



PRITISH NANDY COMMUNICATIONS LTD

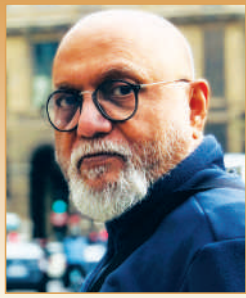
# 28 ANNUAL REPORT AND ACCOUNTS 2021



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**SHOTS** / **S3** | **FILMING**  
please! **RESTARTS**

[www.pritishnandycom.com](http://www.pritishnandycom.com)

## BOARD OF DIRECTORS



**PRITISH NANDY**  
CHAIRMAN



**RAGHU PALAT**  
INDEPENDENT DIRECTOR



**PRADEEP GUHA**  
INDEPENDENT DIRECTOR



**SUNIL ALAGH**  
INDEPENDENT DIRECTOR



**RINA PRITISH NANDY**  
NON-EXECUTIVE DIRECTOR



**KARAN AHLUWALIA**  
INDEPENDENT DIRECTOR



**PALLAB BHATTACHARYA**  
WHOLETIME DIRECTOR & CEO



**RANGITA PRITISH NANDY**  
CREATIVE DIRECTOR

## CORPORATE LEADERSHIP TEAM



**PALLAB BHATTACHARYA**  
DIRECTOR & CEO, CHAIRMAN



**RANGITA PRITISH NANDY**  
CREATIVE DIRECTOR



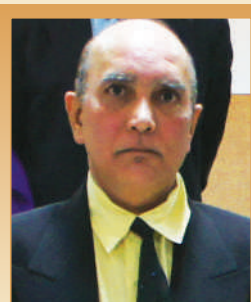
**ISHITA PRITISH NANDY**  
CHIEF BRAND STRATEGIST



**KISHOR PALKAR**  
CHIEF FINANCIAL OFFICER



**SANTOSH GHARAT**  
COMPANY SECRETARY



**YATENDER VERMA**  
VICE PRESIDENT, FINANCE,  
COMPLIANCE & LEGAL AFFAIRS



**ANOOP KUMAR**  
CHIEF PRODUCTION OFFICER



**IMTIAZ CHOUGLE**  
MANAGER, ACCOUNTS

PRITISH NANDY COMMUNICATIONS LTD  
28 ANNUAL REPORT AND ACCOUNTS 2021

**BOARD OF DIRECTORS**

Pritish Nandy | Chairman  
Raghu Palat  
Sunil Kumar Alagh (from April 6 2021)  
Karan Ahluwalia (from April 6 2021)  
Rina Pritish Nandy  
Pallab Bhattacharya | Wholetime Director & CEO  
Rangita Pritish Nandy | Creative Director

Udayan Bose (till January 7 2021)  
Hema Malini (till June 30 2021)  
Pradeep Guha (till August 21 2021)

**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 Kishor Palkar | Chief Financial Officer  
Santosh Gharat | Company Secretary 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 28th Annual General Meeting.

It's unfortunate that for the second consecutive year we are having this meeting online and I will not have the pleasure of meeting you in person as I have done over the years. I will particularly miss the regulars, those who turn up every year to ask questions, voice their concerns if any, shake my hand and wish us all well for the coming year. I hope you are all well and looking after yourselves and your families in these difficult times. Life has not been easy for many of us during the past 19 months.

I am hopeful our next meeting will take place under more normal circumstances. And we will once again have the opportunity to discuss the many ambitious things your Company is planning to do. The pandemic has of course slowed us down. And multiple lockdowns have held us back from moving ahead at the pace we had set for ourselves.

But enough of that. Every crisis brings its own opportunities. It appears that we have now survived the worst and it's time to move ahead and try to make the best use we can of the rest of this year, as we wait for the pandemic's intensity to further subside and life to return to some sort of normal. I know it may seem foolhardy to be so optimistic when epidemiologists are still talking about a third wave. But hope and the indomitable spirit to succeed has seen your Company—as indeed this great nation of ours—overcome many crises in the past and I am confident that we shall overcome whatever the pandemic may yet cast our way. It could take time. But I assure you, it will not break our spirit.

During the past 19 months, as millions of people across the world remained trapped indoors, mostly at home, there was an exponential rise in the consumption of digital content. Largely, entertainment. Scripted and unscripted. And this is precisely the business we are in.

Subscribers of streaming services multiplied many times over as theatres shut down and widespread cord-cutting shrunk audiences for cable and satellite content in many parts of the world. Millions of people shifted from watching traditional shows and serials to the new kind of content that the world's leading streaming platforms offered. With technology advances, quality improved. So did variety. More important, the global market opened up for content makers like us.

People across the world are now watching Israeli action drama, Korean romances, delightful French productions, Mexican narco-thrillers, Japanese horror stories, British comedies, adventurous Spanish heists and popular American sitcoms. Modern technology has delivered them into our living rooms. For viewing at our convenience, no longer by appointment. We watch them on our TVs, our computers and laptops, on millions of smart phones that have democratized the reach of compelling content. There is so much to watch and every week, there are new shows, new films, new documentaries dropping. It's an opportune time for content makers to showcase their best work before the world.

Fortunately, your Company has been one of the first movers in this business.

We started this Company 28 years ago to make news content for State-run terrestrial television, covering the national elections and debating vital political issues. From fireside chats with prime ministers to exit polls. From that we switched over to entertainment as the market opened up with the coming of satellite television and private channels. From TV content to motion pictures was a short journey. We successfully restyled our skill sets to produce movies that brought your Company both success and critical acclaim. Five years ago, as we watched the internet grow, we anticipated the rise of digital streaming content and prepared ourselves to shift gears again.

Our shows and movies are watched in 200 countries across the world, in many languages, dubbed and subtitled, reaching a massive global audience. In India, our viewership has grown exponentially with the increasing reach of streaming platforms. At 28, we retain the indomitable spirit of a new start-up, constantly innovating, constantly coming up with new ideas for changing audiences. Talking to them in a language they best understand.

In the midst of a raging pandemic, we got one of the highest accolades in the business when our series *Four More Shots Please!* won an international Emmy nomination last year. The New York Times reported Amazon's content head declaring the series as their most-watched show out of India. This was followed by several other top awards like best script from the Screenwriters Association, best web series at the 6th Annual Web Series Festival Global in Los Angeles and Asia's Best Rising Star Award at Busan's Asian Content Awards. Cosmo bloggers voted us as their favourite show.

The pandemic also gave us time to create and write new shows, some of which have been greenlit for production. Last month we restarted filming Season 3 of *Four More Shots Please!* which was interrupted by the first lockdown in March 2020. We will also be on the floor this year with a major show featuring six famous Indian directors- for a leading global streaming platform in association with the world's most famous newspaper. As a small experiment, we also went out during the pandemic and made a short film for the Amazon anthology *Unpaused*, with two actors and four crew members on the sets. This brief excursion in Covid times won us much critical acclaim.

Currently, we are working on several new shows and movies. A fascinating repertoire of contemporary campus stories; a new age musical; a family drama; a modern day love story winding itself across different continents; an edgy thriller set in a picturesque, baroque seaside locale; a gender-busting heist with a subliminal twist; an exotic romance in the heart of decadent royalty; a spectacular, adrenaline-driven fantasy adventure tale; and a story about the princess inheritors in the uber-rich jungles of South Mumbai. Quite a lot actually.

As formulaic content yields way to new age shows, your Company leads the change. For us, the future is here. And this is the best time to quickly repair our wounds from the pandemic and get back into the thick of battle. To win over audiences with the kind of stories we enjoy telling. All of them developed inhouse under the creative leadership of our own show-running team.

Another matter of pride is that we have improved upon the gender ratio in the business. A recent study by Ormax showed that women held barely 8% HOD jobs in the making of content. Our shows have more than 50% women working on them. We believe in pay parity too. Women are well represented on our board of directors as well.

Unfortunately, we recently lost two distinguished board members, investment banker Udayan Bose and media expert Pradeep Guha, both independent directors. Mr Bose was with us for over a decade and headed our audit committee. Mr Guha joined more recently. Both were always available for advice, support and guidance. We place on record our gratitude for their contribution and convey our sympathies to their bereaved families.

Renowned actress and Member of Parliament, Hema Malini, also on our board as an independent director for over a decade, recently stepped down to be able to spend more time on relief work during the pandemic. We shall miss her gracious presence, her support.

Finally, I thank all our stakeholders. Our clients, business associates, talent and crew; our bankers; our vendors-- and all members of Team PNC who worked against immeasurable odds to keep things going during these difficult months, despite many personal tragedies. Even now, they are working under severe restrictions. Their fearlessness, their dedication, their unwavering faith in the future of your Company will hopefully go a long way towards our returning to business in full strength.

To  
The Members  
Pritish Nandy Communications Limited

Your Directors present the 28<sup>th</sup> Annual Report on the business and operations of the Company together with the audited financial accounts for the financial year ended March 31, 2021.

#### FINANCIAL HIGHLIGHTS

Total income for this year was ₹ 774.96 lakh as compared to ₹ 2,728.27 lakh for the earlier year. The Company made a loss of ₹ 570.14 lakh before tax as compared to a profit of ₹ 66.04 lakh before tax in the preceding year.

In ₹ lakh

Particulars	Standalone	
	Year ended March 31, 2021	Year ended March 31, 2020
Income from operations	774.96	2,728.27
Other income	84.28	69.39
Total turnover	859.24	2,797.66
Total expenditure	1,429.38	2,731.62
Profit/ (loss) before exceptional and extraordinary items and tax	(570.14)	66.04
Current tax	0.00	14.50
Profit/ (loss) after current tax	(570.14)	51.54
Deferred tax	(34.62)	(12.68)
Short/ (excess) provision for tax (earlier year)	(0.96)	(23.87)
Profit/ (loss) after tax	(534.56)	88.09
Dividend (%)	0	0
Transfer to reserves	0	0
Balance in statement of profit and loss	(638.33)	(106.87)
Paid up capital	1,446.70	1,446.70
Earnings per share	(3.70)	0.61
Book value per share	53.57	57.24

#### PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

The year under review has been a difficult period for most businesses, not just in India but across the world. The Covid-19 pandemic has been unrelenting in its spread and the frequent lockdowns announced by both the Union and State governments have severely impacted your Company's functioning. Offices were shut for almost the entire year and the filming of content, which is our primary business, was not possible under the strict restrictions imposed by the lockdowns.

There was a brief gap between the first and the second wave of the pandemic and it was during this gap that your Company was able to seize the opportunity to make a short film called Rat-a-Tat for an Amazon Prime Video anthology called Unpaused. The film attracted critical acclaim. No other filming was possible during the entire year, barring 11 days of filming in March 2021 of the third season of Four More Shots Please. This was the show that your Company was about to commence filming when the first lockdown was announced. It is a show widely acclaimed as Amazon Prime Video's most watched show out of India. We are yet to recommence its filming since the current lockdown regulations are not conducive to viable production activity.

Having said this, it is important to point out that during this year the consumption of content—the kind of content that your Company makes and is reputed for—has grown substantially. The streaming platforms have enlarged their viewership manifold during the pandemic, at the expense of movie theatres, which perforce had to shut down during most of the year, and there is a general recognition (worldwide, in fact) that the immediate future of the content business lies with these streaming platforms.

Your Company's show Four More Shots Please, for instance, found release in 200 countries and territories and its very first season received the highest accolade in the content business by getting a prestigious international Emmy nomination.

Despite the inability to produce content, your Company has successfully used the year to create, write and pitch to our clients multiple shows and feature films which it will take to production as soon as the pandemic eases and regulations allow us to film under viable and safe conditions. The enormous growth in the consumption of streamed content during the year under review has also empowered us to make more shows and feature films that meet the expectations of young audiences, the largest consuming group in the demographics of entertainment viewers.

We are also noticing wide global interest in content emerging from India. The way this is growing, India may soon emerge as an important source of global content. Our familiarity with the English language, our cost structure, our creative and technical talent and the latest innovations in production and post-production technology give us an advantage as far as global content is concerned. At the same time, regional platforms are also emerging stronger and attracting large viewership in different languages. So are the many pan-India platforms. Creating a substantial demand for both international quality content for the world as well as low cost, high impact content for local consumption. This is the best thing that could have happened to the digital content business. The pandemic, which has lost us many months of productivity, has also helped to enhance the market for home entertainment, thus enlarging the scope of the business your Company is in.

Conversations on and reviews of our shows on global news media and social engagement sites have brought inquiries for our content from across the world. Many of our older films are now streaming across the globe on multiple OTT platforms, giving them a new life, a new audience. We expect this to grow further and we are discussing several new shows and films with clients across the world.

Our shows are largely imagined, created and developed in-house. Outside talent is then recruited to direct and produce them under your Company's creative supervision. This makes your Company the amazing creative hot shop that we set out to be 28 years ago and, today, we take pride not only in the sustainable model of business that we have created in the content industry but also in the talent we have built up over the years to produce and execute our own creative projects.

The Company also continues to remain engaged in the development and production of feature film content. But, again, mainly for OTT platforms.

Thus, despite all the limitations imposed on your Company's business by the pandemic, the year has not gone entirely in vain. In fact, your Company stands stronger, more future ready.

The sharp fall in revenue over the year is owing to the fact that your Company was unable to film during the year because of the lockdowns. But creating, writing and development work continued in full steam throughout the year. This will eventually translate into production in coming months and years. The loss this year was also because of the write off of ₹ 3.39 crore owing to the settlement of a two decade old dispute with Prasar Bharati over the encashment of a PNC bank guarantee of ₹ 7.505 crore which went into arbitration.

The Company's filmed content library continues to defy its existing life cycle and is now widely streaming across many OTT platforms, including Netflix, Amazon, Disney+Hotstar, Jio, Sony Liv, Eros Now, MX Player and BSNL-Lokdhun. Renewals are happening from time to time, asserting your Company's conviction that good content never goes out of fashion. Its life cycle keeps increasing over the years. Our feature films are also available on the satellite platform of the Star TV Network.

Your Company has made a detailed assessment of the impact of the ongoing pandemic on its business and cash flows. As this is an unanticipated global event, our options are limited and we will have to depend on factors beyond our control to return to normalcy. As we speak, the government and reputed epidemiologists have issued a warning that a third wave could be imminent.

It is therefore difficult to predict when the pandemic will ease and the lockdowns lift. What the new normal will be is also anybody's guess. Your 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 itself. The Company does not anticipate material medium to long term risks to its business prospects. But it all depends on how long it takes the world to tame the pandemic. A global business depends on global stability.

Your Company did not remove any payroll staff during the pandemic. It introduced, instead, temporary pay cuts and negotiated reduced rents for its office and production stores. The production office is temporarily shut down. Measures have been taken to preserve the Company's resources and cut overhead costs to bring down cash burn. It is however quite possible that your Company may face a cash crunch if the commencement of filming gets delayed indefinitely. However, in the view of the management, the ability of your Company to continue as a going concern remains unaffected as on date.

As mentioned earlier, we follow a Safety-First protocol to ensure the wellbeing of our staff, and the cast and crew of our shows. A considerable amount of effort has been put into making sure that none of our employees have been put to risk during this period. The filming of the anthology short was done under carefully drawn-out safety protocols, following guidelines prescribed by the government and the industry. The same will be strictly followed when we get back to production.

#### 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 2021-22 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 (AGM) 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 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 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. 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 1/5<sup>th</sup> of its book value and with this, the value of investments in this subsidiary has been fully provided for.

#### 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 2020-21.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

After the unfortunate demise of Udayan Bose, Independent Director, on January 7, 2021 the Company appointed Sunil Alagh and Karan Ahluwalia, both Independent Directors, on April 6, 2021. The Company has also received a request from Hema Malini to relieve her since the pandemic had increased the work load in her constituency as a member of Parliament.

#### 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) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure II.

#### BOARD MEETINGS HELD DURING THE YEAR

As required under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year four meetings of the Board of Directors were held and one 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 independent Directors, at their exclusive meeting held during the year on March 25, 2021, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the SEBI Listing Regulations.

#### 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 Jkhakar & 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 Companies Act, 2013 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 diminution of investment in wholly owned subsidiary company "PNC Wellness Ltd." which is now fully provided for.

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 ₹ 14.79 lakh as at March 31, 2021. 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 plus interest of ₹ 35 lakhs received by the Company in its favour in the arbitration case filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the above said award. The court has directed the proprietor not to dispose off/create any third party rights on his properties which are valued at ₹ 1,200 lakh. Proceedings are ongoing and in view of the same outstanding of ₹ 317.53 lakh is considered as fully recoverable and consequently there is no provision made of any amount there against.

We further draw attention to note 40(a) on the standalone financial statements which describes change in accounting estimates in respect of cost of content and amortization thereof. Consequent to the change in the aforesaid accounting estimate, the Company has written off an amount of ₹ 76.39 lakh for the year 2020-21 as per revised accounting estimates instead of ₹143.75 lakh as per the earlier accounting estimates. In the opinion of the management, the impact on future periods is impracticable to estimate at this stage.

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) 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 Nil investment (PY ₹ 58.20 lakh) in equity shares of wholly owned subsidiary viz PNC Wellness Ltd. The net worth of this subsidiary is ₹ 32.44 lakh as on March 31, 2021. 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 1/5<sup>th</sup> of its book and with this, the diminution in value of investments in this subsidiary has been fully provided for.

## Note – 36 (b)

## PNC Digital Limited

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 ₹ 14.79 lakh as on March 31, 2021. 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 had received an award of ₹ 3.52 crore plus interest of ₹ 35 lakh in its favour in the arbitration filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the award and was directed to deposit an amount of ₹ 3 crore by the Bombay High Court, which they failed to do. The Company filed a petition for execution of the arbitration award. The Bombay High Court has restrained Sanjay Gupta from disposing of, encumbering, alienating, transferring, parting with possession of or creating any third party rights or interest in his three properties in Pune and Khandala valued at ₹ 12 crore. The advance of ₹ 3.17 crore is therefore considered as fully recoverable

## Note – 40(a)

During the year, Company has reviewed its accounting estimate in respect of cost of content and amortization.

The Company has revised the accounting estimate and taken the useful life of its audio-visual entertainment content as 40 years considering the following:

- i. The economic useful life of content post digitisation.
- ii. New avenues of content exploitation with the emergence of new technologies.
- iii. Long tail realisations from the library of produced content.
- iv. Increased reach of Indian content in new and existing global markets.
- v. Increased scope of content exploitation in many new ways and languages as well as through multiple exploitation of content IPRs.
- vi. The continuing exploitation of the PNC library on existing platforms.

News-based content as well as content being produced currently for international streaming platforms on commissioned basis will continue to be 100% written off on exploitation as per the current practice. This is today the bulk of our content business. The revision applies only to our library of released movies.

Consequent to the change in the accounting estimate, the Company has written off ₹ 76.39 lakh for the year 2020-21 as per the revised accounting estimates instead of ₹ 143.75 lakh as per the earlier accounting estimates. The impact on future earning is impracticable to estimate at this stage.

## Note – 46

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, after commencing shoot in March 2021, the Company had to hold back the scheduled shoot in April 2021 of Season 3 of Four More Shots Please. The Company will be ready to start work on this show 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. 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 itself. 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. The Company did not remove any payroll staff during the pandemic. It introduced, instead, as preventive measures, temporary pay cuts for staff and negotiated reduced rents for its office and production stores. The production office has been temporarily shut down. Measures have been taken to preserve its available resources and cut overhead costs to bring down cash burn. It is however quite possible that your Company may face a cash crunch if the commencement of filming gets delayed indefinitely. However, in the view of the management, the ability of your Company and constituents of the group to continue as a going concern remains unaffected as on date.



#### SECRETARIAL AUDITORS' REPORT

VN Deodhar & Company, practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the fiscal year 2021, 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 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. Sunil Alagh, Chairman
2. Karan Ahluwalia
3. Pallab Bhattacharya

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, 2021 as the average net profit of the Company for the last three financial years is inadequate.

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 which is available on the website of the Company.

The website of the Company is [www.pritishnandy.com](http://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.

#### ACKNOWLEDGEMENT

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  
Wholetime Director and CEO  
DIN: 00008277

Raghu Palat  
Director  
DIN: 00311994

## ANNEXURE - I

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

(In ₹ lakh)

PARTICULARS			
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	(33.56)	(35.21)
5.	Total assets	52.65	14.84
6.	Total liabilities (except share capital and reserve and surplus)	20.21	0.05
7.	Investments	0.00	0.00
8.	Turnover (including other income)	0.03	7.54
9.	Profit/ (loss) before taxation	(0.35)	7.37
10.	Provision for taxation (including deferred tax)	0.00	0.00
11.	Profit/ (loss) after taxation	(0.35)	7.37
12.	Proposed dividend	Nil	Nil
13.	% of shareholding	100%	99.78%

Note

- Reporting period for all the Subsidiaries is March 31, 2021.

## 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 2020-21

Description	Ratio of median remuneration
Wholetime Directors	
Pallab Bhattacharya	4.48
Rangita Pritish Nandy	6.35

- The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2020-21

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

However due to pandemic situation remuneration paid to all employee (including Key Managerial Persons) at 64.17% (reduction of 35.83).

- The percentage increase in the median remuneration of employees in the financial year: (6.15%).  
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 2020-21 was Nil.
- Comparison of the remuneration of the key managerial personnel against the performance of the Company for financial year 2020-21.

Particulars	Amount (In ₹ lakh)
Aggregate remuneration of Key Managerial Personnel (KMP)	65.48
Revenue	774.96
Remuneration of KMP (as % of revenue)	8.45 %
Profit/ (loss) before tax (PBT)	(570.14)
Remuneration of KMP (as % of PBT)	(11.48) %

- 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, 2021	March 31, 2020	% Change
Market Capitalization (in ₹ lakh)	6,039.97	1,085.03	456.67
Price Earnings Ratio	(11.28)	12.30	(192.61)

- 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, 2021	IPO	% Change
Market Price (BSE)	41.75	155	(73.06)
Market Price (NSE)	41.85	155	(73.00)

- 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 managerial personnel were not increased 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 - III**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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 Ltd. (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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 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, 2021 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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India,
- b. Auditing Standards issued by The Institute of Company Secretaries of India and
- c. 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. Ms. Hema Malini has not attended any of the meetings held during the financial year 2020-21. Her absence has triggered provisions of Section 167(b) of the Companies Act, 2013.

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, 2021

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

**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, 2021 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, 2021

## ANNEXURE - IV

FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN  
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[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 9082922612  
Email: companysecretary@prishnandy.com  
Website: www.pritishnandy.com
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any  
Linkintime India Private Limited  
C-121, 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	87.07%
2.	Production of motion pictures	59111	12.93%

## 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 87/88 Mittal Chambers, Nariman Point, Mumbai 400021	U22110MH1994PLC076934	Subsidiary	99.78	2 (87)
2.	PNC Wellness Limited 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, 2020)				No. of shares held at the end of the year (i.e as on March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
1. Indian									
a. Individual/ HUF	3,896,307	0	3,896,307	26.93	3,987,748	0	3,987,748	27.56	0.63
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.	3,322,118	0	3,322,118	22.97	3,946,393	0	3,946,393	27.28	4.31
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)	7,218,425	0	7,218,425	49.90	7,934,141	0	7,934,141	54.84	4.94
2. Foreign									
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)	7,218,425	0	7,218,425	49.90	7,934,141	0	7,934,141	54.84	4.94
<b>B. Public Shareholding</b>									
1. a. Institutions									
b. Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
c. Banks/ FI	183,155	0	183,155	1.27	110,000	0	110,000	0.76	(0.51)
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. FIIs	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)	208,155	0	208,155	1.44	135,000	0	135,000	0.93	(0.51)

Category of shareholders	No. of shares held at the beginning of the year (i.e as on April 1, 2020)				No. of shares held at the end of the year (i.e as on March 31, 2021)				% Change during the year		
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares			
2.											
a.	Non-Institutions										
	Individuals										
	1.	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	2,091,801	4,229	2,096,030	14.49	2,249,609	4,229	2,253,838	15.58	1.09
	2.	Individual shareholders holding nominal share capital in excess ₹ 1 Lakh	3,339,765	0	3,339,765	23.09	3,199,214	0	3,199,214	22.11	(0.98)
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	13,031	0	13,031	0.09	86,175	0	86,175	0.60	0.51
	3.	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
	4.	HUFs	370,246	0	370,246	2.56	297,651	0	297,651	2.06	(0.50)
	5.	Non resident Indians (Non Repat)	5,880	0	5,880	0.04	5,965	0	5,965	0.04	0.00
	6.	Other directors	86,000	0	86,000	0.59	102,000	0	102,000	0.71	0.12
	7.	Bodies Corporate	1,101,666	1	1,101,667	7.62	411,069	1	411,070	2.84	(4.77)
	8.	Non resident Indians (Repat)	24,801	0	24,801	0.17	38,946	0	38,946	0.27	0.10
	Sub-total (B)(2)		7,036,190	4,230	7,040,420	53.55	6,393,629	4,230	6,397,859	49.00	(4.44)
	Total Shareholding (B)=(B)(1)+(B)(2)		7,244,345	4,230	7,248,575	55.06	7,244,345	4,230	7,248,575	50.11	(4.94)
	Total (A) + (B)		14,462,770	4,230	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)		14,462,770	4,230	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, 2020			Shareholding at the end of the Year as on March 31, 2021			% 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	3,043,638	21.04	0.00	0.63
2.	Artinvest India Private Limited	1,608,978	11.12	0.00	1,608,978	11.12	0.00	0.00
3.	Ideas.com India Pvt. Limited	1,713,140	11.84	0.00	2,337,415	16.15	0.00	4.31
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	49.90	0.00	7,218,425	54.84	0.00	4.94

## 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, 2020		Transactions during the year		Cumulative shareholding during the year as on March 31, 2021	
		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.	Pritish Nandy	2,952,197	20.41				
				December 31, 2020	91,441	3,043,638	21.04
2.	Ideas.com India Pvt Ltd	1,713,140	11.84				
				January 1, 2021	19,866	1,733,006	11.97
				January 8, 2021	10,000	1,743,006	12.05
				March 5, 2021	594,409	2,337,415	16.16
3.	Artinvest India Pvt Ltd	1,608,978	11.12	NA	NA	1,608,978	11.12
4.	Rina Pritish Nandy	625,000	4.32	NA	NA	625,000	4.32
5.	Rangita Pritish Nandy	193,500	1.34	NA	NA	193,500	1.34
6.	Ishita Pritish Nandy	125,610	0.87	NA	NA	125,610	0.87

## 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, 2020		Transactions during the year		Cumulative shareholding during the year March 31, 2021	
		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	902,842	6.24	March 5, 2021	(600,000)	302,842	2.09
3	Sushma Daga	178,123	1.23	NA	0	178,123	1.23
4	Parag Suresh Kamat	156,260	1.08	April 10, 2020	2,863	159,123	1.09
				April 17, 2020	(1,661)	157,462	1.09
				May 15, 2020	185	157,647	1.09
				March 31, 2021	(3,397)	154,250	1.07
5	Radheshyam Ramgopal	180,269	1.24	August 21, 2020	(5,000)	175,269	1.21
				December 31, 2020	(24,981)	150,288	1.04
				January 1, 2021	(4,713)	145,575	1.01
				January 8, 2021	(8,000)	137,575	0.95
				March 12, 2021	(1,059)	136,516	0.94
6	Naminder Singh Dhir	119,600	0.82	November 27, 2020	(90)	119,510	0.82
7	Pallab K. Bhattacharya	86,000	0.59	August 7, 2020	6,000	92,000	0.63
				November 20, 2021	6,000	98,000	0.68
				February 19, 2021	3,949	101,949	0.70
				February 26, 2021	51	102,000	0.71
8	Sonal Parag Kamat	119,262	0.82	April 24, 2020	(3,302)	115,960	0.80
				May 15, 2020	600	116,560	0.80
				March 26, 2021	(15,000)	101,560	0.70
				March 31, 2021	(60)	101,500	0.70
9	Punamchand Ramnarayan Rathi	132,997	0.92	January 15, 2021	(33,615)	99,382	0.67
				January 29, 2021	33,615	132,997	0.92
				March 26, 2021	(32,997)	100,000	0.91
10	Ratan Naval Tata	0	0.00	March 12, 2021	91,850	91,850	0.63

## 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, 2020		Cumulative Shareholding during the year March 31, 2021	
				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	86,000	0.59	16,000	0.11
			At the end of the year	86,000	0.59	1,02,000	0.71

## 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	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
Change in indebtedness during the financial year				
i. Addition	0.00	0.00	0.00	0.00
ii. Reduction	48.85	0.00	0.00	48.85
Net Change (i+ii)	(48.85)	0.00	0.00	(48.85)
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	0.00	0.00	0.00	0.00
Total (i+ii+iii)	203.51	0.00	0.00	203.51

## 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 Wholetime Director and CEO	Rangita Nandy Creative Director	
1.	Gross salary			
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	16.70	23.28	39.98
	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, please specify	0.00	0.00	0.00
5.	Others, please specify	3.04	4.72	7.76
	Total	19.74	28.00	47.74
	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	2.40	0.00	2.40
	b. Raghu Palat	3.20	0.00	3.20
	c. Hema Malini	0.00	0.00	0.00
	d. Pradeep Guha	3.20	0.00	3.20
	Total (1)	8.80	0.00	8.80
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)	12.00	0.00	12.00
	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	5.02	10.06
	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, please specify		
5.	Others, please specify	0.00	2.66
	Total	5.02	12.72

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCE:

There were no penalties, punishment, or compounding of offence during the year ended March 31, 2021

## ANNEXURE - V

## FOREIGN EXCHANGE EARNINGS AND OUTGO

(In ₹ lakh)

Particulars	For the year 2020-21	For the year 2019-20
FOREIGN EXCHANGE EARNINGS		
Sale of owned content	24.72	0.90
Total	24.72	46.41
FOREIGN EXCHANGE OUTGO		
Traveling expenses	0.00	2.20
Cost of production - FMSP II	0.00	10.42
Business Promotion Expenses	1.61	0.00
Total	1.61	12.62

**OVERVIEW**

The global Covid-19 pandemic has created several challenges for the media and entertainment sector and expedited many trends. Streaming platforms have emerged as the largest growing segment because the pandemic enforced home quarantine in most parts of the world. Despite difficult circumstances and several lockdowns, the Company has continued to concentrate on making content for the growing number of streaming platforms. While production was largely stalled, shows were conceived, written and pitched to different platforms, working from home. 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 and now serialized shows that are streamed online. Our skills are backed by 27 years of actual experience.

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

**a. CONTENT**

**PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY**

The year under review has been difficult for most businesses, not just in India but across the world. The Covid-19 pandemic has been unrelenting in its spread and the frequent lockdowns announced by both the Union and State governments have severely impacted the Company's functioning. Offices were shut for almost the entire year and the filming of content, which is our primary business, was not possible under the strict restrictions imposed by the lockdowns

There was a brief gap between the first and the second wave of the pandemic and it was during this gap that the Company was able to seize the opportunity to make a short film called Rat-a-Tat for an Amazon Prime Video anthology called Unpaused. The film attracted critical acclaim. No other filming was possible during the entire year, barring 11 days of filming in March 2021 of the third season of Four More Shots Please!. This was the show that the Company was about to commence filming when the first lockdown was announced. It is a show widely acclaimed as Amazon Prime Video's most watched show out of India. We are yet to recommence its filming since the current lockdown regulations are not conducive to safe and viable production activity.

Having said this, it is important to point out that during this year the consumption of content—the kind of content that the Company makes and is reputed for—has grown substantially. The streaming platforms have enlarged their viewership manifold during the pandemic, at the expense of movie theatres, which perforce had to shut down during most of the year, and there is a general recognition (worldwide, in fact) that the immediate future of the content business lies with these streaming platforms.

The Company's show Four More Shots Please! for instance, found release in 200 countries and territories and its very first season received the highest accolade in the content business by getting a prestigious international Emmy nomination.

Despite the inability to produce content, the Company has successfully used the year to create, write and pitch to our global clients multiple shows and feature films which it will take to production as soon as the pandemic eases and regulations allow us to film under viable and safe conditions. The enormous growth in the consumption of streamed content during the year under review has also empowered us to conceive more shows and feature films that meet the expectations of young audiences, the largest consuming group in the demographics of entertainment viewers.

We are also noticing wide global interest in content emerging from India. The way this is growing, India may soon emerge as an important source of global content. Our familiarity with the English language, our cost structure, our creative and technical talent and the latest innovations in production and post-production technology give us an advantage as far as global content is concerned. At the same time, regional platforms are also emerging stronger and attracting large viewership in different languages. So are the many pan-India platforms. Creating a substantial demand for both international quality content for the world as well as low cost, high impact content for local consumption. This is the best thing that could have happened to the digital content business. The pandemic, which has lost us many months of productivity, has also helped to enhance the market for home entertainment, thus enlarging the scope of the business the Company is in.

Conversations on and reviews of our shows on global news media and social engagement sites have brought inquiries for our content from across the world. Many of our older films are now streaming across the globe on multiple OTT platforms, giving them a new life, a new audience. We expect this to grow further and we are discussing several new shows and films with clients across the world.

Our shows are largely imagined, created and developed in-house. Outside talent is then recruited to direct and produce them under the Company's creative supervision. This makes the Company the amazing creative hot shop that we set out to be 28 years ago and, today, we take pride not only in the sustainable model of business that we have created in the content industry but also in the talent we have built up over the years to produce and execute our own creative projects.

The Company also continues to remain engaged in the development and production of feature film content. But, again, mainly for OTT platforms.

Thus, despite all the limitations imposed on the Company's business by the pandemic, the year has not gone entirely in vain. In fact, the Company stands stronger, more future ready.

The Company's filmed content library continues to defy its existing life cycle and is now widely streaming across many OTT platforms, including Netflix, Amazon, Disney+Hotstar, Jio, Sony Liv, Eros Now, MX Player and BSNL-Lokdhun. Renewals are happening from time to time, asserting the Company's conviction that good content never goes out of fashion. Its life cycle keeps increasing over the years. Our feature films are also available on the satellite platform of the Star TV Network.

The Company has made a detailed assessment of the impact of the ongoing pandemic on its business and cash flows. As this is an unanticipated global event, our options are limited and we will have to depend on factors beyond our control to return to normalcy. As we speak, the government and reputed epidemiologists have issued a warning that a third wave could be imminent.

It is therefore difficult to predict when the pandemic will ease and the lockdowns lift. What the new normal will be is also anybody's guess. 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 itself. The Company does not anticipate material medium to long term risks to its business prospects. But it all depends on how long it takes the world to tame the pandemic. A global business depends on global stability.

The Company did not remove any payroll staff during the pandemic. It introduced, instead, temporary pay cuts and negotiated reduced rents for its office and production stores. The production office is temporarily shut down. Measures have been taken to preserve the Company's resources and cut overhead costs to bring down cash burn. It is however quite possible that the Company may face a cash crunch if the commencement of filming gets delayed indefinitely. However, in the view of the management, the ability of the Company to continue as a going concern remains unaffected as on date.

As mentioned earlier, we follow a Safety-First protocol to ensure the wellbeing of our staff, and the cast and crew of our shows. A considerable amount of effort has been put into making sure that none of our employees have been put to risk during this period. The filming of the anthology short was done under carefully drawn-out safety protocols, following guidelines prescribed by the government and the industry. The same will be strictly followed when we get back to production.

**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. 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 1/5<sup>th</sup> of its book value and with this, the value of investments in this subsidiary has been fully provided for.

**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.

Currently the most critical risks are in the area of safety of staff and uninterrupted filming when we go back on the floor in the midst of the pandemic. The cost of safety measures are high and we follow all operating protocols suggested by the Government authorities as well as our clients in terms of regular testing of all people attending to work which involves interaction with others. When we return to actual filming, many more safety protocols will be put in place to minimize the risk of expensive interruptions and risk to people who will be collectively working on the sets.

#### 4. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The sharp fall in revenue over the year is owing to the fact that the Company was unable to film during the year because of the persistent lockdowns. And creating, writing and development which continued full steam throughout the year, successfully carried out as WFH, bring in disproportionately lower revenue even though creating, writing and development is at the very heart of the content making process and actually take more time than physical production. But revenue income received during the making of a project largely comes in during filming and post, as benchmarked against completion targets. When the current projects enter filming and post, the balance of the revenue will be captured.

The quantum of loss was largely because of the write off of ₹ 3.39 crore owing to settlement of a two decade old dispute with Prasar Bharati over the encashment of a PNC bank guarantee of ₹ 7.505 crore which was in arbitration.

#### 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 recognise 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 provided 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.

In view of the Covid-19 pandemic, as per SEBI guidelines issued vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 the publication of financial results in newspapers was relaxed until June 30, 2020 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 PNC 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 of Directors, 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](http://www.pritishnandy.com)

#### 2. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the Companies Act, 2013 (the Act) and the listing regulations entered into with the stock exchanges where the securities issued by the Company are listed. The Board has 7 directors as on March 31, 2021, of who two are Promoter Non-Executive Directors, two are Executive Directors and three 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, 2021 have been made by the Directors.

During 2020-21, the Board met 4 times: on June 30, 2020, September 15, 2020, November 12, 2020 and February 8, 2021. 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, 2021.

Director (Designation)	Category	Number of Board Meetings attended	Whether last AGM Attended	Number of other Company's directorships*, committee* memberships and chairmanship			Shareholding Equity share of ₹ 10 each
				Director	Committee Member	Committee Chairman	
Pritish Nandy** (Chairman)	Promoter, Non-Executive Director	4	Yes	-	-	-	30,43,638
Udayan Bose#	Independent, Non-Executive Director	3	Yes	2	2	2	-
Hema Malini	Independent, Non-Executive Director	0	No	-	-	-	-
Rina Pritish Nandy**	Promoter, Non-Executive Director	4	Yes	-	-	-	6,25,000
Pallab Bhattacharya (Wholtime Director and CEO)	Executive Director	4	Yes	2	-	-	1,02,000
Rangita Pritish Nandy** (Creative Director)	Executive Director	4	Yes	1	-	-	1,93,500
Raghu Palat	Independent, Non-Executive Director	4	Yes	-	-	-	-
Pradeep Guha	Independent, Non-Executive Director	4	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 husband and wife, founders and promoters of the Company, and Rangita Pritish Nandy is their daughter.

#Udayan Bose, Independent, Non-Executive Director has ceased from the Board of the Company due to his demise on January 7, 2021.

After the unfortunate demise of Udayan Bose, Independent Director, on January 7, 2021 the Company appointed Sunil Alagh and Karan Ahluwalia, both Independent Directors, on April 6, 2021. The Company has also received a request from Hema Malini to relieve her since the pandemic had increased the work load in her constituency as a member of Parliament.

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, 2021, the Audit Committee consists of Raghu Palat, Chairman of the Committee, and Pradeep Guha as members of the Committee. Santosh Gharat, Company Secretary acts as Secretary of the Audit Committee.

During the year 2020-21, the Audit Committee met 4 times: on June 30, 2020, September 15, 2020, November 12, 2020 and February 8, 2021. Attendance of Committee members during the year 2020-21 is as under:

Name of member	Attendance	June 30, 2020	September 15, 2020	November 12, 2020	February 8, 2021
Udayan Bose (Chairman)	3	Yes	Yes	Yes	No
Raghu Palat	4	Yes	Yes	Yes	Yes
Pradeep Guha	4	Yes	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 Companies Act, 2013. Udayan Bose has ceased from the board and committee. The Remuneration Committee consists of Raghunath Palat as Chairman of the committee and Pradeep Guha, as members of the Committee. Santosh Gharat, Company Secretary acts as Secretary of the Committee.

**Directors' Remuneration**

- Advisory fees: Non-Executive Chairman's advisory fees is ₹ 96 lakh per annum. The necessary approval has been obtained from Ministry of Corporate Affairs.
- Sitting fees: Sitting fees are paid to Non-Executive Directors for attending Board and Audit Committee Meetings. All Non-Executive Directors are paid sitting fees of ₹ 40,000 each for attending Board Meetings as well as for Audit Committee Meetings.
- Remuneration: Details of current remuneration of Wholtime Directors are as under:

Pallab Bhattacharya was re-appointed as Wholtime 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 ₹ 3,50,000 per month.

Salary: Not exceeding ₹ 3,50,000 per month, subject to annual increment

Perquisite: Company car with a driver.

Gratuity is payable as per rules of the Company at the end of service.

Reimbursement of traveling, hotel and other reasonable expenses actually incurred by 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 ₹ 4,00,000 per month.

Salary: Not exceeding ₹ 4,00,000 per month, subject to annual increment

Perquisite: Company car with a driver.

Gratuity is payable as per rules of the Company at the end of service.

Reimbursement of traveling, hotel and other reasonable expenses actually incurred by her for Company work.

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

Shareholdings of the Non-Executive Directors of the Company as on March 31, 2021 as follows:

Of the 2 Non-Executive Directors, Promoter Directors Pritish Nandy and Rina Pritish Nandy hold 30,43,638 (21.04%) 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 Pradeep Guha. He and Pallab Bhattacharya are its members. Santosh Gharat, Company Secretary acts as Secretary of this Committee.

This Committee reviews and redresses the grievances related to securities such as transfer of securities, dividend and any other investor grievances like non-receipt of Annual Report and non-receipt of dividends, 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 2020-21.

**6. GENERAL BODY MEETINGS**

Year	Location	Date and Time
Annual General Meeting(s)		
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
2019-2020	87/88 Mittal Chambers, Mumbai 400021	December 17, 2020 at 3.00 PM (Through VC/OAVM)

**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:

- To ensure that all the current and future materials risk exposure of the company are identified, assessed, quantified, appropriately mitigated and managed.
- To establish a framework for the company's risk management process and to ensure companywide implementation.
- Improve decision making, planning and prioritization by comprehensive and structured understanding of business activities, volatility, opportunities as well as threats.
- Contribute towards more efficient use and allocation of the resources within the organization.
- Protect and enhance assets and company image.
- 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:

- Ishita Pritish Nandy, Chairperson
- Trisha Paralkar, Member
- Anoop Kumar, Member
- Ambika Hiranandani, Representative of NGO

The Complaints Committee is responsible for:

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

During the year under review, no complaint was received.

#### 8. DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, 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.
- Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years. There were no instances of non-compliance on any matter related to the capital markets during the last 3 years.
- The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy is also put up on the website of the Company.
- The Board has adopted policies to establish transparency and good governance. These policies are the Board Diversity Policy, Code of Conduct of directors and senior management, Policy on Material Subsidiary, Related Party Transaction Policy, Succession Policy and Insider Trading Policy 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 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, 2021.

#### 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 Vinayak N Deodhar (CP No. 898), Practising Company Secretary and Secretarial Auditor of the Company for providing this certification.

#### 11. TOTAL FEES PAID TO STATUTORY AUDITORS OF THE COMPANY

Total fees of ₹ 5,45,000 (Rupees Five Lakh Forty Five Thousand Only) for financial year 2020-21, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

#### 12. 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.

#### 13. MEANS OF COMMUNICATION

- 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.
- 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.
- The Company also makes presentations to investors from time to time.
- Management Discussion and Analysis forms part of this Annual Report.

#### 14. GENERAL SHAREHOLDER INFORMATION

##### 14.1 Annual General Meeting

Date and time : September 24, 2021 at 3:00 P.M.  
Meeting through : VC or Other Audio Visual Mode

##### 14.2 Financial calendar (tentative) for financial year

April 1, 2021 to March 31, 2022

##### A Board meetings to consider financial results

Before August 14, 2021 : Results for the first quarter  
Before November 14, 2021 : Results for the second quarter  
Before February 14, 2022 : Results for the third quarter  
Before May 30, 2022 : Results for the fourth quarter and year ending March 31, 2022

##### B Annual General Meeting

: By September, 2022

##### 14.3 Date of book closure

: September 18, 2021 to September 24, 2021 (both days inclusive)

##### 14.4 Dividend payment date

: Not applicable

##### 14.5 Listing on Stock Exchanges

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

##### 14.6 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.

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

Period (As on March 31, 2020 and March 31, 2021)	% change in Company's share price	% change in Indices
BSE-Sensex	456.67	70.14
NSE-Nifty	461.74	70.87

## 14.8 Market price data:

	NSE		BSE	
	Month's high price (₹)	Month's low price (₹)	Month's high price (₹)	Month's low price (₹)
April 2020	13.05	7.50	13.50	7.50
May 2020	12.70	10.55	12.48	10.67
June 2020	16.45	10.60	17.45	10.81
July 2020	16.95	13.04	16.90	13.88
August 2020	18.95	13.00	18.95	13.21
September 2020	19.00	12.75	18.35	13.25
October 2020	14.90	11.55	14.90	11.75
November 2020	18.85	11.00	18.75	11.31
December 2020	26.85	13.75	26.86	13.82
January 2021	26.45	19.00	26.00	19.10
February 2021	21.15	16.55	20.90	17.10
March 2021	41.85	17.80	41.75	17.85

14.9 Registrar and transfer agents : Link Intime India Private Ltd

14.10 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.

## 14.11 Distribution of shareholding as on March 31, 2021

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	4,511	80.71	643,853	6,438,530	4.45
5,001 to 10,000	512	9.16	434,295	4,342,950	3.00
10,001 to 20,000	259	4.64	414,051	4,140,510	2.86
20,001 to 30,000	89	1.59	231,317	2,313,170	1.60
30,001 to 40,000	33	0.59	117,443	1,174,430	0.81
40,001 to 50,000	47	0.84	220,995	2,209,950	1.53
50,001 to 100,000	66	1.18	491,015	4,910,150	3.40
100,001 and above	72	1.29	11,914,031	119,140,310	82.35
Total	5,589	100.00	14,467,000	144,670,000	100.00

## Distribution of shareholding as on March 31, 2021 (Category wise)

Particulars	%
Particulars	%
Promoters holding	54.84
Banks and Financial Institutions	0.76
Insurance Companies	0.17
Clearing Member	0.60
Trust	0.02
Public and private corporate bodies	2.84
NRIs/ OCBs	0.31
Indian public and others	37.69
Other Directors	0.71
HUF	2.06
Total	100.00

## 14.12 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, 2021. 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.

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

14.14 Plant locations : The Company has no plant.

14.15 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 : +91 9082922612  
email : investorgrievance@prishnandycom.com  
Website : www.pritishnandycom.com

## OTHER INFORMATION

a. Listing fees for the financial year 2021-22 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](http://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 the 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

Mumbai, June 30, 2021

Pallab Bhattacharya  
Wholetime Director and CEO

Kishor Palkar  
Chief Financial Officer

## 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's website [www.pritishnandy.com](http://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, 2021 from Members of its Board and senior management personnel.

Mumbai, June 30, 2021

Pallab Bhattacharya  
Wholetime Director and CEO

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members  
PRITISH NANDY COMMUNICATIONS LIMITED

1. This certificate is issued in accordance with the terms of engagement letter dated January 5, 2018.

2. 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, 2021, 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

3. 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

4. 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.

5. 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.

6. 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.

7. 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

8. 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, 2021.

9. 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

10. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Pramod Prabhudesai  
Partner  
Membership No. 032992  
UDIN: 21032992AAAADY8976

Mumbai, 30<sup>th</sup> June, 2021

## 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, 2021, 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, 2021, and its loss (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 diminution of investment in wholly owned subsidiary company "PNC Wellness Ltd." which is now fully provided for.

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 ₹ 14.79 lakh as at March 31, 2021. 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 plus interest of ₹ 35 lakhs received by the Company in its favour in the arbitration case filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the above said award. The court has directed the proprietor not to dispose off/ create any third party rights on his properties which are valued at ₹ 1,200 lakh. Proceedings are ongoing and in view of the same outstanding of ₹ 317.53 lakh is considered as fully recoverable and consequently there is no provision made of any amount there against.

We further draw attention to note 40(a) on the standalone financial statements which describes change in accounting estimates in respect of cost of content and amortization thereof. Consequently to the change in the aforesaid accounting estimate, the Company has written off an amount of ₹ 76.39 lakh for the year 2020-21 as per revised accounting estimates instead of ₹ 143.75 lakh as per the earlier accounting estimates. In the opinion of the management, the impact on future periods is impracticable to estimate at this stage.

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 8 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, 2021 amounts to ₹ 5,622.01 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 Global theatrical rights, Global broadcasting rights, Music right, Global streaming rights and emerging platforms, Intellectual Property Rights(IPR)/ 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 7 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 ₹1,961.64 lakh as at March 31, 2021 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 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

- 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.
- As required by Section 143(3) of the Act, we report that:
  - 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.
  - 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.
  - 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.
  - 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.
  - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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".
  - 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
  - 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:
    - 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;
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Pramod Prabhudesai  
Partner  
Membership No.032992  
UDIN: 21032992AAAADW2270

Mumbai, 30<sup>th</sup> June, 2021



## 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)

- a. i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- ii. 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.
- iii. 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.
- b. 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.
- c. 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.
- d. 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.
- e. 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.
- f. 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.
- g. i. 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, 2021 for a period of more than six months from the date they became payable.
- ii. 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, 2021 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

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

- h. 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.
- i. 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.
- j. 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.
- k. 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.
- l. 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.
- m. 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.
- n. 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.
- o. 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.
- p. 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 Jokhakar & Co.  
Chartered Accountants  
Firm Registration No: 104345W

Pramod Prabhudesai  
Partner  
Membership No.032992  
UDIN: 21032992AAAADW2270

Mumbai, June 30, 2021

## 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 British Nandy Communications Limited ("the Company") as of March 31, 2021 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

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 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
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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, 2021, 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 Jokhakar & Co.  
Chartered Accountants  
Firm Registration No: 104345W

Pramod Prabhudesai  
Partner  
Membership No.032992  
UDIN: 21032992AAAADW2270

Mumbai, 30<sup>th</sup> June, 2021

## BALANCE SHEET

BRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

Particulars	Note no.	(In ₹ lakh)	
		As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
Non-current assets			
a. Property, plant and equipment	3	146.24	173.28
b. Financial assets			
i. Investments	4	70.20	128.40
ii. Other financial assets	5	881.82	1,143.94
c. Non current tax assets (net)	6	73.44	151.53
d. Other non-current assets	7	1,962.04	1,900.27
<b>Total non current assets</b>		<b>3,133.74</b>	<b>3,497.42</b>
<b>II. Current assets</b>			
a. Inventories	8	5,622.01	5,698.40
b. Financial assets			
i. Trade receivables	9	216.52	24.49
ii. Cash and cash equivalents	10	181.68	828.88
iii. Bank balances other than (ii) above	11	10.49	470.70
iv. Other financial assets	12	136.57	37.01
c. Current tax assets (net)	13	55.50	0.00
d. Other current assets	14	111.85	17.04
<b>Total current assets</b>		<b>6,334.62</b>	<b>7,076.52</b>
<b>TOTAL ASSETS</b>		<b>9,468.36</b>	<b>10,573.94</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
a. Equity share capital	15	1,446.70	1,446.70
b. Other equity	16	6,302.61	6,834.07
<b>Total equity</b>		<b>7,749.31</b>	<b>8,280.77</b>
<b>LIABILITIES</b>			
<b>I. Non-current liabilities</b>			
a. Financial liabilities			
i. Borrowings	17	0.17	98.01
ii. Trade payables			
Total outstanding dues to Micro and small enterprises		0.00	0.00
Creditors other than micro and small enterprises	18	0.00	150.94
iii. Other financial liabilities	19	0.00	31.62
b. Deferred tax liabilities (net)	20	1,043.33	1,077.95
<b>Total non-current liabilities</b>		<b>1,043.50</b>	<b>1,358.52</b>
<b>II. Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	21	104.99	137.60
ii. Trade payables			
Total outstanding dues to Micro and small enterprises	22	3.95	0.00
Creditors other than micro and small enterprises	22	116.81	45.72
iii. Other financial liabilities	23	111.41	26.94
b. Other current liabilities	24	338.39	724.39
<b>Total current liabilities</b>		<b>675.55</b>	<b>934.65</b>
<b>TOTAL LIABILITIES</b>		<b>1,719.05</b>	<b>2,293.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,468.36</b>	<b>10,573.94</b>
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our report of even date attached  
For BD Johkakar & 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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

## STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

25

(In ₹ lakh)

	Note no	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
I. Revenue from operations	25	774.96	2,728.27
II. Other income	26	84.28	69.39
III. Total income (I+II)		859.24	2,797.66
IV. EXPENSES			
Cost of content	27	607.01	2,131.17
Changes in inventories of content	28	76.39	0.00
Employee benefits expense	29	135.22	194.63
Finance costs	30	34.09	53.65
Depreciation and amortisation expense	3	27.24	27.28
Advances written off	39	339.26	0.00
Other expenses	31	210.17	324.89
Total expenses (IV)		1,429.38	2,731.62
V. Profit/ (loss) before tax (III-IV)		(570.14)	66.04
VI. Tax expense			
Current tax		0.00	14.50
Deferred tax		(34.62)	(12.68)
Short/ (excess) provision for tax (earlier year)		(0.96)	(23.87)
Total tax expense (VI)		(35.58)	(22.05)
VII. Profit/ (loss) for the year (V-VI)		(534.56)	88.09
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss		3.10	(5.79)
Tax on above		0.00	0.00
Other comprehensive income, net of tax (VIII)		3.10	(5.79)
IX. Total comprehensive income for the year (VII+VIII)		(531.46)	82.30
X. Earnings per equity share (Face value of ₹ 10)			
Basic and diluted	42	(3.70)	0.61
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 48		

As per our report of even date attached  
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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	(570.14)	66.04
Adjustment for		
Advances written off	339.26	0.00
Depreciation and amortisation	27.24	27.28
Finance costs	34.09	53.65
Diminution in value of investments	58.20	58.20
Bad debts written off	0.23	49.00
Loss on sale of assets	0.33	0.36
Property, plant and equipment written off	0.00	0.26
Expected credit loss	5.25	2.72
Trade payable balances written back	(1.29)	(0.71)
Interest on fixed deposit	(62.18)	(37.10)
Operating profit before working capital changes	(169.01)	153.66
Adjusted for		
Non current trade receivables	0.00	6.00
Other non-current financial assets	(77.14)	(1.40)
Other non-current assets	(61.77)	(53.68)
Cinematic and television content - current	76.39	0.00
Current trade receivables	(197.51)	381.20
Other current financial assets	(99.56)	25.70
Movement in tax assets	23.55	(60.21)
Other current assets	(91.71)	2.41
Bank balance other than cash and cash equivalent	460.21	(12.28)
Non current trade payable	(150.94)	0.00
Other non current financial liabilities	(31.62)	0.00
Current trade payables	76.33	(38.00)
Other current financial liabilities	(13.37)	3.22
Other current liabilities	(386.00)	258.09
Cash generated from operations	(642.15)	730.75
Direct taxes paid	0.00	0.00
Net cash flow from/ (used in) operating activities (A)	(642.15)	730.75
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment to acquire property, plant and equipment	(0.66)	(5.70)
Proceeds from sale of property, plant and equipment	0.13	0.51
Interest on fixed deposit	62.18	37.10
Net cash from/ (used in) investing activities (B)	61.65	31.91
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of non current borrowing	0.00	(14.85)
Repayment of current borrowing	(32.61)	(157.51)
Finance and other charges paid	(34.09)	(53.65)
Net cash from/ (used in) financing activities (C)	(66.70)	(226.01)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(647.20)	536.65
Cash and cash equivalents at the beginning of the financial year	828.88	292.23
Cash and cash equivalents at the end of the financial year	181.68	828.88
Significant accounting policies	2	
Notes to accounts form an integral part of financial statements	1 to 48	

## 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 report of even date attached  
For BD Jekhakar & 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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

# STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

# 27

## 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 2019-20	15	1,446.70	0.00	1,446.70
Financial Year 2020-21	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, 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
Profit/ (loss) for the year ended March 31, 2021	0.00	0.00	0.00	(534.56)	(534.56)
Other comprehensive income	0.00	0.00	0.00	3.10	3.10
Total comprehensive income for the year ended March 31, 2021	0.00	0.00	0.00	(531.46)	(531.46)
As at March 31, 2021	0.37	6,719.59	220.98	(638.33)	6,302.61

Significant accounting policies

2

Notes to accounts form an integral part of financial statements

1 to 48

As per our report of even date attached  
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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

## 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, 2021 were approved for issue by the Board of Directors on June 30, 2021.

## 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:

- 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 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 (Indian Accounting Standard) Amendment Rules, 2021 vide notification No. G.S.R. 419(E) dated June 18, 2021, which are applicable for annual period beginning on or after April 1, 2021.

## 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:

- a. Measurement of defined benefit obligations
- b. Measurement and likelihood of occurrence of contingencies
- c. Recognition of deferred tax assets
- d. 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 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 Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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

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

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 April 1, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

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 recognises 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 re-measured 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 recognise 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 recognises 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 unamortised 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 Global Theatrical Rights, Global Broadcasting Rights, Music Rights, Global Streaming Rights and Emerging Rights and IPR/ Residual Rights on an equitable basis.

Basis of amortisation of allocated costs:

i. Global theatrical rights:

1 <sup>st</sup> release	2 <sup>nd</sup> release	3 <sup>rd</sup> release
80%	10%	10%

ii. Global broadcasting rights:

1 <sup>st</sup> broadcast	2 <sup>nd</sup> broadcast	3 <sup>rd</sup> broadcast	4 <sup>th</sup> broadcast	5 <sup>th</sup> broadcast
50%	20%	10%	10%	10%

iii. Music rights: @ 100% on release.

iv. Global streaming rights and emerging platforms:

Amortised on the basis of percentage of revenue earned against the total expected revenue over the period of useful economic life.

v. IPR/ Residual rights: Carried forward till IPR survives and remains with the Company and has a remaining useful life as per management evaluation with a ceiling capped at 40 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 unamortised 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 unamortised cost as estimated by the management on the following basis or net realizable value

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

No unamortised 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 amortised 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 amortised 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 recognised 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 recognised 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 recognised 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 amortised 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 recognised 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 recognised in the statement of profit and loss except to the extent that the tax relates to items recognised directly in other comprehensive income or directly in equity.

b. Deferred tax

Deferred tax assets and liabilities are recognised 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.

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

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 recognised 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 recognised 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 recognised 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 recognises 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 recognised 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 recognised 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 managing director 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, 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
Additions during the year 2020-21	0.00	0.00	0.66	0.00	0.66
Disposal/ transfer during the year 2020-21	0.00	0.00	0.00	9.19	9.19
As at March 31, 2021	2.18	189.06	13.68	8.57	213.49
Accumulated depreciation/ amortisation					
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
Charges for the year 2020-21	0.21	22.45	2.31	2.27	27.24
Disposal/ transfer during 2020-21	0.00	0.00	0.00	8.73	8.73
As at March 31, 2021	1.38	51.81	7.80	6.26	67.25
Net book value					
As at March 31, 2021	0.79	137.25	5.88	2.32	146.24
As at March 31, 2020	1.01	159.70	7.53	5.04	173.28

## 4. NON CURRENT INVESTMENT

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
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	(232.80)	(174.60)
Less: Impairment in the value of investment for current year	(58.20)	(58.20)
	0.00	58.20
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
	70.20	70.20
Total	70.20	128.40
Aggregate amount of unquoted investments	70.20	128.40
Aggregate amount of impairment in the value of investments	(311.00)	(252.80)

## 5. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
a. Investment in term deposit with Bank (with remaining maturity of more than twelve months)	516.00	0.00
b. Security deposits for utilities and premises	27.00	22.29
c. Others (Including amount referred in note no. 38(b) and 39)	338.82	1,121.65
Total	881.82	1,143.94

## 6. NON CURRENT TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax	73.44	151.53
Total	73.44	151.53

## 7. OTHER NON CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances other than capital advances		
Other advances		
a. i. Balance with government authority	0.40	0.40
ii. Other receivable		
Deferred rent expenses	0.00	4.51
Total (a)	0.40	4.91
b. Advance for content	1,961.64	1,895.36
Total (b)	1,961.64	1,895.36
Total (a+b)	1,962.04	1,900.27

## 8. INVENTORIES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Cinematic and television content		
Unamortised content	4,084.20	4,163.54
Unexploited content	1,507.81	1,504.86
Unfinished content	30.00	30.00
Total	5,622.01	5,698.40

Refer note number 40 of the financial statement and 2.5 (a) and (b) of accounting policies for method of valuation

## 9. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	221.77	27.21
Less: Provision for expected credit loss	(5.25)	(2.72)
Total	216.52	24.49

## 10. CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Balances with banks		
Fixed deposits with maturity of less than three months	97.75	820.74
In current accounts	83.89	8.10
b. Cash on hand	0.04	0.04
Total	181.68	828.88

## 11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Bank deposits with original maturity of more than three months but less than twelve months	10.39	470.60
b. Balances with banks (Non- Operative)	0.10	0.10
Total	10.49	470.70

## 12. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
a. Bank deposits with original maturity of more than three months but remaining maturity less than twelve months	95.30	0.00
b. Security deposits	0.96	0.96
c. Advances to related parties (Refer note 34)	19.96	19.54
d. Others	20.35	16.51
Total	136.57	37.01

## 13. CURRENT TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax refund	55.50	0.00
Total	55.50	0.00

14. OTHER CURRENT ASSETS

(In ₹ lakh)

Particulars	As at	
	March 31, 2021	March 31, 2020
Advances other than capital advances		
a. Other advances	3.55	2.46
b. Balance with Government Authority	19.63	0.00
c. Prepaid expense	6.61	14.58
d. Advances for ongoing project	82.06	0.00
<b>Total</b>	<b>111.85</b>	<b>17.04</b>

15. EQUITY SHARE CAPITAL

(In ₹ lakh)

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised		
20,000,000 (PY: 20,000,000 ) Equity shares of ₹10 each	2,000.00	2,000.00
<b>Total</b>	<b>2,000.00</b>	<b>2,000.00</b>
Issued, Subscribed and fully paid		
14,467,000 (PY: 14,467,000) Equity shares of ₹10 each	1,446.70	1,446.70
<b>Total</b>	<b>1,446.70</b>	<b>1,446.70</b>

15.1 Reconciliation of number of shares (Equity)

(In ₹ lakh, except number of shares data)

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Number of shares outstanding at the beginning of the year	14,467,000	1,446.70	14,467,000	1,446.70
Number of shares outstanding 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, 2021		As at March 31, 2020	
	Number of shares	% held	Number of shares	% held
British Nandy	3,043,638	21.04	2,952,197	20.41
Ideas.com India Pvt Ltd	2,337,475	16.16	1,713,140	11.84
Artinvest India Pvt Ltd	1,608,978	11.12	1,608,978	11.12
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34
Gannon Dunkerley Finance Ltd	302,842	2.09	902,842	6.24

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, 2021	March 31, 2020
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	(106.87)	(189.17)
Add: Profit/ (loss) for the year	(534.56)	88.09
Add: Other comprehensive income	3.10	(5.79)
Balance at end of year	(638.33)	(106.87)
<b>TOTAL</b>	<b>6,302.61</b>	<b>6,834.07</b>

Nature and purpose:

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

(In ₹ lakh)

Particulars	As at	
	March 31, 2021	March 31, 2020
Secured		
Term loans		
From other than banks		
a. Loan from Kotak Mahindra Prime Limited	0.17	3.63
Secured against the hypothecation of vehicles		
b. Loan from BMW Financial Services	0.00	94.38
Secured against the hypothecation of vehicles.		
<b>Total</b>	<b>0.17</b>	<b>98.01</b>

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, 2021 (in ₹ lakh)	Payable upto
a. Kotak Mahindra Prime Limited					
Loan 1	36	9.22%	17,354	2.43	April 2022
Loan 2	36	9.22%	13,080	1.71	March 2022
b. BMW Financial Services					
Loan 1	36	8.99%	46,990	20.85	October 2021
Loan 2	36	9.50%	66,476	36.88	March 2022
Loan 3	36	9.50%	62,779	36.65	March 2022

17.2 Amendment to Ind AS 7

Amendment to Ind AS 7 effective from April 01, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the Company has given the said disclosure as below:

(In ₹ lakh)

Particulars	Note no	Opening balance as on April 1, 2020	Financing cash flow changes	Non cash flow changes		Closing balance as on March 31, 2021
				Effect of changes in foreign exchange rates	Effect of effective interest rate and others	
Non-current liabilities						
Borrowings	17	98.01	(97.84)	0.00	0.00	0.17
Current liabilities						
Borrowings	21 and 23 (a)	152.45	50.89	0.00	0.00	203.34
Interest expense and other borrowing costs	30	1.90	34.09	0.00	0.00	35.99
Interest expense and other borrowing costs paid			(35.99)	0.00	0.00	(35.99)
<b>Total</b>		<b>252.36</b>	<b>(48.85)</b>	<b>0.00</b>	<b>0.00</b>	<b>203.51</b>

## 18. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues to micro and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro enterprises and small enterprises	0.00	150.94
<b>Total</b>	<b>0.00</b>	<b>150.94</b>

\*Refer note no. 35 of notes to the financial statements

## 19. OTHER FINANCIAL LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances	0.00	31.62
<b>Total</b>	<b>0.00</b>	<b>31.62</b>

## 20. DEFERRED TAX LIABILITIES (NET)

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Deferred tax liabilities		
Depreciation on property, plant, & equipment	(7.67)	(8.81)
<b>Total (a)</b>	<b>(7.67)</b>	<b>(8.81)</b>
b. Reversal of deferred tax (assets)/ liabilities		
Unamortised content	1,131.86	1,152.49
Diminution in the value of investments	(80.86)	(65.73)
<b>Total (b)</b>	<b>1,051.00</b>	<b>1,086.76</b>
<b>Total (a+b)</b>	<b>1,043.33</b>	<b>1,077.95</b>

## 21. BORROWINGS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand		
From banks	104.99	137.60
(Exclusive charge on all current assets both present and future.)		
<b>Total</b>	<b>104.99</b>	<b>137.60</b>

Refer Note 17.2 of notes to the financial statements

## 22. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues to micro and small enterprises*	3.95	0.00
Total outstanding dues to creditors other than micro and small enterprises	116.81	45.72
<b>Total</b>	<b>120.76</b>	<b>45.72</b>

\*Refer note no. 35 of notes to the financial statements

## 23. OTHER FINANCIAL LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
a. Current maturity of long term debt*	98.35	14.85
b. Others		
Interest on overdraft account (Refer note 21 for nature of security)	0.00	1.90
Unsecured		
Others	2.99	0.00
Amount payable to related parties (Refer note 34)	10.07	10.19
<b>Total</b>	<b>111.41</b>	<b>26.94</b>

\*Refer note no.17.1 and 17.2 of notes to the financial statements

## 24. OTHER CURRENT LIABILITIES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Revenue received in advance	0.00	328.45
b. Other advances	11.25	11.31
c. Others:		
i. Statutory dues	36.13	114.60
ii. Amount payable for projects & assignments	291.01	270.03
<b>Total</b>	<b>338.39</b>	<b>724.39</b>

## 25. REVENUE FROM OPERATION

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of owned content	100.22	0.90
Income from commissioned content/ web series	674.74	2,727.37
<b>Total</b>	<b>774.96</b>	<b>2,728.27</b>

### 25.1 Revenue from contract with customer disaggregated based on geography.

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Domestic	750.24	2,727.37
Export	24.72	0.90
<b>Total</b>	<b>774.96</b>	<b>2,728.27</b>

### 25.2 Revenue recognised from contract liability (advances from customers)

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Closing contract liability	0.00	328.45
<b>Total</b>	<b>0.00</b>	<b>328.45</b>

## 26. OTHER INCOME

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Interest income	72.58	37.10
b. Miscellaneous income	11.70	32.29
<b>Total</b>	<b>84.28</b>	<b>69.39</b>

## 27. COST OF CONTENT

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of content	607.01	2,131.17
<b>Total</b>	<b>607.01</b>	<b>2,131.17</b>

## 28. CHANGES IN INVENTORIES OF CONTENT

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance		
Unamortised content	4,163.54	4,163.54
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
<b>Total (A)</b>	<b>5,698.40</b>	<b>5,698.40</b>
Closing balance		
Unamortised content	4,084.20	4,163.54
Unexploited content	1,507.81	1,504.86
Unfinished content	30.00	30.00
<b>Total (B)</b>	<b>5,622.01</b>	<b>5,698.40</b>
<b>Net (increase)/ decrease (A-B)</b>	<b>76.39</b>	<b>0.00</b>

## 29. EMPLOYEE BENEFITS EXPENSE

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries	132.84	192.33
Contribution to gratuity fund	2.38	2.30
<b>Total</b>	<b>135.22</b>	<b>194.63</b>

## 30. FINANCE COST

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense	26.54	37.46
Other borrowing costs	7.55	16.19
<b>Total</b>	<b>34.09</b>	<b>53.65</b>

31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Auditor's remuneration (Refer note 43)	5.15	5.10
Bad debts written off	0.23	49.00
Business promotion expenses	12.14	11.54
Communications expenses	1.09	2.20
Contract service expenses	19.35	29.30
Conveyance and motor car expenses	13.94	18.35
Directors' sitting fees	12.00	11.60
Insurance	4.17	2.03
Interest on statutory dues	3.00	0.52
Legal and professional expenses	13.83	11.31
Loss on sale of assets	0.33	0.36
Rent	39.66	66.53
Traveling expenses	0.69	9.57
Establishment and administrative expenses	26.39	49.28
Impairment in the value of investments	58.20	58.20
Total	210.17	324.89

32. CONTINGENT LIABILITIES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Contingent liabilities		
Claims against the Company not acknowledged as debts in respects of:		
a. VAT liability*	2.85	40.73
b. Other claims	0.00	1,501.00
Total	2.85	1,541.73

\*The above matter is currently being considered by the tax authorities and the Company expects the outcome will be in its favour and has therefore, not recognised the provision in relation to aforesaid liability. Future cash outflow in respect of above will be determined only on receipt of judgement/ decision pending with tax authorities.

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, 2021	For the year ended March 31, 2020
Current service cost	2.53	2.68
Net interest cost	(0.15)	(0.38)
Total	2.38	2.30

b. Expenses recognised in other comprehensive income (OCI)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (gains)/ losses on obligation for the period	(3.24)	6.01
Return on plan assets excluding interest income	0.14	(0.22)
Total	(3.10)	5.79

c. Reconciliation of defined benefit obligation

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Defined benefit obligation at the beginning of the year	79.30	65.52
Current service cost	2.53	2.68
Interest cost	5.42	5.09
Actuarial (gain)/ loss due to change in financial assumptions	0.19	3.98
Actuarial (gain)/ loss on obligation - Due to experience adjustments	(3.43)	2.03
Defined benefit obligation at the end of year	84.01	79.30

d. Reconciliation of plan assets:

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets at the beginning of the year	81.50	70.50
Interest income	5.57	5.47
Employers contribution	0.30	5.31
Return on plan assets, excluding interest income	(0.14)	0.22
Fair value of plan assets at the end of the year	87.23	81.50

e. Net asset/ (liability) recognised in the Balance Sheet

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of defined benefit obligation (DBO)	(84.01)	(79.30)
Fair value of plan assets	87.23	81.50
Net asset/ (liability)	3.22	2.20

f. The significant actuarial assumptions were as follows:

Actuarial assumption	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate	6.80%	6.84%
Attrition rate	2%	2%
Salary escalation rate	7%	7%
Rate of return on plan assets	6.80%	6.84%

Sensitivity analysis

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

Sensitivity analysis	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected benefit obligation on current assumptions	84.01	79.30
Delta effect of +1% change in rate of discounting	(4.47)	(4.30)
Delta effect of -1% change in rate of discounting	5.12	4.94
Delta effect of +1% change in rate of salary increase	1.55	1.37
Delta effect of -1% change in rate of salary increase	(2.01)	(1.95)
Delta effect of +1% change in rate of employee turnover	1.50	1.58
Delta effect of -1% change in rate of employee turnover	(1.65)	(1.74)

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	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
1 <sup>st</sup> following year	35.36	34.68
2 <sup>nd</sup> following year	1.67	1.58
3 <sup>rd</sup> following year	1.74	1.61
4 <sup>th</sup> following year	2.39	1.67
5 <sup>th</sup> following year	1.83	2.14
Sum of years 6 To 10	29.88	29.23
Sum of years 11 and above	67.01	63.33

NOTES

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

Actuarial gains/ losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

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

Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected contribution in the next year is considered as the sum of net liability/ assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

#### QUALITATIVE DISCLOSURE

##### Para 139 (a) Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

##### Para 139 (b) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**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.

##### Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

##### Trust fund and contribution thereto

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

#### 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
iv. 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 (till January 7, 2021)
iv. Raghu Palat	Non Executive, Independent Director
v. Hema Malini	Non Executive, Independent Director (till June 30, 2021)
vi. Pradeep Guha	Non Executive, Independent Director
vii. Sunil Alagh	Non Executive, Independent Director (from April 6, 2021)
viii. Karan Ahluwalia	Non Executive, Independent Director (from April 6, 2021)
ix. 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 :

(In ₹ lakh)

Nature of Relation	Nature of transaction	As at March 31, 2021		As at March 31, 2020	
		PNC Wellness Ltd	PNC Digital Ltd	PNC Wellness Ltd	PNC Digital Ltd
Subsidiaries	Opening balance receivable/ (payable)	19.54	(10.19)	18.93	(10.19)
	Advance paid back	0.00	0.12	0.00	0.00
	Advance given	0.42	0.00	0.61	0.00
	Balance outstanding as at year end receivable/ (payable)	19.96	(10.07)	19.54	(10.19)

Particulars	As at	
	March 31, 2021	March 31, 2020
Key management personnel and Directors	65.48	99.07
	(8.71)	(0.71)
Non-executive directors and their relatives	36.50	53.60
	61.60	96.00
	(293.94)	(270.06)

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 details given below are based on the information received from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been relied upon by the auditor.

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
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;	3.95	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 Nil investment (PY ₹ 58.20 lakh) in equity shares of wholly owned subsidiary viz PNC Wellness Ltd. The net worth of this subsidiary is ₹ 32.44 lakh as on March 31, 2021. 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 1/5<sup>th</sup> of its book and with this, the diminution in value of investments in this subsidiary has been fully provided for.

##### 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 ₹ 14.79 lakh as on March 31, 2021. 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 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)

- The Company has elected not to recognise 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 payment is recognised as an expense in the period in which it is incurred.

#### 38. LEGAL PROCEEDINGS

- 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.
- The Company had received an award of ₹ 3.52 crore plus interest of ₹ 35 lakh in its favour in the arbitration filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the award and was directed to deposit an amount of ₹ 3 crore by the Bombay High Court, which they failed to do. The Company has filed a petition for

execution of the arbitration award. The Bombay High Court has restrained Sanjay Gupta from disposing of, encumbering, alienating, transferring, and parting with the possession of or creating any third party rights or interest in his 3 properties in Pune and Khandala valued at ₹ 12 crore. The advance of ₹ 3.17 crore is therefore considered as fully recoverable.

39. The long-standing disputes with Prasar Bharati which have been in arbitration, have now been settled and the Company has received the settlement amount in January 2021. After adjusting what the Company has received and what was due to Prasar Bharati on account of past telecast fees, ₹ 3.39 crore has been written off during financial year 2020-2021.

40. INVENTORIES

- a. During the year, Company has reviewed its accounting estimate in respect of cost of content and amortization.

The Company has revised the accounting estimate and taken the useful life of its audio-visual entertainment content as 40 years considering the following:

- The economic useful life of content post digitisation.
- New avenues of content exploitation with the emergence of new technologies.
- Long tail realisations from the library of produced content.
- Increased reach of Indian content in new and existing global markets.
- Increased scope of content exploitation in many new ways and languages as well as through multiple exploitation of content IPRs.
- The continuing exploitation of the PNC library on existing platforms.

News-based content as well as content being produced currently for international streaming platforms on commissioned basis will continue to be 100% written off on exploitation as per the current practice. This is today the bulk of our content business. The revision applies only to our library of released movies.

Consequent to the change in the accounting estimate, the Company has written off ₹ 76.39 lakh for the year 2020-21 as per the revised accounting estimates instead of ₹ 143.75 lakh as per the earlier accounting estimates. The impact on future earning is impracticable to estimate at this stage.

- b. The details of cinematic and television content is as under

(In ₹ lakh)

Particulars	Cinematic content	Television content	Total
Gross carrying amount as at April 1, 2020	20,713.75	11,127.59	31,841.34
Add: Additions during the year 2020-21	2.95	0.00	2.95
Total	20,716.70	11,127.59	31,844.29
Less: Amortised up to March 31, 2020	15,306.75	10,836.19	26,142.94
Less: Amortised during the year 2020-21	79.34	0.00	79.34
Total amortised	15,386.09	10,836.19	26,222.28
Net carrying amount as at March 31, 2021	5,330.61	291.40	5,622.01

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 ₹ 500.00 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 is expected 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

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
i. Income tax expenses :		
Current tax- in respect of the current year	0.00	14.50
Adjustments for current tax of prior periods	(0.96)	(23.87)
Deferred tax- in respect of the current year	(34.62)	(12.68)
Total	(35.58)	(22.05)
ii. Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.00	0.00
Total	(35.58)	(22.05)

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

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Current tax as per regular working		
Net profit/ (loss) before tax	(570.14)	66.04
Effective tax rate applicable to the Company	26%	26%
Tax amount as per the enacted income tax rate	0.00	17.17
Add: income tax on expenses not deductible in determining taxable profits	0.00	23.39
Less: income tax of allowances/ deductibles	0.00	(11.85)

Less: income tax of setoff of brought forward losses	0.00	(28.71)
Net current tax	0.00	0.00
Current tax as per Minimum Alternative Tax		
Net profit/ (loss) after tax	(534.56)	88.09
Effective tax rate applicable to the Company	15.60%	15.60%
Tax amount as per the enacted income tax rate	0.00	13.74
Add: income tax on expenses not deductible in determining taxable profits	0.00	11.80
Less: income tax of allowances/ deductibles	0.00	(11.06)
Add: Excess provision of tax (current year)	0.00	0.00
Net current tax	0.00	14.48
Net current tax - rounded off	0.00	14.50
Incremental deferred tax liabilities on account of change in property, plant and equipment	1.14	2.45
Reversible of deferred tax liabilities on account of change inventories	(15.13)	0.00
Incremental deferred tax assets on account of change in investment	(20.63)	(15.13)
Add: Short provision of tax (earlier year)	0.00	0.00
Less: Excess provision of tax (earlier year)	(0.96)	(23.87)
Total tax expense	(35.58)	(22.05)

- c. Deferred tax assets/ (liabilities)

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Depreciation on property, plant and equipment	7.67	8.81
Unamortised content	(1,131.86)	(1,152.49)
Diminution in the value of investments	80.86	65.73
Total	(1,043.33)	(1,077.95)

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

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(1,077.95)	(1,090.63)
Deferred tax (charge)/ credit recognised in:		
Statement of profit and loss	34.62	12.68
Recognised in retained earnings		0.00
Total	(1,043.33)	(1,077.95)

42. EARNING PER SHARE

(In ₹ lakh, except otherwise stated)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Profit after tax attributable to equity shareholders of the company	(534.56)	88.09
Weighted average number of equity shares (numbers in lakh)	144.67	144.67
Basic and Diluted earning per share (amount in ₹)	(3.70)	0.61
Face value per equity share (amount in ₹)	10.00	10.00

43. AUDITOR'S REMUNERATION

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
As auditor:		
Statutory audit	3.90	3.85
Tax audit	0.50	0.50
For limited review report	0.75	0.75
Total	5.15	5.10

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

Particulars	(In ₹ lakh)			
	As at March 31, 2021		As at March 31, 2020	
	Carrying values	Fair value	Carrying values	Fair value
<b>Financial assets</b>				
Measured at amortised cost :				
Trade receivables	216.52	216.52	24.49	24.49
Cash and bank balances	192.17	192.17	1,299.58	1,299.58
Other financial assets	1,018.39	1,018.39	1,180.95	1,180.95
Measured at FVTPL	0.00	0.00	0.00	0.00
Measured at FVTOCI :	0.00	0.00	0.00	0.00
<b>Total financial assets</b>	<b>1,427.08</b>	<b>1,427.08</b>	<b>2,505.02</b>	<b>2,505.02</b>
<b>Financial liabilities</b>				
Measured at amortised cost :				
Borrowings	105.16	105.16	235.61	235.61
Trade payable	120.76	120.76	196.66	196.66
Other financial liabilities	111.41	111.41	58.56	58.56
<b>Total financial liabilities</b>	<b>337.33</b>	<b>337.33</b>	<b>490.83</b>	<b>490.83</b>

## 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 minuscule 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 counter party 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, 2021 based on contractual undiscounted payments:

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
Carrying amount	337.33	490.83
Less than 12 months	337.16	210.26
More than 12 months	0.17	280.57

## 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 judgment 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, 2021	As at March 31, 2020
Total debt	203.51	252.36
Total equity	7,749.31	8,280.77
Debt equity ratio	0.03	0.03

## 46. IMPACT OF COVID-19 ON THE COMPANY

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, after commencing shoot in March 2021, the Company had to hold back the scheduled shoot in April 2021 of Season 3 of Four More Shots Please. The Company will be ready to start work on this show 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. 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 itself. 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. The Company did not remove any payroll staff during the pandemic. It introduced, instead, as preventive measures, temporary pay cuts for staff and negotiated reduced rents for its office and production stores. The production office has been temporarily shut down. Measures have been taken to preserve its available resources and cut overhead costs to bring down cash burn. It is however quite possible that your Company may face a cash crunch if the commencement of filming gets delayed indefinitely. However, in the view of the management, the ability of your Company and constituents of the group to continue as a going concern remains unaffected as on date.

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 presentation.

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

Pramod Prabhudesai  
Partner  
Membership number 032992

Mumbai, June 30, 2021

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, 2021

Raghu Palat  
Director  
DIN 00311994

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, 2021, 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, 2021, of consolidated loss (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 further 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 plus interest of ₹ 35 lakhs received by the Company in its favour in the arbitration case filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the above said award. The court has directed the proprietor not to dispose off/ create any third-party rights on his properties which are valued at ₹ 1200 lakh. Proceedings are ongoing and in view of the same outstanding of ₹ 317.53 lakhs is considered as fully recoverable and consequently, there is no provision made of any amount there against.

We further draw attention to note 40(c) 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 41(a) on the consolidated financial statements which describes change in accounting estimates in respect of cost of content and amortization thereof. Consequent to the change in the aforesaid accounting estimate, the Company has written off an amount of ₹ 76.39 lakh for the year 2020-21 as per new accounting estimates instead of ₹ 143.75 lakh as per the earlier accounting estimates. In the opinion of the management, the impact on future periods is impracticable to estimate at this stage.

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 8 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, 2021 amounts to ₹ 5,622.01 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.

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 Global theatrical rights, Global broadcasting rights, Music right, Global streaming rights and emerging platforms, Intellectual Property Rights (IPR)/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.

- b. 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.

- c. Advance for Content – the Holding Company (as described in note 7 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, pre-shoot 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 ₹1,961.64 lakh as at March 31, 2021 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 is 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 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, 2021 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, 2021 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.

- 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 Jokhakar & Co.  
Chartered Accountants  
Firm Registration No: 104345W

Pramod Prabhudesai  
Partner  
Membership No.032992  
UDIN: 21032992AAAADX3916

Mumbai, June 30, 2021

## 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, 2021 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 judgement, 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 unauthorized 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pramod Prabhudesai  
Partner  
Membership No.032992  
UDIN: 21032992AAAADX3916

Mumbai, June 30, 2021

# CONSOLIDATED BALANCE SHEET

BRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

Particulars	Note no	(In ₹ lakh)	
		As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
Non-current assets			
a. Property, plant and equipment	3	146.24	173.28
b. Financial assets			
Other financial assets	4	881.82	1,143.94
c. Non current tax assets (net)	5	73.44	151.53
d. Deferred tax assets	6	18.93	18.93
e. Other non-current assets	7	1,962.04	1,900.27
<b>Total non current assets</b>		<b>3,082.47</b>	<b>3,387.95</b>
<b>II. Current assets</b>			
a. Inventories	8	5,596.50	5,672.89
b. Financial assets			
i. Trade receivables	9	216.52	24.49
ii. Cash and cash equivalents	10	184.29	831.56
iii. Bank balances other than (ii) above	11	10.49	470.70
iv. Other financial assets	12	146.61	47.47
c. Current tax assets (net)	13	55.50	0.00
d. Other current assets	14	117.71	22.86
<b>Total current assets</b>		<b>6,327.62</b>	<b>7,069.97</b>
<b>TOTAL ASSETS</b>		<b>9,410.09</b>	<b>10,457.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity share capital	15	1,446.70	1,446.70
b. Other equity	16	6,179.79	6,661.20
Equity attributable to owners of holding company		7,626.49	8,107.90
Non controlling interest		0.10	0.08
<b>Total equity</b>		<b>7,626.59</b>	<b>8,107.98</b>
<b>LIABILITIES</b>			
<b>I. Non-current liabilities</b>			
a. Financial Liabilities			
i. Borrowings	17	0.17	98.01
ii. Trade payables			
Total outstanding dues to			
Micro and small enterprises	18	0.00	0.00
Creditors other than micro and small enterprises	18	0.00	150.94
iii. Other financial liabilities	19	0.00	31.62
b. Deferred tax liabilities (net)	20	1,117.56	1,137.05
<b>Total non current liabilities</b>		<b>1,117.73</b>	<b>1,417.62</b>
<b>II. Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	21	104.99	137.60
ii. Trade payables			
Total outstanding dues to			
Micro and small enterprises	22	4.25	0.00
Creditors other than micro and small enterprises	22	116.81	46.08
iii. Other financial liabilities	23	101.34	24.25
b. Other current liabilities	24	338.38	724.39
<b>Total current liabilities</b>		<b>665.77</b>	<b>932.32</b>
<b>Total liabilities</b>		<b>1,783.50</b>	<b>2,349.94</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,410.09</b>	<b>10,457.92</b>
Significant accounting policies	2		
Notes to accounts form an integral part of financial statements	1 to 49		

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

Pramod Prabhudesai  
Partner  
Membership number 032992

Mumbai, June 30, 2021

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, 2021

Raghu Palat  
Director  
DIN 00311994

Santosh Gharat  
Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

# 43

		(In ₹ lakh)		
	Note no	For the year ended March 31, 2021	For the year ended March 31, 2020	
<b>INCOME</b>				
I.	Revenue from operations	25	774.96	2,728.27
II.	Other income	26	91.85	69.39
III.	Total income (I+II)		866.81	2,797.66
<b>IV. EXPENSES</b>				
	Cost of content	27	607.01	2,131.17
	Changes in inventories of content	28	76.39	0.00
	Employee benefits expense	29	135.22	194.63
	Finance costs	30	34.09	53.65
	Depreciation and amortization expense	3	27.24	27.28
	Advances written off	38	339.26	0.00
	Other expenses	31	152.52	267.46
	Total expenses (IV)		1,371.73	2,674.19
V.	Profit/ (loss) before tax (III-IV)		(504.92)	123.47
<b>VI. Tax expense</b>				
	Current tax		0.00	14.50
	Deferred tax		(19.49)	2.45
	Short/ (excess) provision for tax (earlier year)		(0.96)	(23.87)
	Total tax expense (VI)		(20.45)	(6.92)
VII.	Profit/ (loss) for the year (V-VI)		(484.47)	130.39
<b>VIII. Profit/ (loss) is attributable to:</b>				
	Owners of the Company		(484.49)	130.39
	Non-controlling interest		0.02	0.00
			(484.47)	130.39
<b>IX. Other comprehensive income</b>				
	Items that will not be reclassified to profit or loss		3.10	(5.79)
	Tax on above		0.00	0.00
	Other comprehensive income, net of tax (IX)		3.10	(5.79)
<b>X. Other comprehensive income attributable to:</b>				
	Owners of the Company		3.10	(5.79)
	Non-controlling interest		0.00	0.00
			3.10	(5.79)
XI.	Total comprehensive income for the period (VII-IX)		(481.37)	124.60
<b>XII. Total comprehensive income is attributable to :</b>				
	Owners of the Company		(481.39)	124.60
	Non-controlling interest		0.02	0.00
			(481.37)	124.60
<b>XIII. Earnings per equity share (Face value of ₹ 10)</b>				
	Basic and diluted	43	(3.35)	0.90
	Significant accounting policies	2		
	Notes to accounts form an integral part of financial statements	1 to 49		

As per our report of even date attached  
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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

# CONSOLIDATED STATEMENT OF CASH FLOWS

BRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before taxes	(504.92)	123.47
Adjustment for		
Advances written off	339.26	0.00
Bad debts written off	0.23	49.00
Depreciation	27.24	27.28
Finance cost	34.09	53.65
Loss on sale of assets	0.33	0.36
Property, plant and equipment written off	0.00	0.26
Expected credit loss	5.25	2.72
Trade payable balances written back	(1.29)	(0.71)
Interest on fixed deposit	(62.18)	(37.10)
Operating profit before working capital changes	(161.99)	218.93
Adjusted for		
Trade receivables non current	0.00	6.00
Other financial assets non current	(77.14)	(1.40)
Other non current assets	(61.77)	(55.24)
Trade receivables non current	(150.94)	0.00
Cinematic and television content	76.39	0.00
Trade receivables current	(197.51)	381.20
Other financial assets current	(99.14)	26.32
Bank balance other than cash and cash equivalent	460.21	(12.27)
Movement in tax assets	23.55	(60.21)
Other current assets	(91.76)	3.79
Trade payables current	76.27	(37.94)
Other financial liabilities current	(20.75)	3.22
Other financial liabilities non current	(31.62)	0.00
Other current liabilities current	(386.02)	258.04
Cash generated from operations before taxes paid	(642.22)	730.44
Direct taxes paid	0.00	0.00
Net cash from/ (used in) operating activities	(642.22)	730.44
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment to acquire property, plant and equipment	(0.66)	(5.70)
Proceeds from sale of property, plant and equipment	0.13	0.51
Proceeds from sale of investment	0.00	0.00
Interest on fixed deposit	62.18	37.10
Net cash from/ (used in) investing activities	61.65	31.91
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of non current borrowing	0.00	(14.85)
Repayment of current borrowing	(32.61)	(157.51)
Finance and other charges paid	(34.09)	(53.65)
Net cash from/ (used in) financing activities	(66.70)	(226.01)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(647.27)	536.34
Cash and cash equivalents at the beginning of the financial year	831.56	295.22
Cash and cash equivalents at the end of the financial year	184.29	831.56

Significant accounting policies

2

Notes to accounts form an integral part of financial statements

1 to 49

## Notes

- i. 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.
- 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 report of even date attached  
For BD Jakhakar & 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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

# 45

## 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 2019-20	15	1,446.70	0.00	1,446.70
Financial Year 2020-21	15	1,446.70	0.00	1,446.70

## B. OTHER EQUITY

(In ₹ lakh)

Particulars	Reserves and surplus				Total other equity
	Capital reserve	Securities premium	General reserves	Retained earnings	
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
Profit/ (loss) for the year ended March 31, 2021	0.00	0.00	0.00	(484.49)	(484.49)
Other comprehensive income	0.00	0.00	0.00	3.10	3.10
Non-controlling interest	0.00	0.00	0.00	0.02	0.02
Total comprehensive income for the year	0.00	0.00	0.00	(481.41)	(481.41)
As at March 31, 2021	0.37	6,719.59	220.98	(761.15)	6,179.79

Significant accounting policies

2

Notes to accounts form an integral part of financial statements

1 to 49

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

For and on behalf of the Board of Directors

Pramod Prabhudesai  
Partner  
Membership number 032992

Pallab Bhattacharya  
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Raghu Palat  
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Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

## 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, 2021 were approved for issue by the Board of Directors on June 30, 2021.

## 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 (Indian Accounting Standard) Amendment Rules, 2021 vide notification No. G.S.R. 419(E) dated June 18, 2021, which are applicable for annual period beginning on or after April 1, 2021.

## 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 the Act.

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

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

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

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 01, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 01, 2019).

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 recognises 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 recognise 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 recognises 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 unamortised 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 Global Theatrical Rights, Global Broadcasting Rights, Music Rights, Global Streaming Rights and Emerging Rights and IPR/ Residual Rights on an equitable basis.

Basis of amortisation of allocated costs:

i. Global theatrical rights:

1 <sup>st</sup> release	2 <sup>nd</sup> release	3 <sup>rd</sup> release
80%	10%	10%

ii. Global broadcasting rights:

1 <sup>st</sup> broadcast	2 <sup>nd</sup> broadcast	3 <sup>rd</sup> broadcast	4 <sup>th</sup> broadcast	5 <sup>th</sup> broadcast
50%	20%	10%	10%	10%

iii. Music rights: @ 100% on release.

iv. Global streaming rights and emerging platforms:

Amortised on the basis of percentage of revenue earned against the total expected revenue over the period of useful economic life.

v. IPR/ Residual rights: Carried forward till IPR survives and remains with the Company and has a remaining useful life as per management evaluation with a ceiling capped at 40 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 unamortised 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 average of allocated cost or net realizable value.
- iv. Exploited television content is amortised at lower of unamortised cost as estimated by the management on the following basis or net realizable value

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

No unamortised 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 amortised 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 amortised 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 recognised 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 recognised 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/ 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 recognised 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 amortised 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 recognised 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 recognised in the consolidated statement of profit and loss except to the extent that the tax relates to items recognised directly in other comprehensive income or directly in equity.

b. Deferred tax

Deferred tax assets and liabilities are recognised 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.

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

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 recognised 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 recognised 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 recognised 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

- i. assets and liabilities are translated at the closing rate at the date of that Balance Sheet
- ii. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative)
- iii. 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 recognised 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 recognised in other comprehensive income in the period in which they occur. The Group does not have any policy for leave encashment.

2.13 Provisions, and contingent liabilities

The Group recognises 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 recognised 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 recognised 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 Wholtime 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 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
Additions during the year 2020-21	0.00	0.00	0.66	0.00	0.66
Disposal/ transfer during the year 2020-21	0.00	0.00	0.00	9.19	9.19
As at March 31, 2021	2.18	189.06	13.68	8.57	213.49
Accumulated Depreciation/amortisation					
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
Charges for the year 2020-21	0.21	22.45	2.31	2.27	27.24
Disposal/ transfer during 2020-21	0.00	0.00	0.00	8.73	8.73
As at March 31, 2021	1.38	51.81	7.80	6.26	67.25
Net book value					
As at March 31, 2021	0.79	137.25	5.88	2.32	146.24
As at March 31, 2020	1.01	159.70	7.53	5.04	173.28

## 4. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
a. Investment in term deposit with bank (with remaining maturity of more than twelve months)	516.00	0.00
b. Security deposits for utilities and premises	27.00	22.29
c. Others	338.82	1,121.65
Total	881.82	1,143.94

## 5. NON CURRENT TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax	73.44	151.53
Total	73.44	151.53

## 6. DEFERRED TAX ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unabsorbed business loss	3.42	3.42
Unabsorbed depreciation	15.51	15.51
Total	18.93	18.93

\*Refer note 40 (a) of financial statement and 2.9 (a) and (b) of accounting policies for method of valuation

## 7. OTHER NON-CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances other than capital advances		
Other advances		
a. i. Balance with government authority	0.40	0.40
ii. Other receivable		
Deferred rent expenses	0.00	4.51
Total (a)	0.40	4.91
b. Advance for content	1,961.64	1,895.36
Total (b)	1,961.64	1,895.36
Total (a+b)	1,962.04	1,900.27

## 8. INVENTORIES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Cinematic and television content		
Unamortised content	4,058.69	4,138.03
Unexploited content	1,507.81	1,504.86
Unfinished content	30.00	30.00
Total	5,596.50	5,672.89

Refer note 41 of financial statement and 2.5 (a) and (b) of accounting policies for method of valuation

## 9. TRADE RECEIVABLES

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	221.77	27.21
Less: Provision of expected credit loss	(5.25)	(2.72)
Total	216.52	24.49

## 10. CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Balances with banks		
Fixed deposits with maturity less than three months	97.75	820.74
In current accounts	86.50	10.78
b. Cash on hand	0.04	0.04
Total	184.29	831.56

## 11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Bank deposits with original maturity of more than three months but less than twelve months		
	10.39	470.60
b. Balances with banks (non-operative)	0.10	0.10
Total	10.49	470.70

## 12. OTHER FINANCIAL ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Bank deposits with original maturity of more than three months but remaining maturity less than twelve months		
	95.30	0.00
b. Security deposits	0.96	0.96
c. Others advances	50.35	46.51
Total	146.61	47.47

## 13. CURRENT TAX ASSETS (NET)

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax	55.50	0.00
Total	55.50	0.00

## 14. OTHER CURRENT ASSETS

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances other than capital advances		
a. Other advances	3.54	2.46
b. Balances with Government authorities	25.50	5.82
c. Prepaid expense	6.61	14.58
d. Advance for ongoing projects	82.06	0.00
Total	117.71	22.86

## 15. EQUITY SHARE CAPITAL

(In ₹ lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
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, 2021		As at March 31, 2020	
	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, 2021		As at March 31, 2020	
	Number of shares	% held	Number of shares	% held
British Nandy	3,043,638	21.04	2,952,197	20.41
Ideas.com India Pvt Ltd	2,337,415	16.16	1,713,140	11.84
Artinvest India Pvt Ltd	1,608,978	11.12	1,608,978	11.12
Kamal M Morarka	1,495,659	10.34	1,495,659	10.34
Gannon Dunkerley Finance Ltd	902,842	6.24	902,842	6.24

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	As at
	March 31, 2021	March 31, 2020
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	(279.74)	(404.34)
Add: profit/ (loss) for the year	(484.49)	130.39
Add: other comprehensive income	3.10	(5.79)
Add:- share of non-controlling interest	0.02	0.00
Balance at the end of year	(761.15)	(279.74)
TOTAL	6,179.79	6,661.20

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	As at
	March 31, 2021	March 31, 2020
Term loans		
From other than banks		
a. Loan from Kotak mahindra prime limited Secured against the hypothecation of vehicles	0.17	3.63
b. Loan from BMW Financial Services Secured against the hypothecation of vehicles.	0.00	94.38
Total	0.17	98.01

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 (In ₹ lakh)	Payable upto
a. Kotak Mahindra Prime Limited					
Loan 1	36	9.22%	17,354	2.43	April 2022
Loan 2	36	9.22%	13,080	1.71	March 2022
b. BMW Financial Services					
Loan 1	36	8.99%	46,990	20.85	October 2021
Loan 2	36	9.50%	66,476	36.88	March 2022
Loan 3	36	9.50%	62,779	36.65	March 2022

17.2 Amendment to Ind AS 7

Amendment to Ind AS 7 effective from April 01, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the company has given the said disclosure as below:

(In ₹ lakh)

Particulars	Note no.	Opening balance as on April 1, 2020	Financing cash flow changes	Non cash flow changes		Closing balance as on March 31, 2021
				Effect of changes in foreign exchange rates	Effect of effective Interest rate and others	
Non-current liabilities						
Borrowings	17	98.01	(97.84)	0.00	0.00	0.17
Current Liabilities						
Borrowings	21 and 23 (a)	152.45	50.89	0.00	0.00	203.34
Interest expense and other borrowing costs	30	1.90	34.09	0.00	0.00	35.99
Interest expense and other borrowing costs paid		0.00	(35.99)	0.00	0.00	(35.99)
Total		252.36	(48.85)	0.00	0.00	203.51

18. TRADE PAYABLES

(In ₹ lakh)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Total outstanding dues to micro and small enterprises*	0.00	0.00
Total outstanding dues to creditors other than micro and small enterprises	0.00	150.94
Total	0.00	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	As at
	March 31, 2021	March 31, 2020
Advances	0.00	31.62
Total	0.00	31.62

20. DEFERRED TAX LIABILITIES (NET)

(In ₹ lakh)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
a. Deferred tax liabilities		
Depreciation on property, plant and equipment	(7.67)	(8.81)
Total (a)	(7.67)	(8.81)
b. Reversal of deferred tax (assets)/ liabilities		
Unamortised content	1,125.23	1,145.86
Total (b)	1,125.23	1,145.86
Total (a+b)	1,117.56	1,137.05

## 21. BORROWINGS

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand		
From banks*		
Secured	104.99	137.60
(Exclusive charge on all current assets, both present and future.)		
Total	104.99	137.60

\*Refer note 17.2 of notes to consolidated financial statements.

## 22. TRADE PAYABLE

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
Total outstanding dues to micro and small enterprises*	4.25	0.00
Total outstanding dues to creditors other than micro and small enterprises	116.81	46.08
Total	121.06	46.08

\*Refer note 35 of notes to the consolidated financial statements

## 23. OTHER FINANCIAL LIABILITIES

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
Secured		
a. Current maturity of long term debt*	98.35	14.85
b. Others		
Interest on overdraft (Refer note 21 for nature of security)	0.00	1.90
Unsecured		
Others	2.99	7.50
Total	101.34	24.25

\*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, 2021	As at March 31, 2020
a. Revenue received in advance	0.00	328.45
b. Other advances	11.25	11.31
c. Others		
i. Statutory dues	36.12	114.60
ii. Amount payable for projects and assignments	291.01	270.03
Total	338.38	724.39

## 25. REVENUE FROM OPERATION

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of owned content	100.22	0.90
Income from commissioned content/ web series	674.74	2,727.37
Total	774.96	2,728.27

## 25.1 Revenue from contract with customer disaggregated based on geography.

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Domestic	750.24	2,727.37
Export	24.72	0.90
Total	774.96	2,728.27

## 25.2 Revenue recognised from contract liability (advances from customers)

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Closing contract liability	0.00	328.45
Total	0.00	328.45

## 26. OTHER INCOME

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Interest income	72.58	37.10
b. Miscellaneous income	19.27	32.29
Total	91.85	69.39

## 27. COST OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of content	607.01	2,131.17
Total	607.01	2,131.17

## 28. CHANGES IN INVENTORIES OF CONTENT

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance		
Unamortised content	4,138.03	4,138.03
Unexploited content	1,504.86	1,504.86
Unfinished content	30.00	30.00
Total opening balance (A)	5,672.89	5,672.89
Closing balance		
Unamortised content	4,058.69	4,138.03
Unexploited content	1,507.81	1,504.86
Unfinished content	30.00	30.00
Total closing balance (B)	5,596.50	5,672.89
Net (increase)/ decrease (A-B)	76.39	0.00

## 29. EMPLOYEE BENEFITS EXPENSE

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries	132.84	192.33
Contribution to gratuity fund	2.38	2.30
Total	135.22	194.63

## 30. FINANCE COST

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense	26.54	37.46
Other borrowing costs	7.55	16.19
Total	34.09	53.65

## 31. OTHER EXPENSES

Particulars	(In ₹ lakh)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Auditor's remuneration (Refer note 44)	5.45	5.40
Bad debts written off	0.23	49.00
Business promotion expenses	12.14	11.54
Communications expenses	1.09	2.20
Contract service expenses	19.35	29.30
Conveyance and motor car expenses	13.94	18.35
Directors' sitting fees	12.00	11.60
Insurance	4.17	2.03
Interest on statutory dues	3.00	0.52
Legal and professional expenses	13.83	11.61
Loss on sale of assets	0.33	0.36
Rent	39.66	66.53
Traveling expenses	0.69	9.57
Establishment and administrative expenses	26.64	49.45
Total	152.52	267.46

32. CONTINGENT LIABILITIES

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contingent liabilities		
Claims against the Company not acknowledged as debts in respects of:		
a. VAT liability*	2.85	40.73
b. Other claims	0.00	1,501.00
Total	2.85	1,541.73

\*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

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	2.53	2.68
Net interest cost	(0.15)	(0.38)
Total	2.38	2.30

b. Expenses recognised in other comprehensive income (OCI)

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (gains)/ losses on obligation for the period	(3.24)	6.01
Return on plan assets excluding interest income	0.14	(0.22)
Total	(3.10)	5.79

c. Reconciliation of defined benefit obligation

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Defined benefit obligation at the beginning of the year	79.30	65.52
Current service cost	2.53	2.68
Interest cost	5.42	5.09
Actuarial (gain)/ loss due to change in financial assumptions	0.19	3.98
Actuarial (gain)/ loss on obligation - Due to experience adjustments	(3.43)	2.03
Defined benefit obligation at the end of year	84.01	79.30

d. Reconciliation of plan assets:

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fair value of plan assets at the beginning of the year	81.50	70.50
Interest income	5.57	5.47
Employers contribution	0.30	5.31
Return on plan assets, excluding interest income	(0.14)	0.22
Fair value of plan assets at the end of the year	87.23	81.50

e. Net asset/ (liability) recognised in the Balance Sheet

(In ₹ lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of defined benefit obligation (DBO)	(84.01)	(79.30)
Fair value of plan assets	87.23	81.50
Net asset/ (liability)	3.22	2.20

f. The significant actuarial assumptions were as follows:

Actuarial assumption	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate	6.80%	6.84%
Attrition rate	2%	2%
Salary escalation rate	7%	7%
Rate of return on plan assets	6.80%	6.84%

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, 2021	For the year ended March 31, 2020
Projected benefit obligation on current assumptions	84.01	79.30
Delta effect of +1% change in rate of discounting	(4.47)	(4.30)
Delta effect of -1% change in rate of discounting	5.12	4.94
Delta effect of +1% change in rate of salary increase	1.55	1.37
Delta effect of -1% change in rate of salary increase	(2.01)	(1.95)
Delta effect of +1% change in rate of employee turnover	1.50	1.58
Delta effect of -1% change in rate of employee turnover	(1.65)	(1.74)

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, 2021	For the year ended March 31, 2020
1 <sup>st</sup> following year	35.36	34.68
2 <sup>nd</sup> following year	1.67	1.58
3 <sup>rd</sup> following year	1.74	1.61
4 <sup>th</sup> following year	2.39	1.67
5 <sup>th</sup> following year	1.83	2.14
Sum of years 6 To 10	29.88	29.23
Sum of years 11 and above	67.01	63.33

Notes

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

Actuarial gains/ losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

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

Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected Contribution in the next year is considered as the sum of net liability/ assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

QUALITATIVE DISCLOSURE

Para 139 (a) Characteristics of defined benefit plan

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Para 139 (b) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**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.

Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Trust fund and contribution thereto

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

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	Wholtime Director and CEO
ii. Rangita Pritish Nandy	Wholtime and Creative Director
iii. Kishor Palkar	Chief Financial Officer
iv. 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 (till January 7, 2021)
iv. Raghu Palat	Non Executive, Independent Director
v. Hema Malini	Non Executive, Independent Director
vi. Pradeep Guha	Non Executive, Independent Director
vii. Sunil Alagh	Non Executive, Independent Director (from April 6, 2021)
viii. Karan Ahluwalia	Non Executive, Independent Director (from April 6, 2021)
ix. Ishita Pritish Nandy	Daughter of Non Executive Chairman
c. Close Family members of Key Management Personnel	
Rina Pritish Nandy	Mother of Wholtime and Creative Director
Pritish Nandy	Father of Wholtime and Creative Director
Ishita Pritish Nandy	Sister of Wholtime and Creative Director

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, 2021	As at March 31, 2020
Key management personnel and Directors	Remuneration/ reimbursement	65.48	99.07
	Balance outstanding as at year end receivable/ (payable)	(8.71)	(0.71)
Non-executive directors and their relatives	Remuneration/ reimbursement/ sitting fees	36.50	53.60
	Professional fees	61.60	96.00
	Balance outstanding at year end receivable/ (payable)	(293.94)	(270.06)

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 details given below are based on the information received from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been relied upon by the auditor.

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020

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;	4.25	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)

a.	The Company has elected not to recognise 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 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 had received an award of ₹ 3.52 crore plus interest of ₹ 35 lakh in its favour in the arbitration filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the award and was directed to deposit an amount of ₹ 3 crore by the Bombay High Court, which they failed to do. The Company has filed a petition for execution of the arbitration award. The Bombay High Court has restrained Sanjay Gupta from disposing of, encumbering, alienating, transferring, and parting with the possession of or creating any third party rights or interest in his 3 properties in Pune and Khandala valued at ₹ 12 crore. The advance of ₹ 3.17 crore is therefore considered as fully recoverable.
38.	The long-standing disputes with Prasar Bharati which have been in arbitration, have now been settled and the Company has received the settlement amount in January 2021. After adjusting what the Company has received and what was due to Prasar Bharati on account of past telecast fees, ₹ 3.39 crore has been written off during financial year 2020-2021.
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 lakh 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 lakh 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	(In ₹ lakh)	
	For year ended March 31, 2021	For year ended March 31, 2020
i. Income tax expenses		
Current tax- In respect of the current year	0.00	14.50
Adjustments for current tax of prior periods	(0.96)	(23.87)
Deferred tax- In respect of the current year	(19.49)	2.45
Total	(20.45)	(6.92)
ii. Income tax recognised in other comprehensive income		
Remeasurements of the defined benefit plans	0.00	0.00
Total income tax expense recognised in the year (i+ii)	(20.45)	(6.92)



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

Particulars	(In ₹ lakh)	
	For year ended March 31, 2021	For year ended March 31, 2020
Current tax as per regular working		
Net profit before tax	(504.92)	123.47
Effective tax rate applicable to the Company	26%	26%
Tax amount as per the enacted income tax rate	0.00	32.10
Add: income tax on expenses not deductible in determining taxable profits	0.00	8.26
Less: income tax of allowances/ deductibles	0.00	(15.13)
Less: income tax of setoff of brought forward losses	0.00	(25.23)
Net current tax	0.00	0.00
Current tax as per Minimum Alternative Tax		
Net profit after tax	(484.48)	130.39
Effective tax rate applicable to the Company	15.60%	15.60%
Tax amount as per the enacted income tax rate	0.00	20.34
Add: income tax on expenses not deductible in determining taxable profits	0.00	3.07
Less: income tax of allowances/ deductibles	0.00	(9.08)
Add: Excess provision of current year	0.00	0.00
Net current tax	0.00	14.33
Net current tax - rounded off	0.00	14.50
Incremental deferred tax liabilities on account of change in property, plant and equipment	1.14	2.45
Reversible of deferred tax liabilities on account of change inventories	(20.63)	0.00
Incremental deferred tax assets on account of change in investment	0.00	0.00
Incremental deferred tax assets on account of change in brought forward losses	0.00	0.00
Add: Short provision of tax (earlier year)	0.00	0.00
Less: Excess provision of tax (earlier year)	(0.96)	(23.87)
Total tax expense	(20.45)	(6.92)

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

"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,

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Unabsorbed business loss	3.42	3.42
Unabsorbed depreciation	15.51	15.51
Total	18.93	18.93

- d. Deferred tax liability

Deferred tax liability as at March 31, 2021

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Depreciation on property, plant and equipment	(7.67)	(8.81)
Unamortised content	1,125.23	1,145.86
Total	1,117.56	1,137.05

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

(In ₹ lakh)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Opening balance	1,137.05	1,134.60
Adjustment	0.00	0.00
Deferred tax (charge)/ credit recognised in:		
Statement of profit and loss	(19.49)	2.45
Total	1,117.56	1,137.05

41. INVENTORIES

- a. During the year, Company has reviewed its accounting estimate in respect of cost of content and amortization.

The Company has revised the accounting estimate and taken the useful life of its audio-visual entertainment content as 40 years considering the following:

- The economic useful life of content post digitisation.
- New avenues of content exploitation with the emergence of new technologies.
- Long tail realisations from the library of produced content.
- Increased reach of Indian content in new and existing global markets.
- Increased scope of content exploitation in many new ways and languages as well as through multiple exploitation of content IPRs.
- The continuing exploitation of the PNC library on existing platforms.

News-based content as well as content being produced currently for international streaming platforms on commissioned basis will continue to be 100% written off on exploitation as per the current practice. This is today the bulk of our content business. The revision applies only to our library of released movies.

Consequent to the change in the accounting estimate, the Company has written off ₹ 76.39 lakh for the year 2020-21 as per the revised accounting estimates instead of ₹ 143.75 lakh as per the earlier accounting estimates. The impact on future earning is impracticable to estimate at this stage.

- b. The details of cinematic and television content is as under

(In ₹ lakh)

		Cinematic content	Television content	Total
	Gross carrying amount as at April 1, 2020	20,825.86	11,127.60	31,953.46
Add:	Additions during the year 2020-21	2.95	0.00	2.95
	Total	20,825.86	11,127.60	31,953.46
Less:	Amortised up to March 31, 2020	15,444.37	10,836.20	26,280.57
	Amortised during the year 2020-21	79.34	0.00	79.34
	Total amortised	15,520.76	10,836.20	26,356.96
	Net carrying amount as at March 31, 2021	5,305.10	291.40	5,596.50

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 ₹ 500.00 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.

(In ₹ lakh)

Segment revenue	As at March 31, 2021	As at March 31, 2020
Particulars		
Segment revenue		
Content	774.96	2,728.27
Wellness	0.00	0.00
Revenue from operation	774.96	2,728.27
Segment results		
Profit/ (loss) before tax from each segment		
Content	(562.33)	108.34
Wellness	(0.35)	(0.61)
Profit before finance cost and tax	(562.68)	107.73
Add: other income	91.85	69.39
Less: finance cost	(34.09)	(53.65)
Profit before tax	(504.92)	123.47
Less: current tax	0	14.50
Less: deferred tax	(19.49)	2.45
Less: short/ (excess) provision of tax (earlier year)	(0.96)	(23.87)
Profit after tax	(484.47)	130.39

(In ₹ lakh)

Particulars	As at	
	March 31, 2021	March 31, 2020
Segment assets		
Content	9,357.44	10,405.31
Wellness	52.65	52.61
Consolidated total assets	9,410.09	10,457.92
Segment liabilities		
Content	1,783.27	2,349.74
Wellness	0.33	0.28
Consolidated total liabilities	1,783.60	2,350.02
Segment capital employed		
Content	7,574.17	8,055.57
Wellness	52.32	52.33
Consolidated total capital employed	7,626.49	8,107.90

## 43. EARNING PER SHARE

(In ₹ lakh, or otherwise stated)

Particulars	For year ended	
	March 31, 2021	March 31, 2020
Profit after tax attributable to equity shareholders of the company	(484.47)	130.39
Weighted average number of equity shares (numbers in lakh)	144.67	144.67
Basic and diluted earning per share (amount in ₹)	(3.35)	0.90
Face value per equity share (amount in ₹)	10.00	10.00

## 44. AUDITOR'S REMUNERATION

(In ₹ lakh)

Particulars	For year ended	
	March 31, 2021	March 31, 2020
As auditor		
Statutory audit	4.20	4.15
Tax audit	0.50	0.50
For limited review report	0.75	0.75
Total	5.45	5.40

## 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, 2021		As at March 31, 2020	
	Carrying Values	Fair Value	Carrying Values	Fair Value
Financial assets				
Measured at amortised cost :				
Trade receivables	216.52	216.52	24.49	24.49
Cash and Bank Balances	194.78	194.78	1,302.26	1,302.26
Other financial assets	1,028.43	1,028.43	1,191.41	1,191.41
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	1,439.73	1,439.73	2,518.16	2,518.16
Financial liabilities				
Measured at amortised cost :				
Borrowings	105.16	105.16	235.61	235.61
Trade Payable	121.06	121.06	197.02	197.02
Other Financial Liabilities	101.34	101.34	55.87	55.87
Total Financial liabilities	327.56	327.56	488.50	488.50

## 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, 2021 based on contractual undiscounted payments:

Particulars	(In ₹ lakh)	
	As at March 31, 2021	As at March 31, 2020
Carrying amount	327.56	488.50
Less than 12 months	327.39	207.93
More than 12 months	0.17	280.57

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

BRITISH NANDY COMMUNICATIONS LTD  
THE 28TH ANNUAL REPORT AND ACCOUNTS 2021

# 57

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, 2021	As at March 31, 2020
Total debt	203.51	252.36
Equity attributable to owners	7,626.49	8,107.90
Debt equity ratio	0.03	0.03

46. IMPACT OF COVID-19 ON THE COMPANY

Due to restrictions imposed by the Union and State Governments for the ongoing Covid-19 pandemic, after commencing shoot in March 2021, the Company had to hold back the scheduled shoot in April 2021 of Season 3 of Four More Shots Please. The Company will be ready to start work on this show 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. 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 itself. 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. The Company did not remove any payroll staff during the pandemic. It introduced, instead, as preventive measures, temporary pay cuts for staff and negotiated reduced rents for its office and production stores. The production office has been temporarily shut down. Measures have been taken to preserve its available resources and cut overhead costs to bring down cash burn. It is however quite possible that your Company may face a cash crunch if the commencement of filming gets delayed indefinitely. However, in the view of the management, the ability of your Company and constituents of the group to continue as a going concern remains unaffected as on date.

47. a. Subsidiaries

Name of the Company	Country of incorporation	Principal Activities	Proportion (%) of equity interest	
			As at March 31, 2021	As at March 31, 2020
i. PNC Wellness Ltd	India	Health fitness activities	100%	100%
ii. PNC Digital Ltd	India	Sourcing content, setting up delivery systems for digital streaming using the internet as its primary delivery platform	99.78%	99.78%

b. Disclosure of Additional Information on the entities which are included in the Consolidated Financial Statements.

(In ₹ lakh)

Name of the entity in the Group	Net Assets, i.e, total assets minus total liabilities		Share in profit or loss (before tax)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Parent								
British Nandy Communications Ltd	99.25	7,569.45	101.39	(511.94)	100.00	3.10	101.46	(488.39)
Subsidiaries Indian								
i. PNC Wellness Ltd	0.69	52.32	(1.45)	7.37	0.00	0.00	(1.53)	7.37
ii. PNC Digital Ltd	0.06	4.72	0.06	(0.35)	0.00	0.00	0.07	(0.35)
Total	100.00	7,626.49	100.00	(504.92)	100.00	3.10	100.00	(481.37)

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

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

As per our report of even date attached  
For BD Jekhakar & 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

Raghu Palat  
Director  
DIN 00311994

Kishor Palkar  
Chief Financial Officer

Santosh Gharat  
Company Secretary

Mumbai, June 30, 2021

Mumbai, June 30, 2021

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the members of PRITISH NANDY COMMUNICATIONS LTD (CIN L22120MH1993PLC074214) will be held on Friday, September 24, 2021 at 3.00 p.m. through Video Conferencing/ Other Audio-Visual Means to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. the audited financial statements of the Company for the financial year ended March 31, 2021, 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, 2021, together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr Pallab Bhattacharya (DIN:00008277) who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED Mr Sunil Alagh (DIN:00103320), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Reg 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years up to April 5, 2026.

FURTHER RESOLVED that pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Act and Rules framed thereunder, consent of Members be and is hereby accorded to Mr Sunil Alagh, to continue to hold office of Independent Director of the Company till completion of his term ending on April 5, 2026 notwithstanding that Mr. Sunil Alagh would have attained 75 years of age earlier.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:

“RESOLVED Mr. Karan Ahluwalia (DIN:01319174) who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Reg 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years up to April 5, 2026.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board

Santosh Gharat  
Company Secretary and Compliance Officer  
Mumbai, August 11, 2021

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 August 11, 2021

## Item No. 2

Pursuant to Section 52 of Companies Act, 2013, Pallab Bhattacharya is retiring by rotation and being eligible, offers himself for re-appointment.

Mr Bhattacharya is a Wholtime Director and CEO on the Board of the Company. He has a Bachelor's degree in Arts from Calcutta University as well as a diploma in Printing Technology from RIPT Calcutta. He has 38 years of experience in media management, which includes publishing and printing technology and television and cinematic content production. He joined The Times of India in 1983, as a management trainee and was promoted to the position of senior manager during the course of his tenure of eight years at The Times of India. Thereafter, he joined The Observer, as Chief Manager, Operations. He joined PNC in 1995 and currently heads the Corporate Leadership Team and also looks after the day-to-day administration of the Company.

Other directorships of Mr Bhattacharya are in PNC Wellness Ltd and PNC Digital Ltd.

## Item no. 3

The Board, based on the recommendation of the nomination and remuneration committee, appointed Sunil Alagh as an additional and independent director of the Company with effect from April 6, 2021 through circular resolution. The Company has received from him all statutory disclosures/ declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, intending to nominate Sunil Alagh to the office of independent director.

The Securities and Exchange Board of India (SEBI) has amended the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 vide circular dated May 9, 2018 which requires continuance of any Independent Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution in terms of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure

Requirements), Regulations 2015, as amended. During his term, Mr Alagh will attain 75 years of age on November 5, 2021. Pursuant to this Resolution, Mr Alagh shall continue to hold the office of Independent Director for his entire term, even after attaining the age of 75 years.

Mr. Alagh is a graduate in Economics (Hons.) with MBA from IIM Calcutta, having more than 30 years of corporate experience in various organisations including ITC Limited, Jagatjit Industries Limited and Britannia Industries Limited. He was Managing Director and CEO of Britannia Industries Limited from 1989 to 2003. He was a Senior Advisor to AXA, France, a Member on the Advisory Board of Vikas Ecotech Ltd, New Delhi and on the Executive Committee of the Federation of Indian Chambers of Commerce and Industry (FICCI). Earlier, he was also a Member of the Board of Governors of IIM Bangalore and IIM Indore, the Governing Council of the National Institute of Design, Ahmedabad, Member of the Round Table on Higher Education of the Ministry of HRD, Government of India, and the Prasar Bharti Board.

The Board is of the opinion that Mr Alagh's experience is a valuable asset to the Company which adds an enriched point of view during Board discussions and decision making.

The Board, on April 6, 2021, appointed Mr Alagh as an additional and independent director who holds office up to the ensuing AGM. The resolution seeks the approval of members for the appointment of Mr Alagh as an independent director of the Company up to April 5, 2026 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

No director, key managerial personnel, or their relatives except Mr Alagh, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 3.

Your Directors recommend the above Resolution set out in Item No. 3 as a Special Resolution for your approval.

## Item no. 4

The Board, based on the recommendation of the nomination and remuneration committee, appointed Karan Ahluwalia as an additional and independent director of the Company with effect from April 6, 2021 through circular resolution. The Company has received from him all statutory disclosures/ declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, intending to nominate Karan Ahluwalia to the office of independent director.

Mr Ahluwalia is a Masters in Commerce from Mumbai University. He was Senior President and Country Head, Media & Entertainment, Fine Arts, Luxury & Sports Banking Group of Yes Bank Ltd. As part of the founding team at Yes Bank, he was instrumental in setting up, developing and managing the portfolio on customizing comprehensive financial solutions comprising of strategic advisory, fund raising, direct and structured financing for the media and entertainment, sports and luxury sectors. Prior to Yes Bank, he was part of the founding team at Rabo India (Rabobank's Indian subsidiary) where he has worked across the Corporate Finance, Investment Banking, Marketing and Strategic Business Initiatives functions. His first stint at ANZ was where the grooming for Funding (including International Debt Originations) and Advisory for Indian corporates begun.

The Board, on April 6, 2021, appointed Mr Ahluwalia as an additional and independent director who holds office up to the ensuing AGM. The resolution seeks the approval of members for the appointment of Mr Ahluwalia as an independent director of the Company up to April 5, 2026 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

No director, key managerial personnel, or their relatives except Mr Ahluwalia, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 4.

The Board recommends the resolution set forth in Item no. 4 for the approval of members.

## NOTES:

1. The Annual General Meeting (AGM) will be held on September 24, 2021 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 nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the Covid -19 pandemic” (collectively referred to as “SEBI 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 MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
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. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution/ Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to companysecretary@prishishandycom.com with a copy marked to helpdesk.evoting@cdslindia.com

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](mailto: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](mailto: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@pritiishnandy.com](mailto:companysecretary@pritiishnandy.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@pritiishnandy.com](mailto:companysecretary@pritiishnandy.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, September 18, 2021 to Friday, September 24, 2021 (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.pritiishnandy.com](http://www.pritiishnandy.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.pritiishnandy.com](http://www.pritiishnandy.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 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. August 27, 2021 will receive Annual Report for the financial year 2020-21 through electronic mode only.
20. As per the MCA General Circular 20/2020 dated 5<sup>th</sup> May, 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 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by Listed Entities. 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. September 17, 2021.
  - 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. September 17, 2021 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.pritiishnandy.com](http://www.pritiishnandy.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. September 24, 2021.
- 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.
- Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:
- | Type of shareholders   | Login Method  |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>   |
| Individual Shareholders holding securities in demat mode with NSDL                                     | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |
- Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at above-mentioned website.
- Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL
- | Login type   | Helpdesk details  |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |

The instructions for shareholders voting electronically are as under:

The voting period begins on September 21, 2021 at 9.00 a.m. and ends on September 23, 2021 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 September 17, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Login method for re-voting and joining virtual meeting for physical shareholders and shareholders other than individual holding in demat form.

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii. Click on "Shareholders" tab.
- iii. 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.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. 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"> <li>• 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.</li> </ul>
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"> <li>• 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).</li> </ul>

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. 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.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for "PRITISH NANDY COMMUNICATIONS LIMITED" on which you choose to vote.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. 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.
- xvii. 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.
- xviii. 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A-Wing, 25<sup>th</sup> Floor, Marathon Futorex, Mafatlal Mill Compounds, N.M. Joshi Marg, Lower Parel, (East) Mumbai 400 013 or send an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) OR call on 022-23058542/43

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 cast 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](mailto:mumbai@linkintime.co.in)
- (ii) For Demat Shareholders: Please update your email id and mobile no. with your respective Depository Participant (DP)
- (iii) For Individual Demat Shareholders: Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting and joining virtual meetings through Depository.

## 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](mailto:investorgrievance@prishnandy.com), [companysecretary@prishnandy.com](mailto: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 Note.
  - c) Members who are desirous of attending the AGM may send their request by September 17, 2021. 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 September 22, 2021 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 becomes 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](mailto:helpdesk.evoting@cdslindia.com).
  24. In line with the Ministry of Corporate Affairs General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling AGM has been uploaded on the website of the Company at [www.pritishnandy.com](http://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](http://www.bseindia.com) and [www.nseindia.com](http://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](http://www.evotingindia.com).
  25. Investor Grievance Redressal: The Company has designated an e-mail ID [investorgrievance@prishnandy.com](mailto:investorgrievance@prishnandy.com) and [companysecretary@prishnandy.com](mailto: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, August 11, 2021

**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@prishnandycom.com](mailto:companysecretary@prishnandycom.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](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

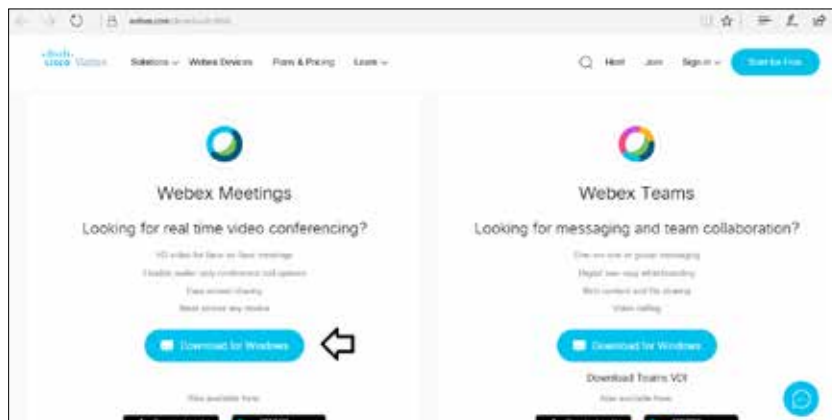
InstaMeet Support Desk  
Link Intime India Private Limited

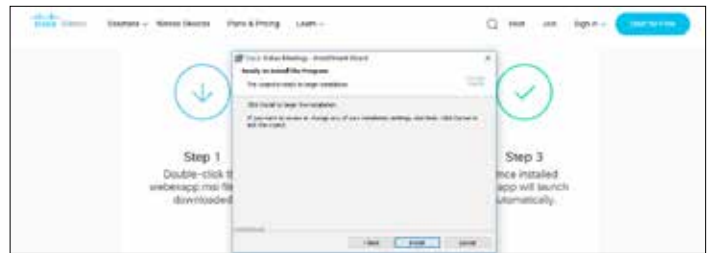
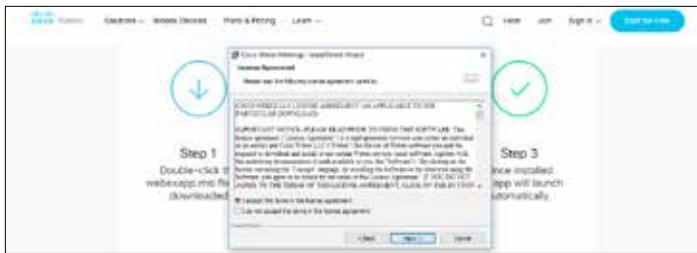
Annexure

**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





RAT-A-TAT  
(UNPAI SED)



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SHOT DURING THE PANDEMIC THAT YOU SHOULD WATCH!



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A WARM HUG FOR ALL OUR  
TOUCH-DEPRIVED SOULS!



YAHOO

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REASON TO BE THANKFUL FOR THE LOCKDOWN!



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THE WRITING IS SHARP, PROVOCATIVE AND  
STRIKES THE RIGHT EMOTIONAL CHORD!



CINESTAAN

A PERSONAL FAVOURITE AND A MUST WATCH!  
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RAT A TAT IS HELD TOGETHER BY FANTASTIC PERFORMANCES!

## The New York Times

‘FOUR MORE SHOTS PLEASE! HAS BECOME AMAZON’S MOST WATCHED ORIGINAL INDIAN SERIES THIS YEAR... BEATING MORE THAN A DOZEN OTHER AMAZON INDIA SHOWS.’



‘THE SECOND SEASON (OF FOUR MORE SHOTS PLEASE!) THAT AIRED IN 2020 WAS THE MOST WATCHED INDIAN SHOW ON THE AMAZON PLATFORM LAST YEAR.’

**PRITISH NANDY**  **COMMUNICATIONS**

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