregate amount of unquoted investments	128.40	186.60
Aggregate amount of impairment in the value of investments	(252.80)	(194.60)

5. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	0.00	43.48
Total	0.00	43.48

6. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
a. Security deposits for utilities and premises	22.29	20.89
b. Others	1,121.65	1,121.65
Total	1,143.94	1,142.54

7. INCOME TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax	151.53	81.95
Total	151.53	81.95

8. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances other than capital advances		
Other advances		
a. i. Balance with government authority	0.40	17.17
ii. Other receivable		
Deferred rent expenses	4.51	6.05
Total (a)	4.91	23.22
b. Advance for content	1,895.36	1,823.37
Total (b)	1,895.36	1,823.37
Total (a + b)	1,900.27	1,846.59

9. INVENTORIES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Cinematic and television content		
Unamortised content	4,163.54	4,163.54
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
Total	5,698.40	5,698.40

Refer note number 2.5 (a) & (b) of accounting policies for method of valuation

10. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	27.21	419.93
Less: Provision for expected credit loss	(2.72)	0.00
Total	24.49	419.93

11. CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Balances with banks		
i. Fixed deposits with maturity of less than three months	820.74	0.00
ii. In current accounts	8.10	292.19
b. Cash on hand	0.04	0.04
Total	828.88	292.23

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank deposits with original maturity of more than three months but less than twelve months	470.60	458.32
Balances with banks (Non-operative)	0.10	0.10
Total	470.70	458.42

13. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
a. Security deposits	0.96	0.96
b. Advances to related parties	19.54	18.93
c. Others	16.51	42.82
Total	37.01	62.71

14. OTHER CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances other than capital advances		
a. Other advances	2.46	5.08
b. Prepaid expense	14.58	20.17
Total	17.04	25.25

15. EQUITY SHARE CAPITAL

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
20,000,000 (PY: 20,000,000) Equity shares of ₹10 each	2,000.00	2,000.00
Total	2,000.00	2,000.00
Issued, Subscribed and fully paid		
14,467,000 (PY: 14,467,000) Equity shares of ₹10 each	1,446.70	1,446.70
Total	1,446.70	1,446.70

15.1 Reconciliation of number of shares (Equity)

(In ₹ lakh, except number of shares data)

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number 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
Number of shares outstanding as at the end of the year	14,467,000	1,446.70	14,467,000	1,446.70

15.2 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.

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

(In ₹ lakh, except number of shares data)

Name of the shareholders	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% held	Number of shares	% held
British Nandy	2,952,197	20.41	2,952,197	20.41
Ideas.com India Pvt Ltd	1,713,140	11.84	1,210,565	8.37
Artinvest India Pvt Ltd	1,608,978	11.12	1,394,789	9.64
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34
Ganon Dunkerley Finance Ltd	902,842	6.24	1,402,842	9.70

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

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve		
Balance at beginning of the year	0.37	0.37
Balance at the end of the year	0.37	0.37
Securities premium		
Balance at the beginning of the year	6,719.59	6,719.59
Balance at the end of the year	6,719.59	6,719.59
General reserves		
Balance at the beginning of the year	220.98	220.98
Balance at the end of the year	220.98	220.98
Retained earnings		
Balance at the beginning of the year	(189.17)	(280.00)
Add: Profit/ (loss) for the year	88.09	93.84
Add: Other comprehensive income	(5.79)	(3.01)
Balance at end of year	(106.87)	(189.17)
TOTAL	6,834.07	6,751.77

Nature and purpose of other reserve

- a. Capital reserve:
This represents profit earned by the Company before receipt of incorporation certificate.
- b. Securities premium:
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- c. General reserve
General reserve represents the amount appropriated out of retained earnings pursuant to the earlier provisions of Companies Act, 1956.
- d. Retained earnings
Retained earnings are the profits/ losses that company has earned/ incurred till date, as reduced by transfer to reserves, dividend or other distribution paid to the share holders and transfer from/ to OCI.

17. BORROWINGS

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Secured		
Term loans		
From other than banks		
a. Loan from Kotak Mahindra Prime Limited	3.63	6.79
Secured against the hypothecation of vehicles		
b. Loan from BMW Financial Services	94.38	106.07
Secured against the hypothecation of vehicles.		
Total	98.01	112.86

17.1 Terms of repayment in respect of borrowings as referred in Note 17 and 23:

Particulars	Number of instalments	Rate of interest	EMI (₹)	Amount outstanding as on March 31, 2020 (in ₹ lakh)	Payable upto
a. Kotak Mahindra Prime Limited					
Loan 1	36	9.22%	17,354	3.94	April 2022
Loan 2	36	9.22%	13,080	2.85	March 2022
b. BMW Financial Services					
Loan 1	36	8.99%	46,990	24.44	October 2022
Loan 2	36	9.50%	64,476	40.73	March 2023
Loan 3	36	9.50%	62,779	40.90	March 2023

17.2 Amendment to Ind AS 7

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:

Particulars	Note number	Opening balance as on April 1, 2019	Financing cash flow changes	Non cash flow changes		Closing balance as on March 31, 2020
				Effect of changes in foreign exchange rates	Effect of effective interest rate and others	
Non-current liabilities						
-Borrowings	17	112.87	14.86	0.00	0.00	98.01
Current liabilities						
-Borrowings	21 & 23	308.64	(156.19)	0.00	0.00	152.45
Interest expense and other borrowing costs	30		53.65	0.00	0.00	53.65
Interest expense and other borrowing costs paid			(51.75)	0.00	0.00	(51.75)
Total		421.51	169.15	0.00	0.00	252.36

18. TRADE PAYABLES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Total outstanding dues to micro enterprises and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	150.94	150.94
Total	150.94	150.94

* Refer note no. 35 of notes to the financial statements for Micro, Small and Medium Enterprises disclosures

19. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Advances	31.62	31.62
Total	31.62	31.62

20. DEFERRED TAX LIABILITIES (NET)

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
a. Deferred tax liabilities		
Depreciation on property, plant, & equipment	(8.81)	(11.26)
Total (a)	(8.81)	(11.26)
b. Reversal of deferred tax (assets)/ liabilities		
Unamortised content	1,152.49	1,152.49
Diminution in the value of investments	(65.73)	(50.60)
Total (b)	1,086.76	1,101.89
Total (a+b)	1,077.95	1,090.63

21. BORROWINGS

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Secured		
Loans repayable on demand		
From banks	137.60	295.11
(Exclusive charge on all current assets and movable fixed assets, both present and future.)		
Total	137.60	295.11

Refer Note 17.2 of notes to the financial statements

22. TRADE PAYABLE

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Total outstanding dues to micro enterprises and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	45.72	84.43
Total	45.72	84.43

*Refer Note No. 35 of notes to the financial statements for Micro, Small and Medium Enterprises disclosures

23. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Secured		
a. Current maturity of long term debt*	14.85	13.54
b. Others		
Interest on overdraft account (Refer Note 21. for nature of security)	1.90	0.00
Unsecured		
Others		
Amount payable to related parties	10.19	10.19
Total	26.94	23.73

*Refer Note 17.1 and 17.2 of notes to the financial statements.

24. OTHER CURRENT LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
a. Revenue received in advance	328.45	125.00
b. Other advances	11.31	11.25
c. Others:		
i. Statutory dues	114.60	110.42
ii. Amount payable for projects & assignments	270.03	219.63
Total	724.39	466.30

25. REVENUE FROM OPERATION

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of owned content	0.90	210.22
Income from commissioned content/ web series	2,727.37	1,294.05
Total	2,728.27	1,504.27

25.1 Revenue from contract with customer disaggregated based on geography.

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Domestic	2,727.37	1,457.86
Export	0.90	46.41
Total	2,728.27	1,504.27

25.2 Revenue recognised from contract liability (advances from customers)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Closing contract liability	328.45	125.00
Total	328.45	125.00

26. OTHER INCOME

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Interest income	37.10	34.73
b. Miscellaneous income	32.29	29.91
Total	69.39	64.64

27. COST OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Cost of the content	2,131.17	837.82
Total	2,131.17	837.82

28. CHANGES IN INVENTORIES OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance		
Unamortised content	4,163.54	4,232.38
Unexploited content	1,504.86	1,476.90
Unfinished content	30.00	93.71
Total (A)	5,698.40	5,802.99
Closing balance		
Unamortised content	4,163.54	4,163.54
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
Total (B)	5,698.40	5,698.40
Net (increase)/ decrease (A-B)	0.00	104.59

29. EMPLOYEE BENEFITS EXPENSE

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries	192.33	145.78
Contribution to provident fund	0.00	0.48
Contribution to gratuity fund	2.30	1.82
Total	194.63	148.08

30. FINANCE COST

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense	37.46	40.72
Other borrowing costs	16.19	16.32
Total	53.65	57.04

31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditor's remuneration (Refer Note 43)	5.10	4.55
Bad debts written off	49.00	0.00
Business promotion expenses	11.54	11.74
Rates and taxes	0.00	22.67
Communications expenses	2.20	2.93
Contract service expenses	29.30	27.03
Conveyance and motor car expenses	18.35	20.27
Directors' sitting fees	11.60	11.20
Insurance	2.03	3.24
Interest on statutory dues	0.52	2.51
Legal and professional expenses	11.31	22.14
Loss on sale of assets	0.36	17.11
Rent	66.53	66.44
Traveling and conveyance	9.57	5.72
Establishment and administrative expenses	49.28	38.36
Impairment in the value of investments	58.20	58.20
Total	324.89	314.11

32. CONTINGENT LIABILITIES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts in respects of:		
a. VAT liability	40.73	68.97
b. Other claims	1,501.00	1,501.00
Total	1,541.73	1,569.97

The above matters are currently being considered by the tax authorities/ various forums and the Company expects the outcome will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement/ decision pending with tax authorities/ various forums.

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:-

Every employee is entitled to a benefit equivalent to 15 days salary drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme, whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

a. Expenses recognised in statement of profit or loss

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	2.68	2.17
Net interest cost	(0.38)	(0.35)
Total	2.30	1.82

b. Expenses recognised in other comprehensive income (OCI) (In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (gains)/ losses on obligation for the period	6.01	3.23
Return on plan assets excluding interest income	(0.22)	(0.22)
Total	5.79	3.01

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined benefit obligation at the beginning of the year	65.52	55.72
Current service cost	2.68	2.17
Interest cost	5.09	4.39
Actuarial (gain)/ loss due to change in financial assumptions	3.98	0.41
Actuarial (gain)/ loss on obligation - due to experience adjustments	2.03	2.83
Defined benefit obligation at the end of year	79.30	65.52

d. Reconciliation of plan assets: (In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at the beginning of the year	70.50	60.22
Interest income	5.47	4.74
Employers contribution	5.31	5.32
Return on plan assets, excluding interest income	0.22	0.22
Fair value of plan assets at the end of the year	81.50	70.50

e. Net Asset/ (liability) recognised in the balance sheet (In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Present value of defined benefit obligation (DBO)	(79.30)	(65.52)
Fair value of plan assets	81.50	70.50
Net asset/ liability	2.20	4.98

f. The significant actuarial assumptions were as follows:

Actuarial assumption	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate	6.84%	7.76%
Attrition rate	2%	2%
Salary escalation rate	7%	7%
Rate of return on plan assets	6.84%	7.76%

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 March 31, 2020	For the year ended March 31, 2019
Projected benefit obligation on current assumptions	79.30	65.52
Delta effect of +1% change in rate of discounting	(4.30)	(3.22)
Delta effect of -1% change in rate of discounting	4.94	3.71
Delta effect of +1% change in rate of salary increase	1.37	1.98
Delta effect of -1% change in rate of salary increase	(1.95)	(1.77)
Delta effect of +1% change in rate of employee turnover	1.58	1.78
Delta effect of -1% change in rate of employee turnover	(1.74)	(1.97)

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.

There were no changes in the methods and assumptions used in preparing the sensitivity analysis from prior year.

Maturity analysis of the benefit payments: from the fund

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2020	For the year ended March 31, 2019
1 st following year	34.68	33.01
2 nd following year	1.58	1.32
3 rd following year	1.61	1.37
4 th following year	1.67	1.39
5 th following year	2.14	1.43
Sum of years 6 To 10	29.23	19.40
Sum of years 11 and above	63.33	59.15

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.

g. Risk Exposure

Gratuity is a defined benefit plan and company is exposed to number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

34. RELATED PARTY DISCLOSURES

Details relating to related parties/ persons and description of relationship are as under:

Name of the related party	Description of relationship
a. Subsidiaries	
i. PNC Digital Ltd	Subsidiary of the Company
ii. PNC Wellness Ltd	Subsidiary of the Company
b. Key Management Personnel	
i. Pallab Bhattacharya	Wholtime Director and CEO
ii. Rangita Pritish Nandy	Wholtime and Creative Director
iii. Kishor Palkar	Chief Financial Officer (w.e.f November 14, 2019)
iv. Santosh Gharat	Company Secretary and Chief Financial Officer (upto November 14, 2019)
v. Santosh Gharat	Company Secretary
c. Non-executive Directors and their relatives	
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 (upto December 7, 2018)
v. Raghu Palat	Non Executive, Independent Director
vi. Hema Malini	Non Executive, Independent Director
vii. Pradeep Guha	Non Executive, Independent Director (w.e.f. February 28, 2019)
viii. Ishita Pritish Nandy	Daughter of Non Executive Chairman
d. Close Family members of Key Management Personnel	
Rina Pritish Nandy	Mother of Rangita Nandy
Pritish Nandy	Father of Rangita Nandy
Ishita Pritish Nandy	Sister of Rangita Nandy

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

Nature of Relation	Nature of transaction	(In ₹ lakh)	
		As at March 31, 2020	As at March 31, 2019
Subsidiaries	Opening balance-receivable/ (payable) - net	8.74	6.65
	Advance paid back	0.00	0.03
	Advance given	0.61	2.06
	Balance outstanding as at year end receivable/ (payable) - net	9.35	8.74
Key management personnel and directors	Remuneration/ reimbursement	99.07	57.12
	Balance outstanding as at year end receivable/ (payable)	(0.71)	(5.24)
Non-executive directors and their relatives	Remuneration/ reimbursement/ sitting fees	53.60	41.05
	Professional fees	96.00	96.00
	Balance outstanding at year end receivable/ (payable)	(270.06)	(222.25)

Transactions with related parties have been done at arm's length and are in the ordinary course of business.

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 paid/ 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, 2020	As at March 31, 2019
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. INVESTMENT IN SUBSIDIARIES

a. PNC Wellness Ltd

The Company has an investment of ₹ 58.20 lakh (PY ₹ 116.40 lakh) in equity shares of wholly owned subsidiary viz PNC Wellness Ltd. The net worth of this subsidiary is ₹ 32.79 lakh as on March 31, 2020. There was no revenue generation by this subsidiary during the year under review. This Subsidiary, which owns several wellness brands like Moksh and sub brands like 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. 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 realisable. 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 (PY ₹ 70.20 lakh) in equity shares of subsidiary viz PNC Digital Limited. The net worth of this subsidiary is ₹ 7.42 lakh as on March 31, 2020. The Company has agreed to provide its films to this subsidiary company 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.

37. OPERATING LEASES (LESSEE)

a. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. All leases of the Company are short-term in nature and therefore no additional disclosure is provided as per Ind AS - 116.

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 payment is 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 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 the Company 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 lakh in its favour in the arbitration case filed against White Feather Films. Company has filed an Execution Application with the Bombay High Court for recovery of the Arbitral Award amount. The Execution Application will be mentioned before the Bombay High Court when it reopens. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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.

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. INVENTORIES

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 ₹ 2,587.45 lakh in respect of cinematic content having life of more than 10 years as on March 31, 2020, is not required to be made.

The details of cinematic and television content is as under

Particulars	(In ₹ lakh)		
	Cinematic content	Television & Web series content	Total
Gross carrying amount as at April 1, 2019	20,713.75	8,996.42	29,710.17
Add: Additions during the year 2019-20	0.00	2,131.17	2,131.17
Total	20,713.75	11,127.59	31,841.34
Less: Amortised up to March 31, 2019	15,306.75	8,705.02	24,011.77
Less: Amortised during the year 2019-20	0.00	2,131.17	2,131.17
Total amortised	15,306.75	10,836.19	26,142.94
Net carrying amount as at March 31, 2020	5,407.00	291.40	5,698.40

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, 2020 is ₹ 5,698.40. 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.

41. a. Reconciliation of tax expense

Particulars	(In ₹ lakh)	
	For year ended March 31, 2020	For year ended March 31, 2019
i. Income tax expenses:		
Current tax- in respect of the current year	14.50	26.26
Adjustments for current tax of prior periods	(23.87)	0.97
Deferred tax- in respect of the current year	(12.68)	(35.06)
Total	(22.05)	(7.83)
ii. Income tax recognised in other comprehensive Income		
Remeasurements of the defined benefit plans	0.00	0.00
Total	(22.05)	(7.83)

- b. A reconciliation between statutory income tax rate applicable to the Company and the effective income tax rate is as follows

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Current tax as per regular working		
Net profit before tax	66.04	86.01
Effective tax rate applicable to the Company	26%	26%
Tax amount as per the enacted income tax rate	17.17	22.36
Add: income tax on expenses not deductible in determining taxable profits	23.39	44.31
Less: income tax of allowances/ deductible	(11.85)	(8.71)
Less: income tax of setoff of brought forward losses	(28.71)	(57.96)
Net current tax	0.00	0.00
Current tax as per Minimum Alternative Tax		
Net profit after tax	88.09	93.85
Effective tax rate applicable to the Company	15.60%	19.24%
Tax amount as per the enacted income tax rate	13.74	18.06
Add: income tax on expenses not deductible in determining taxable profits	11.80	16.47
Less: income tax of allowances/ deductible	(11.06)	(32.14)
Add: Excess provision of tax (current year)	0.00	23.87
Net current tax	14.48	26.26
Net current tax - rounded off	14.50	26.26
Incremental deferred tax liabilities on account of change in property, plant and equipment	2.45	10.09
Reversible of deferred tax liabilities on account of change inventories	0.00	(24.67)
Incremental deferred tax assets on account of change in investment	(15.13)	(20.48)
Add: Short provision of tax (earlier year)	0.00	0.97
Less: Excess provision of tax (earlier year)	(23.87)	0.00
Total tax expense	(22.05)	(7.83)

- c. Deferred tax assets/ (liabilities)

(In ₹ lakh)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Depreciation on property, plant, and equipment	8.81	11.26
Unamortised content	(1,152.49)	(1,152.49)
Diminution in the value of investments	65.73	50.60
Total	(1,077.95)	(1,090.63)

- d. Reconciliation of deferred tax assets/ (liabilities) net

(In ₹ lakh)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Opening balance	(1,090.63)	(1,125.69)
Deferred tax (charge)/ credit recognised in:		
Statement of profit and loss	12.68	35.06
Recognised in retained earnings	0.00	0.00
Total	(1,077.95)	(1,090.63)

42. EARNING PER SHARE

(In ₹ lakh, except otherwise stated)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Profit after tax attributable to equity shareholders of the company	88.09	93.84
Weighted average number of equity shares (numbers in lakh)	144.67	144.67
Basic and Diluted earning per share (a/b) (amount in ₹)	0.61	0.65
Face value per equity share (amount in ₹)	10.00	10.00

43. AUDITOR'S REMUNERATION

(In ₹ lakh)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
As auditor:		
Statutory audit	3.85	3.35
Tax audit	0.50	0.45
For limited review report	0.75	0.75
Total	5.10	4.55

44. SEGMENT INFORMATION

The Company has presented data relating to its segments in its Consolidated Financial Statements. Accordingly, in term of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", no disclosure related to its segments are presented in the standalone financial statements. The Company operates in only one segment i.e. content.

45. FINANCIAL INSTRUMENT

- a. Methods and assumptions used to estimate the fair values

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

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term security deposits given were calculated based on cash flows discounted using a current bank rate applicable to Company's deposits with the bankers. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

Categories of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique :

Level 1 : unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : inputs which are not based on observable market data

(In ₹ lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost:				
Trade receivables	24.49	24.49	463.41	463.41
Cash and bank balances	1,299.58	1,299.58	750.65	750.65
Other financial assets	1,180.95	1,180.95	1,205.25	1,205.25
Measured at FVTPL	-	-	-	-
Measured at FVTOCI:	-	-	-	-
Total Financial assets	2,505.02	2,505.02	2,419.31	2,419.31
Financial liabilities				
Measured at amortised cost:				
Borrowings	235.61	235.61	407.97	407.97
Trade payable	196.66	196.66	235.37	235.37
Other financial liabilities	58.56	58.56	55.35	55.35
Total financial liabilities	490.83	490.83	698.69	698.69

- b. Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations including acquiring of PPE. The Company's principal financial assets include investments, trade and other receivables, and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk management. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

i. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and other financial instruments.

Interest rate risk:

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

As variations in interest rate are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of the Company's revenue and expenses are in Indian Rupees. Company also operates internationally with miniscule business transacted in foreign currency namely US Dollar and Singapore Dollar. Management considers currency risk to be low and hence does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

ii. Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits given, investments and balances at bank.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are well established companies besides in few cases Company receives advances from customers.

The risk of default is assessed as low.

iii. Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company actively monitors its cash flows to ensure there is sufficient cash available to meet its working capital requirements. Due to the dynamic nature of the underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's cash and cash equivalents on the basis of expected cash flow.

The table below summarises the maturity profile of the Company's financial liabilities as at March 31, 2020 based on contractual undiscounted payments:

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Carrying amount	490.83	698.69
Less than 12 months	210.26	403.27
More than 12 months	280.57	295.42

c. Capital risk management

The Board policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain the future development need of the business. The capital structure of the Company is based on Management's judgement of the appropriate balance of key elements in order to meet its strategic and day to day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. There were no changes to the Company's approach to capital management during the year.

Total Equity includes Capital Reserve, Securities Premium, General Reserve, Retained Earnings and Share Capital. Total Debt includes current debt plus non-current debt.

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Total debt	252.36	421.51
Total equity	8,280.77	8,198.47
Debt equity ratio	0.03	0.05

46. IMPACT OF COVID-19 ON THE COMPANY

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, the Company had to hold back the scheduled shoot of Season 3 of Four More Shots Please which was scheduled to commence in the third week of March. Another Original show planned for shooting in the current financial year 2020-21 has been delayed, as well as an anthology film shoot in which the Company was participating. We will be ready to start work on these shows and the film when normal life and work resumes and it is possible to commence filming safely with cast and crew. Meanwhile, work on the writing of other shows continues. This is one of the most important aspects of our production business and we hope to stay ready with what we have in hand. Meanwhile, the Company has made a detailed assessment of the impact of the pandemic on its business and cash flows. It being an unanticipated global event, our options are limited and we will require some more time to return to normalcy and what that new normal will be is a matter of intense international debate. The Company is working on the assumption that the setback caused to its business because of the pandemic will be only temporary and we can return to the floors in the current financial year. The Company does not anticipate material medium to long term risks to its business prospects. In fact, it appears from global reports, that the business of our clients, the streaming networks, has actually increased during the lockdown as millions of viewers have shifted to online entertainment as theatres remain closed both in India as well as in many parts of the world where our shows are viewed. As a preventive measure, the Company has reduced salaries of all its employees during the current financial year. It has also negotiated a reduced rent for the registered office and shut down its production office since shooting is currently not taking place. It has also taken several measures to preserve its available resources and cut overhead costs to bring down cash burn during the current period. It is possible the Company may face a cash crunch if the commencement of shoot gets delayed beyond the next six months. However, in the view of the management, the ability of the Company and constituents of the group to continue as a going concern shall not be affected. The safety of our employees, and the cast and crew of our shows is currently of paramount importance to us and till date no case of Covid 19 has been reported from among them. Production, when it commences, will take place under carefully drawn out safety protocols and abundant precaution, following necessary guidelines.

47. There are no subsequent events upto the date of issue of this financial statements - Except as mentioned in Note 46.

48. Previous year figures have been regrouped/ recast/ rearranged wherever necessary in order to conform with the current year's presentation.

As per our attached report of even date
For BD Johkakar & Co.
Chartered Accountants

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, June 30, 2020

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Kishor Palkar
Chief Financial Officer

Mumbai, June 30, 2020

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 Audit of Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of PRITISH NANDY COMMUNICATIONS LIMITED (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance sheet as at March 31, 2020, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Consolidated Cash Flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to Note 37 (a) on the consolidated financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹150 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 37(b) on the consolidated financial statements which describes that the Company has received an award of ₹ 352 lakh in its favour in the arbitration case filed against White Feather Films. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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 and consequently the Company has not made provision of any amount there against.

We further draw attention to Note 38 on the consolidated 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 A M 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 financial statements which relates to the retaining of deferred tax assets of ₹ 18.93 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 said note.

We further draw attention to note 46 to the consolidated financial statements, which describes the impact of COVID-19 pandemic on the operations of the Group.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

- a. Valuation of Inventory – the Holding Company (as described in Note 9 and 2.5 of the consolidated financial statements)

Description of Key Audit Matter:

Inventory includes cinematic content and television content. Cinematic content includes incomplete cinematic content, abandoned cinematic content and completed cinematic content. Television content includes unexploited television content, unfinished television content, production property and exploited television content.

Considering the distinctiveness of each type of inventory, the industry in which the Company is operating, and the peculiarity involved makes valuation a complex exercise. Additionally, the allocation of cost is done on the basis of genre, nature of the cinematic content involving significant judgments and estimates by the management. The value of the Company's Inventories as at March 31, 2020 amounts to ₹ 5,672.89 lakhs, which is a significant component of the Balance Sheet. Therefore, we have considered it to be a key audit matter.

Description of Auditor's response:

We have gained adequate understanding of the nature of Inventories and applied the prescriptions given in Ind AS 2 in their context.

We analyzed the valuation approaches adopted by management for each class of Inventories for their appropriateness. We also audited the methodology used by the Company and verified reasonableness of costs allocated and estimates applied by the Company including useful life of the content, implications of technological changes and other factors mention in Note 41 to the consolidated financial statements. Further we have reviewed the valuation carried out on the basis of the accounting policy including realizations made in the past and expectation of future potential to earn there from.

Finally, the appropriateness and adequacy of the presentation and disclosure of Inventory in the financial statements was audited.

- b. Amortisation of Inventory – the Holding Company (as described in Note 2.5 and Note 41 of the consolidated financial statements)

Description of Key Audit Matter:

Inventory of Company are intangible in nature. Determination of useful life of Intangible assets involves significant estimates by the management which involves the expected usage of the asset by the Company, product life cycles, technical, technological or other types of obsolescence, and various other factors mentioned in Note 41 to the consolidated financial statements. Cost of inventory is divided into components such as music rights, rights other than music such as theatrical rights, satellite, others and residual rights. Each of these components of costs are amortised by the management over their respective estimated useful lives as described in Note 2.5 and Note 41 to the consolidated financial statements.

Considering the significant estimates involved by the management and its complexity, we have considered it to be a Key audit matter.

Description of Auditor's response:

Audit procedure included detailed review of rationale documented by the management for ascertaining useful life of intangible assets, basis of allocation of costs into different categories, basis of its amortization as per manner provided in Note 2.5 and Note 41 to the consolidated financial statements. In addition we also verified the industry practice, past trends, examined the transactions to ascertain that amortization is in accordance with the accounting policy.

- c. Revenue Recognition - the Holding Company (as described in Note 2.8 and Note 25 of the consolidated financial statements)

Description of Key Audit Matter:

Revenue (as disclosed in Note 25) from each stream of income is contracted uniquely based on number of factors. Costs incurred from conceptualisation onwards are typical to the industry and the company considering the uncertainty and measurability of eventual success of a project. There are often timing differences between when revenue/ cost invoiced/ incurred to when revenue/ cost is actually earned/ charged. The resultant bifurcation between accruals and deferrals are brought to account at each reporting date.

The accounting policies for revenue recognition are set out in Note 2.8 to the consolidated financial statements. This is considered to be a key audit matter due to significance of revenue in the Statement of Profit and Loss and the complexity involved in the revenue cycle for determination of existence, accuracy and timing of revenue recognition.

Description of Auditor's response:

Audit procedure relating to existence, accuracy and timing of revenue recognition included reading the terms and conditions of contracts relating to different classes of contracts, examination of transactions, cut off procedures to check that revenue is accrued in the correct accounting period, review of controls and analytical procedures covering revenue, direct costs and margins for different revenue streams were audited amongst other things.

- d. Advance for Content – the Holding Company (as described in Note 8 of the consolidated financial statements)

Description of Key Audit Matter:

Company carries out number of long term in-house content development projects for which it incurs costs for title registration, advances to writers, preshoot expenses, advance for finalizing cast, professional fees etc. These amounts have different ageing depending on the progress of each project. These costs are classified as "Advance for Content" amounting to ₹1,895.36 lakh as at March 31, 2020 which is a significant component of the Balance Sheet. Therefore, we have considered it to be a key audit matter.

Description of Auditor's response:

Audit procedure included understanding from the technical team about its realizable value, its future viability and management contention to continue with the project including considerations for write off/ impairment based on future plans of the Company. We verify the existence of title in the name of the Company, the agreements, and obtaining confirmation for material amounts. Finally, the appropriateness and adequacy of the presentation and disclosure of Advance for Content in the financial statements was audited.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The Other information comprises the information included in the Chairman's Statement, Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133

of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Group 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. During the year term of Mr Pallab Bhattacharya and Ms Rangita Prithish Nandy have expired on February 17, 2020 and February 18, 2020 respectively and the appointment thereafter will be subject to the approval of Shareholders in the ensuing Annual General Meeting.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37, 38 and 39 to the consolidated financial statements.
 - ii. The Group 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 companies incorporated in India.

For BD Jkhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Pramod Prabhudesai
Partner
Membership No.032992
8 Ambalal Doshi Marg, Fort, Mumbai 400001
UDIN: 20032992AAAABV3099

Mumbai, June 30, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of Independent Auditors' Report on consolidated 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 Pritish Nandy Communications Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") as of March 31, 2020 in conjunction with our audit of the consolidated 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 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary company's which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 consolidated 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BD Jakhakar & Co.
Chartered Accountants
Firm Registration No: 104345W

Pramod Prabhudesai
Partner
Membership No.032992
8 Ambalal Doshi Marg, Fort, Mumbai 400001
UDIN: 20032992AAAABV3099

Mumbai, June 30, 2020

CONSOLIDATED BALANCE SHEET

BRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

Particulars	Note no.	(In ₹ lakh)	
		As at March 31, 2020	As at March 31, 2019
I. ASSETS			
Non-current assets			
a. Property, plant and equipment	3	173.28	195.99
b. Financial assets			
i. Trade receivables	4	0.00	43.48
ii. Other financial assets	5	1,143.94	1,142.54
c. Income tax assets (net)	6	151.53	81.95
d. Deferred tax assets	7	18.93	18.93
e. Other non-current assets	8	1,900.27	1,846.59
Total non current assets		3,387.95	3,329.48
II. Current assets			
a. Inventories	9	5,672.89	5,672.89
b. Financial assets			
i. Trade receivables	10	24.49	419.93
ii. Cash and cash equivalents	11	831.56	295.22
iii. Bank balances other than (ii) above	12	470.70	458.43
iv. Other financial assets	13	47.47	73.79
c. Other current assets	14	22.86	30.89
Total current assets		7,069.97	6,951.15
TOTAL ASSETS		10,457.92	10,280.63
EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	15	1,446.70	1,446.70
b. Other equity	16	6,661.20	6,536.60
Equity attributable to owners of holding company		8,107.90	7,983.30
Non controlling interest		0.08	0.08
Total equity		8,107.98	7,983.38
LIABILITIES			
I. Non-current liabilities			
a. Financial liabilities			
i. Borrowings	17	98.01	112.86
ii. Trade payables			
Total outstanding dues of			
a. Micro enterprises and small enterprises		0.00	0.00
b. Creditors other than micro enterprises and small enterprises	18	150.94	150.94
iii. Other financial liabilities	19	31.62	31.62
b. Deferred tax liabilities (net)	20	1,137.05	1,134.60
Total non current liabilities		1,417.62	1,430.02
II. Current liabilities			
a. Financial liabilities			
i. Borrowings	21	137.60	295.11
ii. Trade payables			
Total outstanding dues of			
a. Micro enterprises and small enterprises		0.00	0.00
b. Creditors other than micro enterprises and small enterprises	22	46.08	84.73
iii. Other financial liabilities	23	24.25	21.04
b. Other current liabilities	24	724.39	466.35
Total current liabilities		932.32	867.23
Total liabilities		2,349.94	2,297.25
TOTAL EQUITY AND LIABILITIES		10,457.92	10,280.63
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our attached report of even date
For BD Jekhakar & Co.
Chartered Accountants

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, June 30, 2020

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Kishor Palkar
Chief Financial Officer

Mumbai, June 30, 2020

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

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		(In ₹ lakh)	
	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
I. Revenue from operations	25	2,728.27	1,504.27
II. Other income	26	69.39	64.64
III. Total income (I+II)		<u>2,797.66</u>	<u>1,568.91</u>
IV. EXPENSES			
Cost of content	27	2,131.17	837.82
Changes in inventories of content	28	0.00	103.53
Employee benefits expense	29	194.63	148.08
Finance costs	30	53.65	57.04
Depreciation and amortization expense	3	27.28	21.26
Other expenses	31	267.46	258.38
Total expenses (IV)		<u>2,674.19</u>	<u>1,426.11</u>
V. Profit/ (loss) before tax (III-IV)		123.47	142.80
VI. Tax expense			
Current tax		14.50	26.26
Deferred tax		2.45	18.04
Short/ (excess) provision for tax (earlier year)		(23.87)	0.97
Total tax expense (VI)		<u>(6.92)</u>	<u>45.27</u>
VII. Profit/ (loss) for the period (V-VI)		<u>130.39</u>	<u>97.53</u>
VIII. Profit/ (loss) for the period is attributable to			
Owners of the company		130.39	97.53
Non-controlling interest		0.00	0.00
		<u>130.39</u>	<u>97.53</u>
IX. Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax)		(5.79)	(3.01)
Other comprehensive income, net of tax (VIII)		<u>(5.79)</u>	<u>(3.01)</u>
X. Other comprehensive income attributable to			
Owners of the company		(5.79)	(3.01)
Non-controlling interest		0.00	0.00
		<u>(5.79)</u>	<u>(3.01)</u>
XI. Total Comprehensive income for the period (VII-IX)		<u>124.60</u>	<u>94.52</u>
XII. Total Comprehensive income is attributable to			
Owners of the company		124.60	94.52
Non-controlling interest		0.00	0.00
		<u>124.60</u>	<u>94.52</u>
XIII. Earnings per equity share (Face value of ₹ 10)			
Basic and diluted	43	0.90	0.67
Significant accounting policies and	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our attached report of even date
For BD Jekhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

CONSOLIDATED STATEMENT OF CASH FLOWS

BRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

(In ₹ lakh)

Particulars		For the year ended March 31, 2020		For the year ended March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit/ (loss) before taxes		123.47		142.80
Adjustment for				
Advances written off	0.00		5.49	
Bad debts written off	49.00		0.00	
Depreciation	27.28		21.26	
Finance cost	53.65		57.04	
Loss on sale of assets	0.36		17.11	
Property, plant and equipment written off	0.26		0.00	
Cenvat credit of service tax/ VAT written off	0.00		12.83	
Expected credit loss	2.72		0.00	
Trade payable balances written back	(0.71)		(29.71)	
Proceeds from sale of investment	0.00		(0.15)	
Interest on fixed deposit	(37.10)	95.46	(31.50)	52.37
Operating profit before working capital changes		218.93		195.17
Adjusted for				
Trade receivables non current	6.00		22.00	
Other financial assets non current	(1.40)		4.86	
Other non current assets	(55.24)		(41.49)	
Trade receivables non current	0.00		(17.63)	
Cinematic and television content	0.00		103.53	
Trade receivables current	381.20		(361.58)	
Other financial assets current	26.32		54.79	
Bank balance other than cash and cash equivalent	(12.27)		9.57	
Current tax assets	(60.21)		(23.79)	
Other current assets	3.79		(25.82)	
Trade payables current	(37.94)		(27.01)	
Other financial liabilities current	3.22		0.00	
Other current liabilities current	258.04	511.51	248.98	(53.59)
Cash generated from operations before taxes paid		730.44		141.58
Direct taxes paid		0.00		0.00
Net cash flow from operating activities		730.44		141.58
B CASH FLOW FROM INVESTING ACTIVITIES				
Payment to acquire property, plant and equipment		(5.70)		(177.34)
Proceeds from sale of property, plant and equipment		0.51		53.22
Proceeds from sale of investment		0.00		0.15
Interest on fixed deposit		37.10		31.50
Net cash from/ (used in) investing activities		31.91		(92.47)
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from non current borrowing		0.00		110.63
Repayment of non current borrowing		(14.85)		(60.41)
Proceeds from current borrowing		0.00		66.50
Repayment of current borrowing		(157.51)		(128.64)
Finance and other charges paid		(53.65)		(57.04)
Net cash from/ (used in) financing activities		(226.01)		(68.96)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		536.34		(19.85)
Cash and cash equivalents at the beginning of the financial year		295.22		315.07
Cash and cash equivalents at the end of the financial year		831.56		295.22
Significant accounting policies and	2			
Notes to accounts form an integral part of financial statements	1 to 48			

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 as amended.
- Refer Note 17.2 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 & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
Partner
Membership number 032992

Pallab Bhattacharya
Wholtime Director and CEO
DIN: 00008277

Udayan Bose
Director
DIN: 00004533

Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD
THE 27TH ANNUAL REPORT AND ACCOUNTS 2020

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A. EQUITY SHARE CAPITAL

Equity shares of Face value of ₹ 10 each

(In ₹ lakh)

Year	Note No.	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
Financial Year 2018-19	15	1,446.70	0.00	1,446.70
Financial Year 2019-20	15	1,446.70	0.00	1,446.70

B. OTHER EQUITY

(In ₹ lakh)

Particulars	Reserves and surplus				Total
	Capital reserve	Securities premium	General reserves	Retained earnings	
As at March 31, 2018	0.37	6,719.59	220.98	(498.86)	6,442.08
Profit/ (loss) for the year ended March 31, 2019	0.00	0.00	0.00	97.53	97.53
Other comprehensive income	0.00	0.00	0.00	(3.01)	(3.01)
Non-controlling interest	0.00	0.00	0.00	0.00	0.00
Total comprehensive income for the year	0.00	0.00	0.00	94.52	94.52
As at March 31, 2019	0.37	6,719.59	220.98	(404.34)	6,536.60
Profit/ (loss) for the year ended March 31, 2020	0.00	0.00	0.00	130.39	130.39
Other comprehensive income	0.00	0.00	0.00	(5.79)	(5.79)
Non-controlling interest	0.00	0.00	0.00	0.00	0.00
Total comprehensive income for the year	0.00	0.00	0.00	124.60	124.60
As at March 31, 2020	0.37	6,719.59	220.98	(279.74)	6,661.20

Significant accounting policies and

2

Notes to accounts form an integral part of financial statements

1 to 48

As per our attached report of even date
For BD Jekhakar & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Pramod Prabhudesai
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Kishor Palkar
Chief Financial Officer

Santosh Gharat
Company Secretary

Mumbai, June 30, 2020

Mumbai, June 30, 2020

Corporate information

British Nandy Communications Limited (“the Holding Company”) is a public company incorporated and domiciled in India. The Holding Company has its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”).

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 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.

These Consolidated financial statements for the year ended March 31, 2020 were approved for issue by the Board of Directors on June 30, 2020.

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

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as “the Ind AS”) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The Consolidated financial statements have been prepared on accrual and going concern basis.

1.2 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

1.3 Rounding of amounts

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

1.4 Principles of Consolidation and equity accounting:

i. Subsidiary companies

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

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

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

ii. Changes in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Consolidated profit and loss.

1.5 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April, 2020.

1.6 Significant estimates, judgments 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 expenses 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 recognised in the period in which results are known or materialised.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- i. Measurement of defined benefit obligations
- ii. Measurement and likelihood of occurrence of contingencies
- iii. Recognition of deferred tax assets
- iv. Inventory valuation/ useful life of cinematic content

1.7 Current and non-current classification

Operating cycle of the Company is ascertained as twelve months as per the criteria set out in Division II of Schedule III of the Act. Accordingly, all assets and liabilities have been classified as current or non-current.

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 Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Consolidated Profit and Loss during the period in which they are incurred.

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.

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 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.

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 on disposal 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.

2.2 Impairment of property, plant and equipment and intangible assets

The carrying amounts of the Group’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 Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment is recognised in consolidated 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.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss section of the Consolidated Statement of Profit and Loss.

2.3 Leases

The Company has adopted Ind AS 116-Leases effective April 1, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (April 1, 2019). Accordingly, previous period information has not been restated and continues to be reported under Ind AS 17.

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

As a Lessee:

The Company’s lease asset classes primarily consist of leases for premises. The Company, at the inception of a contract, assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company shall use the incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

In the comparative period,

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.

Operating Lease payments are recognised on straight line basis over the lease period in the Consolidated Statement of Profit and Loss account unless increase is on account of inflation.

There is no impact due to change in accounting standard as all leases entered by the Company are short-term leases that have a lease term of 12 months or less and leases of low-value assets. Accordingly, no additional disclosures are made.

2.4 Cash and cash equivalents

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

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above.

2.5 Inventory

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 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 Group allocates cost of production amongst Music Rights, Rights other than Music and Residual 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 Group 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	1 st	2 nd	3 rd	Residual value
	Telecast	Telecast	Telecast	
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.

2.6 Financial instruments:

a. Financial assets: classification

The Group 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 Group 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 Group 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 Group becomes a party to the contractual provisions of the instrument. In the case of financial assets not recorded at fair value through profit or loss, financial assets are recognised initially at fair value plus, 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 Consolidated 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

Subsequent measurement of debt instruments depends on the Group's business model for managing the assets and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

i. Measured at amortized cost

Financial assets that are held for collection of contractual cash flow where those cashflows 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 consolidated statement of profit and loss.

ii. 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 consolidated 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 consolidated statement of profit and loss.

iii. 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 consolidated statement of profit and loss.

d. Equity instruments

The Group subsequently measures all investments in equity instruments at fair value. The management of the Group 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 consolidated statement of profit and loss.

Dividends from such investments continue to be recognized in the consolidated statement 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 consolidated 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.

e. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTOCI. Note 45 details how the Group assesses the impairment losses.

For trade and lease receivable only, the Group 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.

f. De-recognition of financial assets

A financial asset is de-recognised only when the Group

- 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 entity has transferred an asset, the Group 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 through statement of Profit and loss and other comprehensive income as applicable.

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 entity 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

g. Financial liabilities

i. Classification as debt or equity:

Financial liabilities and equity instruments issued by the Group 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 Group 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 Consolidated Statement of Profit and Loss.

iv. De-recognition:

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

h. Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated 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.

2.7 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 Consolidated 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 consolidated balance sheet when the obligation specified in the contracts 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 in the consolidated statement of profit or loss as other income/ (expense).

Borrowings are classified as current liabilities unless the Group 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 borrowing spending 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.

2.8 Revenue recognition

The Company derives revenues primarily from sale of owned content and commissioned content.

Effective April 1, 2018, The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provides a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised content to customers in an amount that reflects the consideration the Company expects to receive in exchange for those contents.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The following criteria are applied by the Company in respect of various components of revenue:

Content produced/ acquired	Criteria for revenue recognition
a. Commissioned content/ Web series	On the date of delivery of contracted deliverables/ on completion of performance obligation
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
Interest income	On accrual basis, using the effective interest method for financial assets measured at amortized cost and at FVTOCI.

2.9 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 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.

Deferred tax liabilities are not recognized for temporary differences between the carrying and tax bases of investment in subsidiary companies where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between carrying amount and tax bases of investments in subsidiary companies where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

c. Minimum alternate tax (MAT)

MAT paid in a year is charged to the consolidated 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.

2.10 Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss attributable to the owners of Holding Company (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 and any attributed tax thereto for the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to owners of Holding Company 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.

2.11 Foreign currency transactions

a. Functional and presentation currency

Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("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.

b. Transactions and balances

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 consolidated statement of profit and loss, within finance costs. All other foreign exchange gain/ (loss) are presented in the consolidated statement of profit and loss on a net basis within other income/ (expense).

c. Group Companies:

The results and financial position of foreign operations none of which has the currency of hyper inflationary economy that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a. assets and liabilities are translated at the closing rate at the date of that Balance Sheet
- b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative)
- c. all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is disposed, the associated exchange differences are reclassified to the Consolidated Statement of Profit or loss, as a part of gain/(loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.12 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 is 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 charged to the consolidated statement of profit and loss in the year of settlement.

b. Defined contribution plan

The Group's contributions paid or payable during the year to the provident fund are charged to the consolidated 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 Group 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 consolidated statement of profit and loss for the year in which the employee has rendered services.

d. Other long term employment benefits

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 Group does not have any policy for leave encashment.

2.13 Provisions, contingent liabilities

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are 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.

2.14 Segment reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Group consists of the Wholetime Director who assesses the financial performance and position of the Group, and makes strategic decisions. Refer Note 42 for segment information presented.

3. PROPERTY, PLANT AND EQUIPMENT

(In ₹ lakh)

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computer, printer and software	Total
Gross carrying value, at cost					
As at April 1, 2018	2.86	126.38	12.04	19.86	161.14
Additions during the year 2018-19	0.00	171.15	3.73	2.44	177.32
Disposal/ transfer during the year 2018-19	0.00	108.47	0.00	0.00	108.47
As at March 31, 2019	2.86	189.06	15.77	22.30	229.99
Additions during the year 2019-20	0.00	0.00	2.36	3.35	5.71
Disposal/ transfer during the year 2019-20	0.68	0.00	5.11	7.89	13.68
As at March 31, 2020	2.18	189.06	13.02	17.76	222.02
Accumulated depreciation/ amortisation					
As at March 31, 2018	1.24	27.89	5.18	16.58	50.89
Charges for the year 2018-19	0.30	17.11	2.28	1.57	21.26
Disposal/ transfer during the year 2018-19	0.00	38.15	0.00	0.00	38.15
As at March 31, 2019	1.54	6.85	7.46	18.15	34.00
Charges for the year 2019-20	0.28	22.51	2.44	2.05	27.28
Disposal/ transfer during the year 2019-20	0.65	0.00	4.41	7.48	12.54
As at March 31, 2020	1.17	29.36	5.49	12.72	48.74
Net book value					
As at March 31, 2020	1.01	159.70	7.53	5.04	173.28
As at March 31, 2019	1.32	182.21	8.31	4.15	195.99

4. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	0.00	43.48
Total	0.00	43.48

5. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
a. Security deposits for utilities and premises	22.29	20.89
b. Others	1,121.65	1,121.65
Total	1,143.94	1,142.54

6. INCOME TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax	151.53	81.95
Total	151.53	81.95

7. DEFERRED TAX ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unabsorbed business loss	18.93	18.93
Total	18.93	18.93

* Refer Note 39 of financial statement and 2.9 (a) & (b) of accounting policies for method of valuation

8. OTHER NON-CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances other than capital advances		
Other advances		
a. Balance with government authority	0.40	17.17
Other receivable		
Deferred rent expenses	4.51	6.05
Total (a)	4.91	23.22
b. Advance for content	1,895.36	1,823.37
Total (b)	1,895.36	1,823.37
Total (a + b)	1,900.27	1,846.59

9. INVENTORIES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Cinematic and television content		
Unamortised content	4,138.03	4,138.03
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
Total	5,672.89	5,672.89

Refer Note 40 of financial statement and 2.5 (a) & (b) of accounting policies for method of valuation

10. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	27.21	419.93
Less: Provision of expected credit loss	(2.72)	0.00
Total	24.49	419.93

11. CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Balances with banks		
Fixed deposits with maturity less than three months	820.74	0.00
In current accounts	10.78	295.18
b. Cash on hand	0.04	0.04
Total	831.56	295.22

12. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank deposits with original maturity between 3 to 12 months	470.60	458.33
Balances with banks (non-operative)	0.10	0.10
Total	470.70	458.43

13. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Security deposits	0.96	30.96
b. Others advances	46.51	42.83
Total	47.47	73.79

14. OTHER CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances other than capital advances		
a. Other advances	2.46	5.08
b. Balances with Government authorities	5.82	5.64
c. Prepaid expense	14.58	20.17
Total	22.86	30.89

15. EQUITY SHARE CAPITAL

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised shares		
20,000,000 (PY: 20,000,000) Equity shares of ₹ 10/- each	2,000.00	2,000.00
Total	2,000.00	2,000.00
Issued, Subscribed and fully paid		
14,467,000 (PY: 14,467,000) Equity shares of ₹ 10/- each	1,446.70	1,446.70
Total	1,446.70	1,446.70

15.1 Reconciliation of shares

(In ₹ Lakh, except number of shares data)

Reconciliation of number of shares (Equity)	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number 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
Number of shares outstanding as at the end of the year	14,467,000	1,446.70	14,467,000	1,446.70

15.2 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.

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

(In ₹ lakh, except number of shares data)

Name of the shareholders	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% held	Number of shares	% held
Pritish Nandy	2,952,197	20.41	2,952,197	20.41
Ideas.com India Pvt Ltd	1,713,140	11.84	1,210,565	8.37
Artinvest India Pvt Ltd	1,608,978	11.12	1,394,789	9.64
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34
Ganon Dunkerley Finance Ltd	902,842	6.24	1,402,842	9.70

As per the records of the Company, including its register of shareholders/ members & other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16. OTHER EQUITY

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve		
Balance at beginning of the year	0.37	0.37
Balance at the end of the year	0.37	0.37
Securities premium		
Balance at beginning of the year	6,719.59	6,719.59
Balance at the end of the year	6,719.59	6,719.59
General reserves		
Balance at beginning of the year	220.98	220.98
Balance at the end of the year	220.98	220.98
Retained earnings		
Balance at the beginning of the year	(404.34)	(498.86)
Add: profit/ (loss) for the year	130.39	97.53
Add: other comprehensive income	(5.79)	(3.01)
Balance at the end of the year	(279.74)	(404.34)
TOTAL	6,661.20	6,536.60

Nature and purpose:

- Capital reserve
This represents profit earned by the Company before receipt of incorporation certificate.
- Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- General reserve
General reserve represents the amount appropriated out of retained earnings pursuant to the earlier provisions of Companies Act, 1956.
- Retained earnings
Retained earnings are the profits/ losses that company has earned/ incurred till date, as reduced by transfer to reserves, dividend or other distribution paid to the share holders and transfer from/ to OCI.

17. BORROWINGS

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Term loans		
From other than banks		
a. Loan from Kotak mahindra prime limited	3.63	6.79
Secured against the hypothecation of vehicles		
b. Loan from BMW Financial Services	94.38	106.07
Secured against the hypothecation of vehicles.		
Total	98.01	112.86

17.1

Particulars	Number of instalments	Rate of interest	EMI (₹)	Amount outstanding (In ₹ lakh)	Payable upto
a. Kotak Mahindra Prime Limited					
Loan 1	36	9.22%	17,354	3.94	April 2022
Loan 2	36	9.22%	13,080	2.85	March 2022
b. BMW Financial Services					
Loan 1	36	8.99%	46,990	24.44	October 2022
Loan 2	36	9.50%	64,476	40.73	March 2023
Loan 3	36	9.50%	62,779	40.90	March 2023

17.2 Amendment to Ind AS 7

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	Opening balance as on April 1, 2019	Financing cash flow changes	Non cash flow changes		Closing balance as on March 31, 2020
				Effect of changes in foreign exchange rates	Effect of effective Interest rate and others	
Non-current liabilities						
Borrowings	17	112.87	14.86	0.00	0.00	98.01
Current liabilities						
Borrowings	21 and 23	308.64	(156.19)	0.00	0.00	152.45
Interest expense and other borrowing costs	30	0.00	53.65	0.00	0.00	53.65
Interest expense and other borrowing costs paid		0.00	(51.75)	0.00	0.00	(51.75)
Total		421.51	(169.15)	0.00	0.00	252.36

18. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues to micro enterprises and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	150.94	150.94
Total	150.94	150.94

* Refer Note 35 of notes to the consolidated financial statements for Micro, Small and Medium Enterprises disclosures

19. OTHER FINANCIAL LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances	31.62	31.62
Total	31.62	31.62

20. DEFERRED TAX LIABILITIES (NET)

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities		
Depreciation on property, plant and equipment	(8.81)	(11.26)
Total (A)	(8.81)	(11.26)
Reversal of deferred tax (assets)/ liabilities		
Unamortised content	1,145.86	1,145.86
Total (B)	1,145.86	1,145.86
Total (A+B)	1,137.05	1,134.60

21. BORROWINGS

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand		
From banks*		
Secured	137.60	295.11
(Exclusive charge on all current assets and movable fixed assets, both present and future.)		
Total	137.60	295.11

*Refer Note 17.2 of notes to consolidated financial statements.

22. TRADE PAYABLE

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Trade Payables		
Total outstanding dues to micro enterprises and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	46.08	84.73
Total	46.08	84.73

* Refer Note 35 of notes to the consolidated financial statements for Micro, Small and Medium Enterprises disclosures

23. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Secured		
a. Current maturity of long term debt*	14.85	13.54
b. Others		
Interest on overdraft (Refer Note 21. for nature of security)	1.90	0.00
Unsecured		
Others	7.50	7.50
Total	24.25	21.04

*Refer Note 17.1 and 17.2 of notes to the consolidated financial statements

24. OTHER CURRENT LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
a. Revenue received in advance	328.45	125.00
b. Other advances	11.31	11.25
c. Others		
Statutory dues	114.60	110.47
Amount payable for projects and assignments	270.03	219.63
Total	724.39	466.35

25. REVENUE FROM OPERATION

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of owned content	0.90	210.22
Income from commissioned content/ web series	2,727.37	1,294.05
Total	2,728.27	1,504.27

25.1 Revenue from contract with customer disaggregated based on geography.

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Domestic	2,727.37	1,457.86
Export	0.90	46.41
Total	2,728.27	1,504.27

25.2 Revenue recognised from contract liability (advances from customers)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Closing contract liability	328.45	125.00
Total	328.45	125.00

26. OTHER INCOME

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Interest income	37.10	34.73
b. Miscellaneous income	32.29	29.91
Total	69.39	64.64

27. COST OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Cost of the content	2,131.17	837.82
Total	2,131.17	837.82

28. CHANGES IN INVENORIES OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance		
Unamortised content	4,138.03	4,205.81
Unexploited content	1,504.86	1,476.90
Unfinished content	30.00	93.71
Total opening balance (A)	5,672.89	5,776.42
Closing balance		
Unamortised content	4,138.03	4,138.03
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
Total closing balance (B)	5,672.89	5,672.89
Net (increase)/ decrease (A-B)	0.00	103.53

29. EMPLOYEE BENEFITS EXPENSE

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries	192.33	145.78
Contribution to provident fund	0.00	0.48
Contribution to gratuity fund	2.30	1.82
Total	194.63	148.08

30. FINANCE COST

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense	37.46	40.72
Other borrowing costs	16.19	16.32
Total	53.65	57.04

31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditor's remuneration (Refer Note 44)	5.40	4.85
Advances written off	0.00	5.49
Bad debts written off	49.00	0.00
Business promotion expenses	11.54	11.74
Rates and Taxes	0.00	22.67
Communications expenses	2.20	2.93
Contract service expenses	29.30	27.03
Conveyance and motor car expenses	18.35	20.27
Directors' sitting fees	11.60	11.20
Insurance	2.03	3.24
Interest on statutory dues	0.52	2.51
Legal and professional expenses	11.61	24.12
Loss on sale of assets	0.36	17.11
Rent	66.53	66.44
Traveling expenses	9.57	5.72
Establishment and administrative expenses	49.45	33.06
Total	267.46	258.38

32. CONTINGENT LIABILITIES

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts in respects of:		
a. VAT liability	40.73	68.97
b. Other Claims	1,501.00	1,501.00
Total	1,541.73	1,569.97

The above matters are currently being considered by the tax authorities/ various forums and the Company expects the outcome will be in its favour and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgment/ decision pending with tax authorities/ various forums. The above excludes interest penalties which may become payable in case of unfavourable outcome.

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:-

Every employee is entitled to a benefit equivalent to 15 days salary drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme, whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service

a. Expenses recognised in statement of profit or loss

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current service cost	2.68	2.17
Net interest cost	(0.38)	(0.35)
Total	2.30	1.82

b. Expenses recognised in other comprehensive income (OCI)

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (gains)/ losses on obligation for the period	6.01	3.23
Return on plan assets excluding interest income	(0.22)	(0.22)
Total	5.79	3.01

c. Reconciliation of defined benefit obligation

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined benefit obligation at the beginning of the year	65.52	55.72
Current service cost	2.68	2.17
Interest cost	5.09	4.39
Actuarial (gain)/ loss due to change in financial assumptions	3.98	0.41
Actuarial (gain)/ loss on obligation - due to experience adjustments	2.03	2.83
Defined benefit obligation at the end of year	79.30	65.52

d. Reconciliation of plan assets:

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value of plan assets at the beginning of the year	70.50	60.22
Interest income	5.47	4.74
Employers contribution	5.31	5.32
Return on plan assets, excluding interest income	0.22	0.22
Fair value of plan assets at the end of the year	81.50	70.50

e. Net asset/ (liability) recognised in the balance sheet

(In ₹ lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Present value of defined benefit obligation (DBO)	(79.30)	(65.52)
Fair value of plan assets	81.50	70.50
Net Asset/ (Liability)	2.20	4.98

f. The significant actuarial assumptions were as follows:

Actuarial assumption	For the year ended March 31, 2020	For the year ended March 31, 2019
Attrition rate	2%	2%
Rate of return on plan assets		
Salary escalation rate	7%	7%
Rate of return on plan assets	6.84%	7.76%

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.

(In ₹ lakh)

Sensitivity analysis	For the year ended March 31, 2020	For the year ended March 31, 2019
Projected benefit obligation on current assumptions	79.30	65.52
Delta effect of +1% change in rate of discounting	(4.30)	(3.22)
Delta effect of -1% change in rate of discounting	4.94	3.71
Delta effect of +1% change in rate of salary increase	1.37	1.98
Delta effect of -1% change in rate of salary increase	(1.95)	(1.77)
Delta effect of +1% change in rate of employee turnover	1.58	1.78
Delta effect of -1% change in rate of employee turnover	(1.74)	(1.97)

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.

There were no changes in the methods and assumptions used in preparing the sensitivity analysis from prior year.

Maturity analysis of the benefit payments: from the fund

(In ₹ lakh)

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2020	For the year ended March 31, 2019
1 st following year	34.68	33.01
2 nd following year	1.58	1.32
3 rd following year	1.61	1.37
4 th following year	1.67	1.39
5 th following year	2.14	1.43
Sum of years 6 To 10	29.23	19.40
Sum of years 11 and above	63.33	59.15

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.

g. Risk exposure

Gratuity is a defined benefit plan and company is exposed to number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

34. RELATED PARTY DISCLOSURES

Details relating to related parties/ persons and description of relationship are as under:

Name of the related party	Description of relationship
a. Key Management Personnel	
i. Pallab Bhattacharya	Wholetime Director and CEO
ii. Rangita Pritish Nandy	Wholetime and Creative Director
iii. Kishor Palkar	Chief Financial Officer (w.e.f November 14, 2019)
iv. Santosh Gharat	Company Secretary and Chief Financial Officer (upto November 14, 2019)
v. Santosh Gharat	Company secretary
b. Non-executive Directors and their relatives	
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
vi. Hema Malini	
vii. Pradeep Guha	Non Executive, Independent Director
viii. Ishita Pritish Nandy	Daughter of Non Executive Chairman
c. Close Family members of Key Management Personnel	
Rina Pritish Nandy	Mother of Rangita Nandy
Pritish Nandy	Father of Rangita Nandy
Ishita Pritish Nandy	Sister of Rangita Nandy

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

Nature of Relation	Nature of transaction	(In ₹ lakh)	
		As at March 31, 2020	As at March 31, 2019
Key management personnel and Directors	Remuneration/ reimbursement	99.07	57.12
	Balance outstanding as at year end receivable/ (payable)	(0.71)	(5.24)
Non-executive directors and their relatives	Remuneration/ reimbursement/ sitting fees	53.60	41.05
	Professional Fees	96.00	96.00
	Balance outstanding at year end receivable/ (payable)	(270.06)	(222.25)

Transactions with related parties have been done at arm's length and are in the ordinary course of business.

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 paid/ 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, 2020	As at March 31, 2019
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. OPERATING LEASES (LESSEE)

- The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. All leases of the Company are short-term in nature and therefore no additional disclosure is provided as per Ind AS - 116.
- The total of future minimum sublease payment expected to be received under non - cancellable subleases at the end of reporting period is NIL
- Lease payments recognised as an expense in the period in which it is incurred.

37. LEGAL PROCEEDINGS

a. The legal proceedings initiated by the Company for the recovery of an advance of ₹ 150 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 the Company 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 lakh in its favour in the arbitration case filed against White Feather Films. Company has filed an Execution Application with the Bombay High Court for recovery of the Arbitral Award amount. The Execution Application will be mentioned before the Bombay High Court when it reopens. White Feather Films has gone in appeal against the above said award and has been directed to deposit an amount of ₹ 300 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.

38. 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.

39. All known liabilities have been provided in the books of account. Legal proceeding related to dispute in respect of compliance and performance of the conditions of the license for the use of the premises from where Moksh zip was operating are ongoing between the company (PNC Wellness Limited) and the licensor of the premises. The licensor is claiming ₹ 90.25 lakhs being compensation from 1.4.2012 till 10.11.2013 in a suit filed with the small causes court, Mumbai. The company has filed a suit in the Bombay High Court for compensation for an amount of ₹ 170.53 lakhs on the grounds that the leave and license agreement stands vitiated by fraud by the licensor and be declared void ab initio and that the same is not enforceable against or binding upon the company. Pending the outcome of the aforesaid legal proceedings the impact on the financial statements of the company cannot be ascertained.

40. a. Reconciliation of tax expense (In ₹ lakh)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
i. Income tax expenses		
Current tax- in respect of the current year	14.50	26.26
Adjustments for current tax of prior periods	(23.87)	0.97
Deferred tax- in respect of the current year	2.45	18.04
Total (i)	(6.92)	45.27
ii. Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.00	0.00
Total (ii)	0.00	0.00
Total income tax expense recognised in the year (i + ii)	(6.92)	45.27

b. A reconciliation between statutory income tax rate applicable to the Company and the effective income tax rate is as follows

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Current tax as per regular working		
Net profit before tax	123.47	142.80
Effective tax rate applicable to the Company	26%	26%
Tax amount as per the enacted income tax rate	32.10	37.13
Add: income tax on expenses not deductible in determining taxable profits	8.26	28.90
Less: income tax of allowances/ deductibles	(15.13)	(8.71)
Less: income tax of set-off of brought forward losses	(25.23)	(57.32)
Net current tax	0.00	0.00
Current tax as per minimum alternative tax		
Net profit after tax	130.39	97.53
Effective tax rate applicable to the Company	15.60%	19.24%
Tax amount as per the enacted income tax rate	20.34	18.76
Add: income tax on expenses not deductible in determining taxable profits	3.07	7.69
Less: income tax of allowances/ deductibles	(9.08)	(25.40)
Add: Excess provision of current year	0.00	23.87
Net current tax	14.33	24.92
Net current tax - rounded off	14.50	26.26
Incremental deferred tax liabilities on account of change in property, plant and equipment	2.45	6.46
Reversible of deferred tax liabilities on account of change inventories	0.00	(15.48)
Incremental deferred tax assets on account of change in investment	0.00	0.15
Incremental deferred tax assets on account of change in brought forward losses	0.00	26.91
Add: Short provision of tax (earlier year)	0.00	0.97
Less: Excess provision of tax (earlier year)	(23.87)	0.00
Total tax expense	(6.92)	45.27

- c. Deferred tax assets amounting to ₹ 18.93 lakh is created against business loss and unabsorbed depreciation in subsidiary

(In ₹ lakh)

“PNC Wellness Ltd” (wellness segment).

In wellness segment Company owns the wellness brand ‘Moksh’ and sub brands like Power Yoga, Passion Yoga, Cool Yoga, Couple Yoga, etc. The Company is exploring avenues to commercialize its afore said 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 their against,

Particulars	(In ₹ lakh)	
	For year ended March 31, 2020	For year ended March 31, 2019
Unabsorbed depreciation and business loss	18.93	18.93
Total	18.93	18.93

- d. Deferred tax liability

Deferred tax liability as at March 31, 2020

Particulars	(In ₹ lakh)	
	For year ended March 31, 2020	For year ended March 31, 2019
Depreciation on property, plant, & equipment	(8.81)	(11.26)
Unamortised content	1,145.86	1,145.86
Total	1,137.05	1,134.60

- e. Reconciliation of deferred tax assets / (liabilities) net

Particulars	(In ₹ lakh)	
	For year ended March 31, 2020	For year ended March 31, 2019
Opening balance	1,134.60	1,116.55
Adjustment	0.00	0.01
Deferred tax (charge)/ credit recognised in: Statement of profit and loss	2.45	18.04
Total	1,137.05	1,134.60

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 ₹ 2,561.93 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

(In ₹ lakh)				
	Cinematic content	Television content & web series	Total	
Gross carrying amount as at April 1, 2019	20,825.86	8,996.42	29,822.28	
Add: Additions during the year 2019-20	0.00	2,131.18	2,131.18	
Total	20,825.86	11,127.60	31,953.46	
Less: Amortised up to March 31, 2019	15,444.37	8,705.02	24,149.39	
Amortised during the year 2019-20	0.00	2,131.18	2,131.18	
Total amortised	15,444.37	10,836.20	26,280.57	
Net carrying amount as at March 31, 2020	5,381.49	291.40	5,672.89	

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, 2020 is ₹ 5,672.89 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 Parent company and one subsidiary ‘PNC Digital Ltd’ operates only in one segment i.e. ‘Content’ but other subsidiary ‘PNC Wellness Ltd’ is operated in ‘Wellness’ segment. The groups reportable segments under Ind AS 108 are ‘content’ and ‘wellness’.

Segment revenue and results

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

Particulars	Segment revenue	
	As at March 31, 2020	As at March 31, 2019
Segment revenue		
Content	2,728.27	1,504.27
Wellness	0.00	0.00
Revenue from operation	2,728.27	1,504.27
Segment results		
Profit/ (loss) before tax from each segment		
Content	108.34	136.86
Wellness	(0.61)	(1.66)
Profit before finance cost and tax	107.73	135.20
Add: other income	69.39	64.64
Less: finance cost	(53.65)	(57.04)
Profit before tax	123.47	142.80
Less: current tax	(14.50)	(26.26)
Less: deferred tax	(2.45)	(18.04)
Less: short/ (excess) provision of tax (earlier year)	23.87	(0.97)
Profit after tax	130.39	97.53

Particulars	(In ₹ lakh)	
	As at March 31, 2020	As at March 31, 2019
Segment assets and liabilities		
Segment assets		
Content	10,405.31	10,246.96
Wellness	52.61	33.67
Consolidated total assets	10,457.92	10,280.63
Segment liabilities		
Content	2,349.74	2,297.08
Wellness	0.28	0.25
Consolidated total liabilities	2,350.02	2,297.33
Segment capital employed		
Content	8,055.57	7,949.88
Wellness	52.33	33.42
Consolidated total capital employed	8,107.90	7,983.30

43. EARNING PER SHARE

(In ₹ lakh, or otherwise stated)

Particulars	(In ₹ lakh, or otherwise stated)	
	For year ended March 31, 2020	For year ended March 31, 2019
a. Profit after tax attributable to equity shareholders of the company	130.39	97.53
b. Weighted average number of equity shares (numbers in lakh)	144.67	144.67
c. Basic and diluted earning per share (amount in ₹)	0.90	0.67
d. Face value per equity share (amount in ₹)	10.00	10.00

44. AUDITOR’S REMUNERATION

(In ₹ lakh)

Particulars	(In ₹ lakh)	
	For year ended March 31, 2020	For year ended March 31, 2019
As auditor		
Statutory audit	4.15	3.65
Tax audit	0.50	0.45
For limited review report	0.75	0.75
Total	5.40	4.85

45. FINANCIAL INSTRUMENT

- a. Methods and assumptions used to estimate the fair values

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

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values for long term security deposits given were calculated based on cash flows discounted using a current bank rate applicable to Company’s deposits with the bankers. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

Categories of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by

valuation technique :

Level 1 : unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : inputs which are not based on observable market data

(In ₹ lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost				
Trade receivables	24.49	24.49	463.41	463.41
Cash and bank balances	1,302.26	1,302.26	753.65	753.65
Other financial assets	1,191.41	1,191.41	1,216.33	1,216.33
Measured at FVTPL	0.00	0.00	0.00	0.00
Measured at FVTOCI	0.00	0.00	0.00	0.00
Total financial assets	2,518.16	2,518.16	2,433.39	2,433.39
Financial liabilities				
Measured at amortised cost				
Borrowings	235.61	235.61	407.97	407.97
Trade Payable	197.02	197.02	235.67	235.67
Other financial liabilities	55.87	55.87	52.66	52.66
Total financial liabilities	488.50	488.50	696.30	696.30

b. Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations including acquiring of PPE. The Company's principal financial assets include investments, trade and other receivables, and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk management. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

i. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and other financial instruments.

Interest rate risk:

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

As variations in interest rate are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

Currency risk:

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of the Company's revenue and expenses are in Indian Rupees. Company also operates internationally with miniscule business transacted in foreign currency namely US Dollar and Singapore Dollar. Management considers currency risk to be low and hence does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

ii. Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits given, investments and balances at bank.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are well established companies besides in few cases Company receives advances from customers.

The risk of default is assessed as low.

iii. Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company actively monitors its cash flows to ensure there is sufficient cash available to meet its working capital requirements. Due to the dynamic nature of the underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's cash and cash equivalents on the basis of expected cash flow.

The table below summarises the maturity profile of the Company's financial liabilities as at 31st March 2020 based on contractual undiscounted payments:

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amount	488.50	696.30
Less than 12 months	207.93	400.88
More than 12 months	280.57	295.42

c. Capital risk management

The Board policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain the future development need of the business. The capital structure of the Company is based on Management's judgement of the appropriate balance of key elements in order to meet its strategic and day to day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. There were no changes to the Company's approach to capital management during the year.

Total Equity includes Capital Reserve, Securities Premium, General Reserve, Retained Earnings and Share Capital. Total Debt includes current debt plus non-current debt.

(In ₹ lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Total debt	252.36	421.51
Total equity	8,107.90	7,983.30
Debt equity ratio	0.03	0.05

46. IMPACT OF COVID-19 ON THE COMPANY

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, the Company had to hold back the scheduled shoot of Season 3 of Four More Shots Please which was scheduled to commence in the third week of March. Another Original show planned for shooting in the current financial year 2020-21 has been delayed, as well as an anthology film shoot in which PNC was participating. We will be ready to start work on these shows and the film when normal life and work resumes and it is possible to commence filming safely with cast and crew. Meanwhile, work on the writing of other shows continues. This is one of the most important aspects of our production business and we hope to stay ready with what we have in hand. Meanwhile, the Company has made a detailed assessment of the impact of the pandemic on its business and cash flows. It being an unanticipated global event, our options are limited and we will require some more time to return to normalcy and what that new normal will be is a matter of intense international debate. The Company is working on the assumption that the setback caused to its business because of the pandemic will be only temporary and we can return to the floors in the current financial year. The Company does not anticipate material medium to long term risks to its business prospects. In fact, it appears from global reports, that the business of our clients, the streaming networks, has actually increased during the lockdown as millions of viewers have shifted to online entertainment as theaters remain closed both in India as well as in many parts of the world where our shows are viewed. As a preventive measure, the Company has reduced salaries of all its employees during the current financial year. It has also negotiated a reduced rent for the registered office and shut down its production office since shooting is currently not taking place. It has also taken several measures to preserve its available resources and cut overhead costs to bring down cash burn during the current period. It is possible the Company may face a cash crunch if the commencement of shoot gets delayed beyond the next six months. However, in the view of the management, the ability of the company and constituents of the group to continue as a going concern shall not be affected. The safety of our employees, and the cast and crew of our shows is currently of paramount importance to us and till date no case of Covid 19 has been reported from among them. Production, when it commences, will take place under carefully drawn out safety protocols and abundant precaution, following necessary guidelines.

47. There are no subsequent events upto the date of issue of this financial statements.

48. Previous year figures have been regrouped/ recast/ rearranged wherever necessary in order to conform with the current year's.

As per our attached report of even date
For BD Johkakar & Co.
Chartered Accountants

Pramod Prabhudesai
Partner
Membership number 032992

Mumbai, June 30, 2020

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN: 00008277

Kishor Palkar
Chief Financial Officer

Mumbai, June 30, 2020

Udayan Bose
Director
DIN: 00004533

Santosh Gharat
Company Secretary

Notice is hereby given that the 27th Annual General Meeting of the members of PRITISH NANDY COMMUNICATIONS LTD (CIN L22120MH1993PLC074214) will be held on December 17, 2020 at 3.00 p.m. for the transaction of the following businesses, through Video Conferencing/ Other Audio-Visual Means in conformity with the regulatory provisions and Circulars issued by Ministry of Corporate Affairs, Government of India:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the audited financial statements of the Company for the financial year ended March 31, 2020, 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, 2020, together with the report of the Auditors thereon.
2. To appoint a Director in place of Rangita Pritish Nandy (DIN: 00005690) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. To re-appoint Pallab Bhattacharya and Rangita Pritish Nandy for another term of 5 years

By Order of the Board

Santosh Gharat
Company Secretary and Compliance Officer
Mumbai, September 15, 2020

Registered Office: 87/88 Mittal Chambers, Nariman Point, Mumbai 400021

Explanatory Statement as required under Section 102(1) and other applicable provisions of Companies Act, 2013 annexed to and forming part of Notice dated September 15, 2020

Item No. 2

Pursuant to Section 52 of Companies Act, 2013, Rangita Pritish Nandy is retiring by rotation and being eligible, offers herself for re-appointment.

Following is the brief profile of Rangita Pritish Nandy:

Ms Nandy is an Executive Director (Creative Director) on the Board of the Company. Prior to Joining Pritish Nandy Communications Limited (PNC), she has worked as advertising and management trainee at Percept Advertising and Ogilvy & Mather. She is with PNC for 21 years, to design and produce its entertainment shows and cinematic content. She heads the creative function, supervises the in-house production team and is also a member of Corporate Leadership Team, at PNC.

Other directorships of Ms Nandy is PNC Digital Ltd.

Item no. 3

Pallab Bhattacharya, was reappointed as Wholtime Director and CEO of the Company for a further period of five years with effect from February 17, 2020 to February 16, 2025 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:

- a. Salary: Not exceeding ₹ 3,50,000 per month.
- b. Perquisite: Mr Bhattacharya is entitled to a Company car with a driver.
- c. Gratuity is payable as per rules of the Company at the end of service.
- d. Reimbursement of traveling, hotel and other reasonable expenses actually incurred by Mr Bhattacharya for Company work.

Rangita Pritish Nandy, daughter of Pritish Nandy, Chairman and Rina Pritish Nandy, Director of the Company, was reappointed as Creative Director of the Company for a further period of five years with effect from February 18, 2020 to February 17, 2025 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:

- a. Salary: Not exceeding ₹ 4,00,000 per month.
- b. Perquisite: Ms Nandy is entitled to a Company car with a driver.
- c. Gratuity is payable as per rules of the Company at the end of service.
- d. Reimbursement of travelling, hotel and other reasonable expenses actually incurred by Ms Nandy for Company work.

The details of the remuneration paid to the above said executive Directors' is given herein below:

Pallab Bhattacharya: salary of ₹ 3,50,000 per month aggregating to ₹ 42,00,000 for the year ended March 31, 2020.

Rangita Pritish Nandy: salary of ₹ 4,00,000 per month aggregating to ₹ 48,00,000 for the year ended March 31, 2020.

The total managerial remuneration paid was ₹ 76,00,000. (28,00,000 to Pallab Bhattacharya and 48,00,000 to Rangita Pritish Nandy) during the year 2019-20.

The total remuneration paid to the executive directors were within the statutory limit prescribed under Schedule V of Companies Act, 2013.

NOTES:

1. The Annual General Meeting (AGM) will be held on 17th day, December, 2020 at 3.00 P.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) in compliance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No.14/2020 dated April, 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on the email ID companysecretary@prishnandy.com a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.
5. Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:
 - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
 - Members holding shares in the physical form can get their E-mail ID registered by contacting our Registrar and Share Transfer Agent "Link Intime India Private Limited" on their email ID mumbai@linkintime.co.in or by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their email id mumbai@linkintime.co.in
6. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice under Note No. 22.
8. As the Annual General Meeting of the Company is held through Video Conferencing/ OAVM, we therefore request the Members to submit questions if any at least 10 days in advance relating to the business specified in this Notice of AGM on the E-mail ID companysecretary@prishnandy.com
9. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
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 the 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 to the Registrar and Share Transfer Agent.
11. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in Electronic Mode can send an e-mail to companysecretary@prishnandy.com
12. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21.
13. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015 the Register of Members and Share Transfer Books of the Company will remain closed from Friday, December 11, 2020 to Thursday, December 17, 2020 (both days inclusive).
14. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. The Annual Report along with the Notice of AGM will be placed on the Company's website on www.pritishnandy.com
16. Members desiring any information as regards to Accounts or any other matter to be placed at the AGM, are requested to write 10 days in advance to the Company through email on www.pritishnandy.com. The same will be replied by the Company suitably.
17. Members are requested to notify any changes, in their address to the Company's Registrar & Share Transfer Agent: Link Intime India Pvt. Ltd., C 101, 247 Park, LBS Rd, Vikhroli West, Mumbai - 400083.
18. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
19. Shareholders of the Company holding shares either in physical form or in Dematerialized forms as on Benpos date i.e. November 20, 2020 will receive Annual Report for the financial year 2019-20 through electronic mode only.
20. As per the MCA General Circular 20/2020 dated May 5, 2020, the Annual Report will be sent through electronic mode to only those Members whose e-mail ID's are registered with the Registrar and Share Transfer Agent of the Company/Depository Participant.
21. Information and other instructions relating to e-voting are as under:
 - a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system. ("remote e-voting") or e-voting on the date of the AGM that will be provided by CDSL.
 - b. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
 - c. The Board of Directors of the Company has appointed VN Deodhar & Co., Practicing Company Secretaries (C.P. No. 898), as the Scrutinizer, to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - d. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. December 10, 2020.
 - e. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. December 10, 2020 only shall be entitled to avail the facility of remote e-voting OR e-voting at the AGM.
 - f. The Scrutinizer, after scrutinizing e-voting at the AGM and remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.pritishnandy.com. The results shall simultaneously be communicated to the Stock Exchange.
 - g. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. December 17, 2020.

- h. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on December 14, 2020 at 9.00 a.m. and ends on December 16, 2020 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 of December 10, 2020 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 during the voting period.
- 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 "PRITISH NANDY COMMUNICATIONS LIMITED" 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & 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 users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the Mobile App while voting on your mobile.
- xix. Note for Non-Individual Shareholders and Custodians.
 - 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.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority Letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 e-mail to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Manager, Central Depository Services (India) Limited (CDSL), A-Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N.M. Joshi Marg, Lower Parel, (East) Mumbai 400 013 or send an e-mail to helpdesk.evoting@cdslindia.com OR call 1800225533

The Instructions for Members for e-Voting on the day of the AGM are as under:

- i. The procedure for E-Voting is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii. Members who have voted through Remote E-Voting will be eligible to attend the AGM and participate there at. However, they will not be eligible to vote at the AGM. In case any Member, who had voted through Remote E-Voting, casts his vote again at the E-Voting provided during the AGM, then the Votes cast during the AGM through E-Voting shall be considered as invalid.
- iv. Members are requested to follow the instructions, if any, provided during the currency of the AGM for E-Voting.
- v. The details of the person who may be contacted for any grievances connected with the facility for e-voting during the AGM shall be the same person mentioned for Remote e-voting.

Process for those shareholders whose e-mail addresses are not registered with the depositories for obtaining login credentials for E-voting for the Resolutions proposed in this Notice:

- i. For Physical Shareholders: Please provide necessary details like Folio No., Name of Shareholder, Scanned copy of the share certificate (front & back), PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to our RTA Link Intime India Private Limited on their e-mail ID mumbai@linkintime.co.in
 - ii. For Demat Shareholders: Please provide Demat Account details (CDSL-16 digit beneficiary ID or NSDL -16 digit DPID + CLID), Name, Client Master or Copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to our RTA Link Intime India Private Limited on their e-mail ID mumbai@linkintime.co.in
 - iii. The RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.
22. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

- a. Members whose email IDs are already registered with the Depository Participant/ Registrar and Share Transfer Agent of the Company and who are desirous to attend the AGM through VC/ OAVM can apply at investorgrievance@prishnandy.com, companysecretary@prishnandy.com requesting for participation in the AGM, by giving their name as registered in the records of the Company, DPID/ Client ID or Folio Number and the Registered email ID.
 - b. Members who are desirous of attending the AGM through VC/ OAVM and whose email IDs are not registered with the RTA of the Company/DP, may get their email IDs registered as per the instructions provided in point No. 5 of this Notice.
 - c. Members who are desirous of attending the AGM may send their request by December 11, 2020. On successful registration with the company, the invitation to join the AGM will be sent to the Members on their registered email IDs latest by December 15, 2020 This will be done on first come first served basis, limited to 1000 members only. Due to security reason the invitation link to participate in the AGM will be shared on the registered email id of the member only after successful registration with the Company.
 - d. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING, they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting ID/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
 - e. In case of Android/I phone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
 - f. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
 - g. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - h. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
 - i. Institutional Shareholders are encouraged to participate at the AGM through VC/OAVM and vote there at.
23. Any person, who acquires shares of the Company and become member of the Company after sending the Notice of AGM through electronic mode and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.
24. In line with the Ministry of Corporate Affairs General Circular No. 17/2020 dated April 13, 2020, the Notice calling AGM has been uploaded on the website of the Company at www.pritishnandy.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
25. Investor Grievance Redressal: The Company has designated an e-mail ID investorgrievance@prishnandy.com and companysecretary@prishnandy.com to enable investors to register their complaints, if any.

By Order of the Board

Santosh Gharat
Company Secretary and Compliance Officer
Mumbai, September 15, 2020

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- ◆ Select the “Company” and ‘Event Date’ and register with your following details: -
 - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
 - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.: Enter your mobile number.
 - D. Email ID: Enter your email id, as recorded with your DP/Company.
- ◆ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting, i.e. companysecretary@pritishnandycom.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

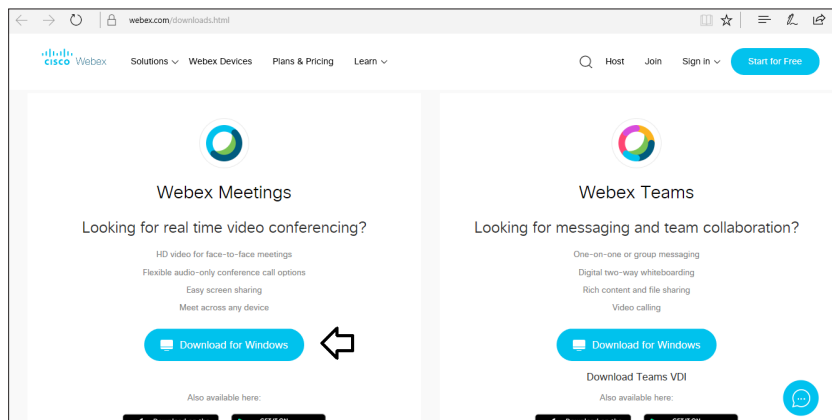
InstaMeet Support Desk
Link Intime India Private Limited

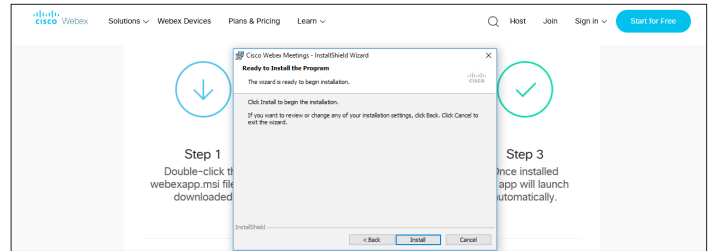
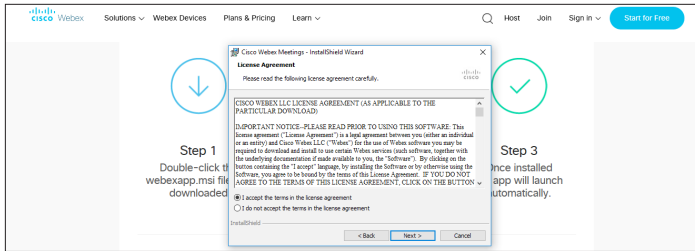
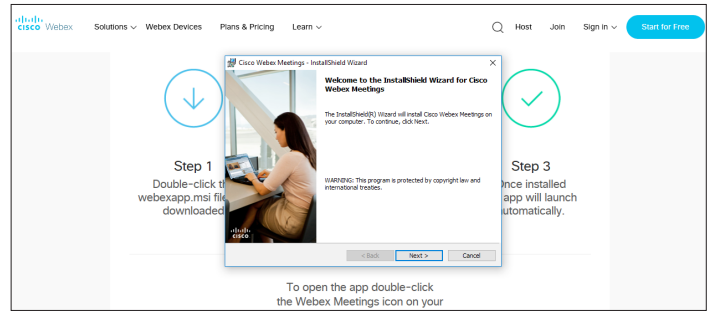
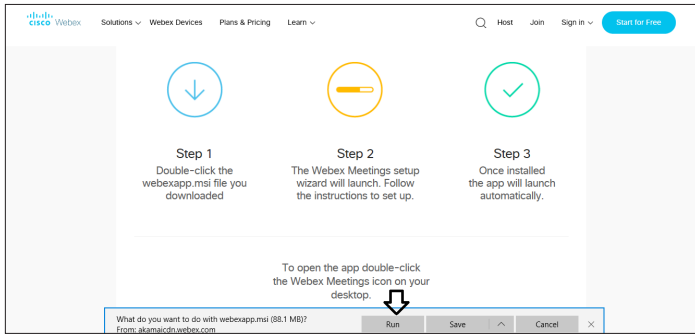
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





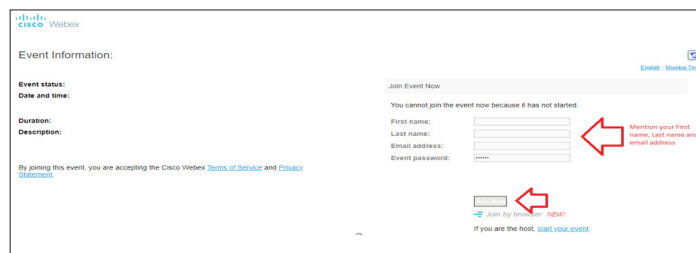
or
b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now





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