



**PRIME FOCUS**  
L I M I T E D

**September 06, 2024**

**To,**  
**National Stock Exchange of India**  
Listing Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra East,  
Mumbai – 400 051  
Fax Nos.: 26598237/26598238

**To,**  
**BSE Limited**  
Listing Department,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
Fax Nos.:22723121/2037/2039

**Sub: Notice of the 27<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2023-24.**

**Ref: NSE Code: PFOCUS / BSE Code: 532748**

Dear Sir/ Madam,

Pursuant to Regulations 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we hereby inform that the 27<sup>th</sup> Annual General Meeting (“**AGM**”) of the Members of the Company is scheduled to be held on **Monday, September 30, 2024 at 12:30 P.M. (IST)** through Video Conferencing/ Other Audio Visual Means (“**VC/OAVM**”) in compliance with the applicable provisions of the Companies Act, 2013, rules framed thereunder, Listing Regulations and circulars issued by the Ministry of Corporate Affairs (“**MCA**”) dated September 25, 2023 read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 (collectively referred to as “**MCA Circulars**”) and Securities and Exchange Board of India (“**SEBI**”) circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, and other applicable circulars issued in this regard (collectively referred to as “**SEBI Circulars**”).

In accordance with the aforesaid circulars, the Notice of the AGM and Annual Report of the Company for the Financial Year 2023-24 is being sent through electronic mode to all those members of the Company whose email addresses are registered with the Company / Company’s Registrar and Share Transfer Agent or Depositories/ Depository Participants.

The Members, holding shares either in physical or in dematerialized form as on the cut-off date i.e. **Monday, September 23, 2024** will be entitled to avail the facility of remote e-voting as well as voting at the AGM on the Resolutions set forth in the Notice of AGM.

The remote e-Voting facility would be available during the following period:

Commencement of Remote e-Voting	09:00 a.m. (IST) on Thursday, September 26, 2024
End of Remote e-Voting	05:00 p.m. (IST) on Sunday, September 29, 2024



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The Notice of the 27<sup>th</sup> AGM and Annual Report for the Financial Year 2023-24 are enclosed below and the same are also available on the Company's website [www.primefocus.com](http://www.primefocus.com).

Kindly acknowledge the receipt and take the same on records.

Thanking You,

Yours Faithfully,

**For Prime Focus Limited**

**Parina Shah**  
**Company Secretary & Compliance Officer**  
Encl: As above



## PRIME FOCUS LIMITED

CIN: L92100MH1997PLC108981

Registered Office: Prime Focus House, Opp. CITI Bank, Linking Road, Khar (West), Mumbai- 400052

Tel: +91 22 2648 4900

Website: [www.primefocus.com](http://www.primefocus.com); Email Id: [ir.india@primefocus.com](mailto:ir.india@primefocus.com)

### NOTICE

NOTICE is hereby given that the **TWENTY- SEVENTH ANNUAL GENERAL MEETING ("AGM")** of the Members of **Prime Focus Limited**, will be held on **Monday, September 30, 2024 at 12.30 p.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS

1. **To receive, consider and adopt:**

- (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Report of the Auditors thereon.

2. **To appoint a Director in place of Mr. Naresh Mahendranath Malhotra (DIN: 00004597), Director who retires by rotation and being eligible offers himself for re-appointment.**

#### SPECIAL BUSINESS

3. **To appoint Ms. Pooja Sood (DIN: 10590404) as an Independent Woman Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") and the rules made there under, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") (including any statutory modification(s) or re-enactment thereof for the time being in force), in accordance with the provisions of Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Pooja Sood (DIN: 10590404), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the Company by the Board of Directors with

effect from August 09, 2024, and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years i.e., from August 09, 2024 upto August 08, 2029 (both days inclusive).

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings, as may be required and take all such steps as may be necessary, proper and expedient to give effect to this resolution".

4. **To appoint Mr. Bharat Dighe (DIN: 00203056) as an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") and the rules made there under, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") (including any statutory modification(s) or re-enactment thereof for the time being in force), in accordance with the provisions of Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Bharat Dighe (DIN: 00203056), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the Company by the Board of Directors with effect from August 09, 2024, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment

under the provisions of the Act, the Rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years i.e., from August 09, 2024 upto August 08, 2029 (both days inclusive).

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings, as may be required and take all such steps as may be necessary, proper and expedient to give effect to this resolution”.

**5. To approve material related party transaction(s) between the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘**Listing Regulations**’), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the ‘**Act**’) read with the Rules made thereunder, other applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions (the ‘**RPT Policy**’) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to enter/ continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between the Company and with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between the Company and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/ contract(s)/ arrangement(s)/ agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;

- c) Transfer of any resources, services or obligations to meet its business objectives/ requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**6. To approve material related party transaction(s) between DNEG India Media Services Limited, a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘**Listing Regulations**’), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the ‘**Act**’) read with the Rules made thereunder, other applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions (the ‘**RPT Policy**’) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two “Related Parties” of the Company, i.e DNEG India Media Services Limited, a subsidiary of

the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between DNEG India Media Services Limited and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/contract(s)/arrangement(s)/agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;
- f) Allocation of expenses towards grant of Stock Option;
- g) Purchase/ sale of investments;
- h) Issue of Equity Shares/Conversion of loan to equity.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the '**Board**' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**7. To approve material related party transaction(s) between Double Negative Montréal Productions Ltd., a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**Listing Regulations**'), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the '**Act**') read with the Rules made thereunder, other

applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions (the '**RPT Policy**') and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two "Related Parties" of the Company, i.e Double Negative Montréal Productions Ltd., a subsidiary of the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between Double Negative Montréal Productions Ltd. and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/contract(s)/ arrangement(s)/ agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;
- f) Allocation of expenses towards grant of Stock Option;
- g) Purchase/sale of investments.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the '**Board**' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**8. To approve material related party transaction(s) between Double Negative Limited, a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘**Listing Regulations**’), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the ‘**Act**’) read with the Rules made thereunder, other applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions (the ‘**RPT Policy**’) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two “Related Parties” of the Company, i.e Double Negative Limited, a subsidiary of the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between Double Negative Limited and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/ contract(s)/ arrangement(s)/ agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;
- f) Allocation of expenses towards grant of Stock Option;

- g) Purchase/sale of investments;
- h) Issue of Equity Shares/Conversion of loan to equity;
- i) Payment/ receipt of Dividend.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**9. To approve material related party transaction(s) between Double Negative Canada Productions Ltd., a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘**Listing Regulations**’), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the ‘**Act**’) read with the Rules made thereunder, other applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions (the ‘**RPT Policy**’) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two “Related Parties” of the Company, i.e Double Negative Canada Productions Ltd., a subsidiary of the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between Double Negative

Canada Productions Ltd. and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/contract(s)/arrangement(s)/agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;
- f) Allocation of expenses towards grant of Stock Option;
- g) Purchase/sale of investments;
- h) Issue of Equity Shares/Conversion of loan to equity;
- i) Payment/ receipt of Dividend.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the **'Board'** which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**10. To approve material related party transaction(s) between DNEG S.A R.L., a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **'Listing Regulations'**), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the **'Act'**) read with the

Rules made thereunder, other applicable laws/statutory provisions, if any ( including any statutory modification(s) or re- enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions (the **'RPT Policy'**) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/ consent(s)/ permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two "Related Parties" of the Company, i.e DNEG S.A R.L., a subsidiary of the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between DNEG S.A R.L. and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/ contract(s)/ arrangement(s)/ agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;
- f) Allocation of expenses towards grant of Stock Option;
- g) Purchase/sale of investments;
- h) Issue of Equity Shares/Conversion of loan to equity;
- i) Payment/ receipt of Dividend.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the **'Board'** which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary

approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**11. To approve material related party transaction(s) between DNEG North America, Inc., a subsidiary of the Company and certain identified Related Parties of the Company:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘**Listing Regulations**’), as amended from time to time, the applicable provisions of the Companies Act, 2013 (the ‘**Act**’) read with the Rules made thereunder, other applicable laws/statutory provisions, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions (the ‘**RPT Policy**’) and other applicable laws, and charter documents of the Company, and subject to such approval(s)/consent(s)/permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to enter/continue to enter into material related party transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be mutually agreed between two “Related Parties” of the Company, i.e DNEG North America, Inc., a subsidiary of the Company with certain Identified Related Parties of the Company, such that the maximum value of the related party transactions between DNEG North America, Inc. and such Related Parties of the Company, in aggregate does not exceed value as specified under each category, in the explanatory statement, and such related party transactions shall inter alia include transaction(s)/contract(s)/arrangement(s)/agreement(s) in relation to:

- a) Availing and rendering of services;
- b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;
- c) Transfer of any resources, services or obligations to meet its business objectives/requirements;
- d) Reimbursement of expenses, including recharge received and recharge given;
- e) Advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon;

- f) Allocation of expenses towards grant of Stock Option;
- g) Purchase/sale of investments.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the ‘**Board**’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**By Order of the Board of Directors**

**Parina Shah**  
**Company Secretary**  
**ACS 18061**

**Place: Mumbai**  
**Date: August 09, 2024**

**Registered Office:**  
Prime Focus House,  
Opp. CITI Bank, Linking Road, Khar (West), Mumbai – 400 052.  
CIN: L92100MH1997PLC108981

**NOTES:**

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“**Act**”), as amended from time to time, in respect of the Special Business under Item Nos. 3 to 11 as set out above and details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**Listing Regulations**”) and Secretarial Standard on General Meetings (“**SS-2**”), in respect of the Director seeking appointment/ re-appointment at this Annual General Meeting (“**AGM**”) are annexed hereto.
2. In accordance with the provisions of the Act, read with the Rules made thereunder and the Ministry of Corporate Affairs (“**MCA**”) has vide its circulars dated September 25, 2023 read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 (collectively referred to as “**MCA Circulars**”) and Securities and Exchange Board of India (“**SEBI**”) vide its circular no. SEBI/HO/CFD/CFD-PoD-



2/P/CIR/2023/167 dated October 07, 2023, and other applicable circulars issued in this regard, (collectively referred to as "SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through video conferencing/other audio visual means ("VC / OAVM") till September 30, 2024 without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

3. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/herself and such a proxy/ proxies need not be a member of the Company. Since this AGM is being held 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 including Route Map are not annexed to this Notice.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and SS-2 on "General Meetings", the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
5. Members desirous of getting any information in relation to the Company's Annual Report 2023-24 or who would like to express their views / have questions are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Company Secretary of the Company through e-mail on [ir.india@primefocus.com](mailto:ir.india@primefocus.com). These queries will be replied to by the company suitably by email.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Registrar and Transfer Agent / Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website [www.primefocus.com](http://www.primefocus.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL at <https://www.evotingindia.com>.
7. Members are requested to support Green initiative by registering/ updating their e-mail addresses with the Depository Participant (in case of shares in dematerialized form) or with Link Intime India Private Limited, the Registrar and Transfer Agent ("RTA") of the Company (in case of shares held in physical form) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. For any communication, the Members may also send requests to the Company's email ID: [ir.india@primefocus.com](mailto:ir.india@primefocus.com).
8. Members are requested to:
  - a) intimate any change in their addresses/mandates and address all their queries relating to shares of the Company to the RTA, for shares held in physical form.
  - b) quote Client ID and DP ID in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form in all the correspondence.
  - c) make nomination in respect of the shares held in physical form in the Company. The Nomination Form as prescribed by the MCA can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
9. Non-Resident Indian members are requested to immediately notify the Registrar and Share Transfer Agents i.e. Link Intime India Private Limited:
  - a) the change in residential status on return to India for permanent settlement;
  - b) the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished; and
  - c) Indian address for sending all communications, if not provided so far.
10. The Board of Directors has appointed Mr. Mehul Raval, Practicing Company Secretary (Membership No. ACS-18300, CP No. 24170) as the Scrutinizer to scrutinize the E- voting process in a fair and transparent manner.
11. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, September 23, 2024.
12. Institutional / Corporate members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Letter of Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The

said Resolution/Letter of Authorization shall be sent to scrutinizer at [csmehulraval@gmail.com](mailto:csmehulraval@gmail.com) by email and copy marked to the Company at [ir.india@primefocus.com](mailto:ir.india@primefocus.com).

13. Pursuant to aforesaid MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Act representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
14. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. 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. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [ir.india@primefocus.com](mailto:ir.india@primefocus.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [ir.india@primefocus.com](mailto:ir.india@primefocus.com). These queries will be replied to by the company suitably by email. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
17. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and the Certificate from the Secretarial Auditor of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other relevant documents referred to in this Notice and the Explanatory Statement shall be available for inspection through electronic mode. Members are requested to write to the Company on [ir.india@primefocus.com](mailto:ir.india@primefocus.com) up to the date of the AGM i.e. Monday, September 30, 2024 for inspection of said documents.
18. Members are requested to intimate changes, if any pertaining to change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to RTA at Link Intime India Pvt. Ltd., LBS Marg, Vikhroli (West), Mumbai – 400 083, Contact No: 91- 22-49186174/ (0)810 811 6767, Fax No: 91-22-49186060, Email: [swayam@linkintime.co.in](mailto:swayam@linkintime.co.in) in Form ISR-1 in case the shares are held in physical form.
19. 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 Participant with whom they are maintaining their demat accounts. Members holding shares in physical form or transferees of Physical Shares must furnish their self-attested copy of the PAN card to the Company/Registrar and Share Transfer Agents.
20. For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated May 07, 2024 read with SEBI/HO/ MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, as amended from time to time, has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.). In case any of the aforesaid documents/details are not available in the record of the Company/Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/ documents. The Company has also sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to above SEBI Circular.
21. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.  
  
Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the

ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.primefocus.com/investor-center>link> to Smart ODR Portal

22. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's RTA for assistance in this regard.
23. Members may please note that SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.primefocus.com](http://www.primefocus.com) and on the website of the Company's RTA, Link Intime India Pvt. Ltd at [www.linkintime.co.in](http://www.linkintime.co.in). It may be noted that any service request can be processed only after the folio is KYC compliant.
24. The facility for making Nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their Nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://www.primefocus.com/shareholder-service-request-forms>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.
25. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
26. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned

Depository Participant and holdings should be verified.

27. The members, whose unclaimed shares have been transferred to IEPF, may claim the same by making application to the IEPF authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) for details of unclaimed shares transferred to IEPF please refer company's website viz [www.primefocus.com](http://www.primefocus.com). The Member/ Claimant can file only one consolidated claim in a Financial Year as per IEPF Rules.

**Instructions for e-voting and joining the AGM are as follows:**

1. The general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022, Circular no. 03/2022 dated May 05, 2022, Circular no. 10/2022 dated December 28, 2022 and Circular no.09/2023 dated September 25, 2023. The forthcoming Annual General Meeting (AGM) will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, Circular No. 02/2022 and Circular no. 03/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular no.09/2023 dated September 25, 2023 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. 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. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.primefocus.com](http://www.primefocus.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022 and Circular no. 03/2022 dated May 05, 2022, Circular no. 10/2022 dated December 28, 2022 and Circular no. 09/2023 dated September 25, 2023.
8. In continuation of this Ministry's General Circular No. 20/2020, dated May 05, 2020, General Circular No. 02/2022 dated May 05, 2022, and Circular no. 10/2022 dated December 28, 2022 and Circular no.09/2023 dated September 25, 2023 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2024, to conduct their AGMs on or before September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 and as per MCA circular no. 02/2022 and 03/2022 dated May 05, 2022 MCA Circular no.10/2022 dated December 28, 2022 and MCA Circular no.09/2023 dated September 25, 2023.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins at **09:00 a.m. (IST) on Thursday, September 26, 2024 and ends at 05:00 p.m. (IST) on Sunday, September 29, 2024.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, September 23, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- (iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (v) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said 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 <b>CDSL Depository</b>	<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/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/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 Tab.</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 CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</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 <b>NSDL Depository</b>	<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.nsd.com">https://eservices.nsd.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.nsd.com/">https://eservices.nsd.com/</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.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.nsd.com/">https://www.evoting.nsd.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 (DP)	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 Forget User ID and Forget Password option available at abovementioned 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 <b>CDSL</b>	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 at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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 022 - 4886 7000 and 022 - 2499 7000

- (vi) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- 1) Click on "Shareholders" module.
- 2) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 3) Next enter the Image Verification as displayed and Click on Login.

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 e-voting of any company, then your existing password is to be used.

- 4) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
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>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> 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.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 the relevant <Company Name> 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) **ADDITIONAL FACILITY FOR NON - INDIVIDUAL SHAREHOLDERS AND CUSTODIANS -FOR REMOTE VOTING ONLY.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that 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 at the email address viz; [ir.india@primefocus.com](mailto:ir.india@primefocus.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [ir.india@primefocus.com](mailto:ir.india@primefocus.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company's email address viz; [ir.india@primefocus.com](mailto:ir.india@primefocus.com) These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [ir.india@primefocus.com](mailto:ir.india@primefocus.com) / [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no 1800 21 09911.

#### **OTHER INSTRUCTIONS:**

1. The period for e-voting starts on Thursday, September 26, 2024 at 9:00 a.m. (IST) and ends on Sunday, September 29, 2024 at 5:00 p.m. (IST). E-voting shall be disabled by CDSL at 5:00 p.m. (IST) on Sunday, September 29, 2024 and members shall not be allowed to vote through remote e-voting thereafter. During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, September 23, 2024 (end of day) i.e. cut-off date, may cast their vote electronically. Any person who is not a member as on the cut-off date should treat this notice for information purposes only. The Members who have cast their vote by remote e-voting prior to the AGM may also participate the AGM through VC/OAVM but shall not be entitled to cast their vote again. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who 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 the e-voting system during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
2. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, or through e-voting at the AGM.

3. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of cut-off date, may follow the same procedure as mentioned above for e-Voting.
4. The scrutinizer shall, immediately after the conclusion of the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and issue a consolidated Scrutinizer's report of the total votes cast in favour or against the resolution, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Scrutinizer shall issue his report within the stipulated timelines under the applicable laws.

The Result of the voting declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. [www.primefocus.com](http://www.primefocus.com) and on the website of the CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

5. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e Monday, September 30, 2024.
6. Since the AGM will be held through VC / OAVM, the Route Map of the venue of the AGM is not annexed in this Notice.

**By Order of the Board of Directors**

**Parina Shah**  
**Company Secretary**  
**ACS 18061**

**Place: Mumbai**  
**Date: August 09, 2024**

**Registered Office:**  
Prime Focus House,  
Opp. CITI Bank, Linking Road, Khar (West), Mumbai - 400 052.  
CIN: L92100MH1997PLC108981



## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required under Section 102 of the Act, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 11 accompanying the Notice.

### Item No. 3 & 4:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2024, appointed Ms. Pooja Sood (DIN: 10590404) and Mr. Bharat Dighe (DIN: 00203056) as Additional Director(s) (Category: Non-Executive & Independent) of the Company w.e.f. August 09, 2024.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Ms. Pooja Sood and Mr. Bharat Dighe hold office as Additional Director(s) till the date of the ensuing 27<sup>th</sup> Annual General Meeting ("AGM") scheduled on September 30, 2024.

Further, pursuant to the provisions of Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to obtain approval of shareholders for the appointment of an Independent Director at the next general meeting or within a time period of 3 (three) months from the date of appointment, whichever is earlier.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member signifying intention to propose the candidature of Ms. Pooja Sood and Mr. Bharat Dighe as Independent Director(s) of the Company.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2024 passed the resolution for appointment of Ms. Pooja Sood and Mr. Bharat Dighe as Independent Director(s) on the Board of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from the date of Board's approval i.e. August 09, 2024 till August 08, 2029 (both days inclusive).

Ms. Pooja Sood and Mr. Bharat Dighe are not disqualified from being appointed as Director(s) in terms of Section 164 of the Act. The Company has received the consent and requisite declarations from both the Directors as per the provisions of the Act and Listing Regulations including the declaration that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16 of the Listing Regulations. Further, in terms of Regulation 25(8) of Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India ("SEBI") or any other authority and have successfully registered themselves in the Independent Director's Data Bank maintained by Indian Institute of Corporate Affairs.

In the opinion of the Board, Ms. Pooja Sood and Mr. Bharat Dighe fulfil the conditions for appointment as Independent Director(s), as specified in the Act and Listing Regulations and are independent of the management.

Ms. Pooja Sood and Mr. Bharat Dighe possess the required skills, knowledge, and experience as identified by the Board in the fields of Accounts & Finance and their induction on PFL Board will immensely benefit the Company.

Further, Ms. Pooja Sood and Mr. Bharat Dighe possess the integrity, expertise, experience and proficiency for appointment as an Independent Director(s) and are persons of high integrity and repute.

Considering their expertise and knowledge, the Board considers that the appointment of Ms. Pooja Sood and Mr. Bharat Dighe as Independent Director(s) of the Company will be in the interest of the Company, and hence, it recommends appointment of Ms. Pooja Sood and Mr. Bharat Dighe as Independent Director(s) of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from the date of Board's approval i.e. August 09, 2024 till August 08, 2029 (both days inclusive).

Accordingly, the Board recommends the resolution as set out at Item No.3 and 4 of the Notice for approval of the Members of the Company as Special Resolutions.

The copy of draft letter(s) of appointment of Ms. Pooja Sood and Mr. Bharat Dighe setting out the terms and conditions of their appointment is available electronically for inspection by the Members. The same is also available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till the date of AGM.

Pursuant to Regulation 36(3) of Listing Regulations and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), requisite particulars of Ms. Pooja Sood and Mr. Bharat Dighe including their profile and specific areas of expertise are given in this Addendum to the AGM Notice as "Annexure".

Except Ms. Pooja Sood/ Mr. Bharat Dighe and their relatives, no other Director(s) and Key Managerial Personnel(s) or their relatives, are in any way interested, financially or otherwise, in this resolution except to the extent of their shareholding, if any. The proposed resolution do not relate to or affect any other Company.

### Item No.5 to 11

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, effective April 1, 2022, states that all material related party transactions with an aggregate value exceeding ₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require

approval of members by means of an Ordinary Resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at arm's length basis. The amended Regulation 2(1)(zc) of the Listing Regulations has also expanded the definition of related party transaction which now includes within its ambit a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand or (ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 08, 2022, clarified that in case of omnibus approval for material related party transactions is obtained from the shareholders in mode other than AGM, validity of such omnibus approvals shall not exceed one year and if approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months. Accordingly, in line with the said SEBI Circular, the said resolution is being presented for the approval of shareholders, so as to extend the validity of shareholders approval for this resolution until the next annual general meeting of the Company for a period not exceeding fifteen months to be held in FY 2025-26.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing, if any. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the Annual General Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

The Company now proposes to enter into related party transactions as provided in resolutions at Item Nos. 5 to 11, during FY 2024-25 and FY 2025-26, at the agreed terms of the transactions. Accordingly, the approval of the shareholders is being sought for the resolutions contained at Item Nos. 5 to 11 of the accompanying Notice.

#### Item no. 5

**Details of proposed RPTs between the Company and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:**

Sr. No.	Description	Details of proposed RPTs between the Company and certain Identified Related Parties of the Company	
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.		
a	Name of the Related Party	DNEG India Media Services Limited	Prime Focus Technologies Limited
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) Transfer of any resources, services or obligations to meet its business objectives/ requirements; d) Reimbursement of expenses including recharge received and recharge given; e) Advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon.	
d	Material terms and particulars of contract/ Arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.	
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 800 crores and ₹ 400 crores for the Financial Year 2024-25 and 2025-26 respectively.

Sr. No.	Description	Details of proposed RPTs between the Company and certain Identified Related Parties of the Company	
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided) *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023- 24.	a. 12.72% and 12.72%% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 48.94%% and 48.94%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 20.36% and 10.18% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 303.15% and 151.57%* of annual turnover of Prime Focus Technologies Limited for the Financial Year 2024-25 and 2025-26 respectively.
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its Subsidiary		
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments		
	- Nature of indebtedness	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loan and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>	
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.	
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.	
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Naresh Malhotra and Mr. Devarajan Samu, Directors of the Company, are also Directors on the Board of DNEG India Media Services Limited.	Mr. Namit Malhotra, Mr. Devarajan Samu, Mr. Vibhav Parikh, Directors of the Company and Mr. Nishant Fadia, CFO are also Directors on the Board of Prime Focus Technologies Limited.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item no. 6

Details of proposed RPTs between DNEG India Media Services Limited and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/ PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr No.	Description	Details of proposed RPTs between DNEG India Media Services Limited and certain Identified Related Parties of the Company			
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a	Name of the Related Party	DNEG S.A.R.L.	Double Negative Montreal Productions Ltd.	Double Negative Limited	DNEG Australia PTY Ltd.
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) Purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) Transfer of any resources, services or obligations to meet its business objectives/ requirements; d) Reimbursement of expenses including recharge received and recharge given; e) Advances/borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon; f) Allocation of expenses towards grant of Stock Option; g) Purchase/ sale of investments; h) Issue of Equity Shares/ Conversion of loan to equity.			
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.			
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,200 crores and ₹ 1,200 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 400 crores and ₹ 400 crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 48.94% and 48.94%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively. c. *Annual turnover of DNEG S.A.R.L. is Nil.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 97.88% and 97.88%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 40.04% and 40.04%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively.	a. 30.53% and 30.53% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 117.45% and 117.45%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 185.09% and 185.09%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 10.18% and 10.18% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 39.15% and 39.15%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 218.83% and 218.83%* of annual turnover of DNEG Australia PTY Ltd. for the Financial Year 2024-25 and 2025-26 respectively.

Sr No.	Description	Details of proposed RPTs between DNEG India Media Services Limited and certain Identified Related Parties of the Company			
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,				
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>			
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.			
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.			
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	None of the Directors or KMP of DNEG India Media Services Limited is a Director or KMP of DNEG S.A.R.L	Mr. Vikas Rathee, KMP of DNEG India Media Services Limited is a Director & KMP of Double Negative Montreal Productions Ltd.	Mr. Vikas Rathee, KMP of DNEG India Media Services Limited, is also a Director on the Board of Double Negative Limited.	None of the Directors or KMP of DNEG India Media Services Limited is a Director or KMP of DNEG Australia PTY Ltd.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item No. 7

Details of proposed RPTs between Double Negative Montreal Productions Ltd. and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/ PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr No.	Description	Details of proposed RPTs between Double Negative Montreal Productions Ltd. and certain Identified Related Parties of the Company				
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.					
a	Name of the Related Party	Prime Focus International Services UK Limited	DNEG North America, Inc.	DNEG S.A.R.L.	Double Negative Films Limited	DNEG Australia PTY Ltd
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) transfer of any resources, services or obligations to meet its business objectives/ requirements; d) reimbursement of expenses including recharge received and recharge given; e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon; f) allocation of expenses towards grant of Stock Option; g) purchase/ sale of investments.				
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.				
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 2,550 crores and ₹ 2,550 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 4,000 crores and ₹ 4,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 550 crores and ₹ 550 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,300 crores and ₹ 1,300 crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 20.02% and 20.02%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024- 25 and 2025-26 respectively. c. 7951.48% and 7951.48%* of annual turnover of Prime Focus International Services UK Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 64.88% and 64.88% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 102.10% and 102.10%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 1817.35% and 1817.35%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively.	a. 101.78% and 101.78% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 160.15% and 160.15%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. *Annual turnover of DNEG S.A R.L. is Nil.	a. 13.99% and 13.99% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 22.02% and 22.02%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 1780.12% and 1780.12%* of annual turnover of Double Negative Films Limited for the Financial Year 2024-25 and 2025-26 respectively	a. 33.08% and 33.08% of the annual consolidated turnover of the Company for the Financial Year 2024- 25 and 2025-26 respectively. b. 52.05% and 52.05%* of annual turnover of Double Negative Montreal Productions Ltd. for the Financial Year 2024- 25 and 2025-26 respectively. c. 711.18% and 711.18%* of annual turnover of DNEG Australia PTY Ltd for the Financial Year 2024-25 and 2025-26 respectively.

Sr No.	Description	Details of proposed RPTs between Double Negative Montreal Productions Ltd. and certain Identified Related Parties of the Company				
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary					
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,					
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>• Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>• Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>• Unsecured Borrowings.</li> </ul>				
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.				
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.				
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Vikas Rathee, KMP of Double Negative Montreal Productions Ltd. is also director in Prime Focus International Services UK Limited	Mr. Vikas Rathee, KMP & Mr. Kodi Raghavan Srinivasan, Director of Double Negative Montreal Productions Ltd. are also Directors in DNEG North America, Inc.	None of the Directors or KMP of Double Negative Montreal Productions Ltd. is a Director or KMP in DNEG S.A.R.L	Mr. Vikas Rathee, KMP of Double Negative Montreal Productions Ltd. is also director in Double Negative Films Limited.	Mr. Chris Pflug Director of Double Negative Montreal Productions Ltd. is also director in DNEG Australia PTY Ltd.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.				

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item no. 8

Details of proposed RPTs between Double Negative Limited and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr No.	Description	Details of proposed RPTs between Double Negative Limited and certain Identified Related Parties of the Company			
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a	Name of the Related Party	DNEG S.A.R.L.	Double Negative Films Limited	DNEG North America, Inc.	Prime Focus International Services UK Limited
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) transfer of any resources, services or obligations to meet its business objectives/requirements; d) reimbursement of expenses including recharge received and recharge given; e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon; f) allocation of expenses towards grant of Stock Option; g) purchase/ sale of investments; h) Issue of Equity Shares/ Conversion of loan to equity; i) Payment/ receipt of Dividend.			
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.			
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 6,000 crores and ₹ 6,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 2,000 crores and ₹ 2,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 4,500 crores and ₹ 4,500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided) *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 152.67% and 152.67% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 925.46% and 925.46%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively. c. *Annual turnover of DNEG S.A.R.L. is Nil.	a. 50.89% and 50.89% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 308.49% and 308.49%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 6473.15% and 6473.15%* of annual turnover of Double Negative Films Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 114.50% and 114.50% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 694.10% and 694.10%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 3207.09% and 3207.09%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 154.24% and 154.24%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively. c. 15902.95% and 15902.95%* of annual turnover of Prime Focus International Services UK Limited for the Financial Year 2024-25 and 2025-26 respectively.
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,				
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable



Sr No.	Description	Details of proposed RPTs between Double Negative Limited and certain Identified Related Parties of the Company			
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>			
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.			
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.			
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Namit Malhotra, Director of Double Negative Limited is also Director in DNEG S.A.R.L.	Mr. Vikas Rathee, Director of Double Negative Limited is also Director in Double Negative Films Limited.	Mr. Vikas Rathee, Mr. Namit Malhotra and Mr. Kodi Raghavan Srinivasan, Directors of Double Negative Limited are also Directors in DNEG North America, Inc.	Mr. Vikas Rathee, Director of Double Negative Limited is also Director in Prime Focus International Services UK Limited.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

Sr No.	Description	Details of proposed RPTs between Double Negative Limited and certain Identified Related Parties of the Company			
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a	Name of the Related Party	Double Negative Holdings Limited	DNEG Australia Pty Ltd	Double Negative Montréal Productions Ltd	
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	
c	Type of the proposed transaction	<ul style="list-style-type: none"> <li>a) Availing and rendering of services;</li> <li>b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;</li> <li>c) transfer of any resources, services or obligations to meet its business objectives/ requirements;</li> <li>d) reimbursement of expenses including recharge received and recharge given;</li> <li>e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon;</li> <li>f) allocation of expenses towards grant of Stock Option;</li> <li>g) purchase/ sale of investments;</li> <li>h) Issue of Equity Shares/ Conversion of loan to equity;</li> <li>i) Payment/ receipt of Dividend.</li> </ul>			
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.			
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	
f	Value of the proposed transaction	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,500 crores and ₹ 1,500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 5,000 crores and ₹ 5,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	

Sr No.	Description	Details of proposed RPTs between Double Negative Limited and certain Identified Related Parties of the Company			
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively.  b. 154.24% and 154.24%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively.  c. *Annual turnover of Double Negative Holdings Limited is Nil.	a. 38.17% and 38.17% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively.  b. 231.37% and 231.37% of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively.  c. 820.60% and 820.60%* of annual turnover of DNEG Australia PTY Ltd for the Financial Year 2024-25 and 2025-26 respectively.	a. 127.22% and 127.22% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively.  b. 771.22% and 771.22%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively.  c. 200.19% and 200.19%* of annual turnover of Double Negative Montréal Productions Ltd for the Financial Year 2024-25 and 2025-26 respectively.	
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans,	inter-corporate deposits, advances or investments,			
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>			
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.			
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.			
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Vikas Rathee and Mr. Namit Malhotra, Directors of Double Negative Limited are also Directors in Double Negative Holdings Limited.	None of the Director or KMP of Double Negative Limited is a Director or KMP in DNEG Australia Pty Ltd.	Mr. Vikas Rathee and Mr. Kodi Raghavan Srinivasan, Directors of Double Negative Limited are also Director in Double Negative Montreal Productions Ltd.	
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item no. 9

Details of proposed RPTs between Double Negative Canada Productions Ltd. and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/ PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr. No.	Description	Details of proposed RPTs between Double Negative Canada Productions Ltd. and certain Identified Related Parties of the Company			
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a	Name of the Related Party	DNEG India Media Services Limited	DNEG S.A.R.L.	Double Negative Toronto Productions Ltd.	Double Negative Limited
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) transfer of any resources, services or obligations to meet its business objectives/requirements; d) reimbursement of expenses including recharge received and recharge given; e) advances/borrowing/loan/deposit given and/or taken, interest received and/or paid thereon; f) allocation of expenses towards grant of Stock Option; g) purchase/sale of investments; h) Issue of Equity Shares/Conversion of loan to equity; i) Payment/receipt of Dividend.			
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.			
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 100.74% and 100.74%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 48.94% and 48.94%* of annual turnover of DNEG India Media Services Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 201.48% and 201.48%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. *Annual turnover of DNEG S.A R.L. is Nil.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 201.48% and 201.48%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 867.93% and 867.93%* of annual turnover of Double Negative Toronto Productions Ltd for the Financial Year 2024-25 and 2025-26 respectively.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 201.48% and 201.48%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 154.24% and 154.24%* of annual turnover of Double Negative Limited for the Financial Year 2024-25 and 2025-26 respectively.
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,				

Sr. No.	Description	Details of proposed RPTs between Double Negative Canada Productions Ltd. and certain Identified Related Parties of the Company			
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>			
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.			
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.			
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ("KMP") who is related, if any and the nature of their relationship	Mr. Vikas Rathee, Director of Double Negative Canada Productions Ltd. is also KMP in DNEG India Media Services Limited.	None of the Director or KMP of Double Negative Canada Productions Ltd. is a Director or KMP of DNEG S.A.R.L.	Mr. Vikas Rathee, Mr. Rohan Desai and Mr. Chris Pflug, Directors and KMP of Double Negative Canada Productions Ltd. are also Directors in Double Negative Toronto Productions Ltd.	Mr. Vikas Rathee and Mr. Kodi Raghavan Srinivasan, Directors or KMP of Double Negative Canada Productions Ltd. are Directors in Double Negative Limited.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

Sr. No.	Description	Details of proposed RPTs between Double Negative Canada Productions Ltd. and certain Identified Related Parties of the Company			
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.				
a	Name of the Related Party	Double Negative Montréal Productions Ltd	DNEG North America, Inc.	DNEG Australia PTY Ltd	
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	
c	Type of the proposed transaction	<ul style="list-style-type: none"> <li>a) Availing and rendering of services;</li> <li>b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements;</li> <li>c) transfer of any resources, services or obligations to meet its business objectives/ requirements;</li> <li>d) reimbursement of expenses including recharge received and recharge given;</li> <li>e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon;</li> <li>f) allocation of expenses towards grant of Stock Option;</li> <li>g) purchase/ sale of investments;</li> <li>h) Issue of Equity Shares/ Conversion of loan to equity;</li> <li>i) Payment/ receipt of Dividend.</li> </ul>			
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in.			
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	

Sr. No.	Description	Details of proposed RPTs between Double Negative Canada Productions Ltd. and certain Identified Related Parties of the Company			
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 100.74% and 100.74%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 20.02% and 20.02%* of annual turnover of Double Negative Montréal Productions Ltd for the Financial Year 2024-25 and 2025-26 respectively.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 100.74% and 100.74%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 356.34% and 356.34%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 100.74% and 100.74%* of annual turnover of Double Negative Canada Productions Ltd. for the Financial Year 2024-25 and 2025-26 respectively. c. 273.53% and 273.53%* of annual turnover of DNEG Australia PTY Ltd for the Financial Year 2024-25 and 2025-26 respectively.	
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,				
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>			
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.			
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.			
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Vikas Rathee, Mr. Rohan Desai, Mr. Kodi Raghavan Srinivasan and Mr. Chris Pflug, Directors and KMP of Double Negative Canada Productions Ltd. are also Directors in Double Negative Montréal Productions Ltd.	Mr. Vikas Rathee and Mr. Kodi Raghavan Srinivasan, Directors and KMP of Double Negative Canada Productions Ltd. are also Directors in DNEG North America, Inc.	Mr. Chris Pflug, Director and KMP of Double Negative Canada Productions Ltd. is also Director in DNEG Australia PTY Ltd.	
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item no. 10

Details of proposed RPTs between DNEG S.A R.L. and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr No.	Description	Details of proposed RPTs between DNEG S.A R.L. and certain Identified Related Parties of the Company				
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.					
a	Name of the Related Party	DNEG North America, Inc.	Prime Focus International Services UK Limited	Double Negative Films Limited	Double Negative Toronto Productions Ltd.	DNEG Australia PTY Ltd
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) transfer of any resources, services or obligations to meet its business objectives/ requirements; d) reimbursement of expenses including recharge received and recharge given; e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon; f) allocation of expenses towards grant of Stock Option; g) purchase/ sale of investments; h) Issue of Equity Shares/ Conversion of loan to equity; i) Payment/ receipt of Dividend.				
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.				
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 2,450 crores and ₹ 2,450 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,000 crores and ₹ 1,000 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,500 crores and ₹ 1,500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 1,150 crores and ₹ 1,150 crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 62.34% and 62.34% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. *Annual turnover of DNEG S.A R.L. is Nil. c. 1746.08% and 1746.08%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively.	a. 25.44% and 25.44% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. *Annual turnover of DNEG S.A R.L. is Nil. c. 15902.95% and 15902.95%* of annual turnover of Prime Focus International Services UK Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 38.17% and 38.17% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. *Annual turnover of DNEG S.A R.L. is Nil. c. 4854.86% and 4854.86%* of annual turnover of Double Negative Films Limited for the Financial Year 2024-25 and 2025-26 respectively.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. *Annual turnover of DNEG S.A R.L. is Nil. c. 433.97% and 433.97%* of annual turnover of Double Negative Toronto Productions Ltd for the Financial Year 2024-25 and 2025-26 respectively.	a. 29.26% and 29.26% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. *Annual turnover of DNEG S.A R.L. is Nil. c. 629.12% and 629.12%* of annual turnover of DNEG Australia PTY Ltd for the Financial Year 2024-25 and 2025-26 respectively.
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary					

Sr No.	Description	Details of proposed RPTs between DNEG S.A R.L. and certain Identified Related Parties of the Company				
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,					
	- Nature of indebtedness	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>				
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement	Working Capital Requirement
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.				
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.				
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Namit Malhotra, Director of DNEG S.A R.L. is also Director in DNEG North America, Inc.	None of the Director or KMP of DNEG S.A R.L. is a Director or KMP in Prime Focus International Services UK Limited.	None of the Director or KMP of DNEG S.A R.L. is a Director or KMP in Double Negative Films Limited.	None of the Director or KMP of DNEG S.A R.L. is a Director or KMP in Double Negative Toronto Productions Ltd.	None of the Director or KMP of DNEG S.A R.L. is a Director or KMP in DNEG Australia PTY Ltd.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.				

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

Item no. 11

Details of proposed RPTs between DNEG North America, Inc. and certain Identified Related Parties of the Company including the information required to be disclosed in the Explanatory Statement pursuant to SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023 are as follows:

Sr No.	Description	Details of proposed RPTs between DNEG North America, Inc. and certain Identified Related Parties of the Company	
1	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.		
a	Name of the Related Party	Prime Focus Technologies, Inc.	DNEG Australia PTY Ltd
b	Nature of relationship [including nature of its concern or interest (financial or otherwise)]	Subsidiary of the Company	Subsidiary of the Company
c	Type of the proposed transaction	a) Availing and rendering of services; b) purchase/sale/exchange/transfer/lease of business asset(s) and/or equipments to meet its business objectives/requirements; c) transfer of any resources, services or obligations to meet its business objectives/ requirements; d) reimbursement of expenses including recharge received and recharge given; e) advances/ borrowing/ loan/ deposit given and/or taken, interest received and/or paid thereon; f) allocation of expenses towards grant of Stock Option; g) purchase/ sale of investments.	
d	Material terms and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments in which the Company operates.	
e	Tenure of the proposed transaction	Financial Year 2024-25 and 2025-26	Financial Year 2024-25 and 2025-26
f	Value of the proposed transaction	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.	Shall not exceed ₹ 500 crores and ₹ 500 crores for the Financial Year 2024-25 and 2025-26 respectively.
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover* on a standalone basis shall be additionally provided)  *The Subsidiary's annual turnover on a standalone basis is considered for the Financial Year 2023-24.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 356.34% and 356.34%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively. c. 483.05% and 483.05%* of annual turnover of Prime Focus Technologies, Inc. for the Financial Year 2024-25 and 2025-26 respectively.	a. 12.72% and 12.72% of the annual consolidated turnover of the Company for the Financial Year 2024-25 and 2025-26 respectively. b. 356.34% and 356.34%* of annual turnover of DNEG North America, Inc. for the Financial Year 2024-25 and 2025-26 respectively. c. 273.53% and 273.53%* of annual turnover of DNEG Australia PTY Ltd. for the Financial Year 2024-25 and 2025-26 respectively.
2	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary		
a	Details of the source of funds in connection with the proposed transaction	Internal Accruals	Internal Accruals
b	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,		
	- Nature of indebtedness	Not Applicable	Not Applicable
	- Cost of funds	Not Applicable	Not Applicable
	- Tenure	Not Applicable	Not Applicable
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<ul style="list-style-type: none"> <li>Applicable Terms, Tenure &amp; Repayment Schedule: As mutually agreed under the agreement for loans and borrowings between the Companies.</li> <li>Interest Rate: Rate of Interest would be cost of funds + spread.</li> <li>Unsecured Borrowings.</li> </ul>	
d	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Working Capital Requirement	Working Capital Requirement



Sr No.	Description	Details of proposed RPTs between DNEG North America, Inc. and certain Identified Related Parties of the Company	
3	Justification as to why the RPT is in the interest of the listed entity	The transactions are to meet funding requirements and the transactions will also help both the Companies to smoothen business operations undertaken in accordance with laid down norms, policies and procedures of the Group, and therefore, in the interest of the Company.	
4	A copy of the valuation or other external party report, if any such report has been relied upon	All contracts with related parties are reviewed for arm's length testing.	
5	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	Not Applicable	Not Applicable
6	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr Kodi Raghavan Srinivasan, Director of DNEG North America, Inc. is also Director in Prime Focus Technologies, Inc.	None of the Director or KMP of DNEG North America, Inc. is a Director or KMP in DNEG Australia PTY Ltd.
7	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

None of the Directors or Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members by way of an Ordinary Resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether such related party is a related party to the particular transaction or not.

## ANNEXURE TO THE NOTICE

(In terms of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)):

Name of the Director	Mr. Naresh Malhotra	Ms. Pooja Sood	Mr. Bharat Dighe
Designation and Category of Director	Chairman and Whole-Time Director	Independent Non-Executive Director	Independent Non-Executive Director
DIN	00004597	10590404	00203056
First date of appointment as Director	Since incorporation of the Company (i.e. June 24, 1997)	-	-
Date of Birth	October 02, 1944	December 23, 1974	August 15, 1969
Age (in yrs)	79	49	54
Qualifications	B.com	Chartered Accountant, ICAEW	Chartered Accountant
Nationality	Indian	British	Indian
Brief resume, Experience and Expertise in Specific Functional Areas.	Mr. Naresh Malhotra is a veteran in the Indian M&E industry, best known for producing the Amitabh Bachchan starrer Shahenshah. Naresh Malhotra realized early the potential boom in the Indian television industry. He set up India's first digital audio studio in the 80s and later in 90s and also started providing equipment rental services to TV and ad film makers.	Ms. Pooja Sood is a Chartered Accountant from ICAEW. She has overall 27 years of extensive experience in the fields of Limited Company Accounts, Partnership & Rental Accounts, Sole Trader Accounts, Management Accounts, Audit & Assurance, Small Charity Accounts, IFRS, Corporate & Personal tax returns, VAT return. She also has extensive knowledge of FRS102, FRS105, UK GAAP	Mr. Bharat Dighe has more than 23 years of experience in Private Equity investments and M&A Consulting in India. More than 18 years' experience in direct investing roles with global private equity fund houses investing in Indian unlisted companies, both as minority / majority shareholding. He has also been in senior management positions in global investment houses, handling all aspects of the investment process.
Names of other companies in which the person holds the directorship (Excludes Private Companies, Foreign Companies, Companies formed under Section 8 of the Companies Act 2013)	i. DNEG India Media Services Limited ii. Prime Focus Motion Pictures Limited iii. Prime Focus Production Services Private Limited (Subsidiary of Prime Focus Limited)	Nil	i. Prime Focus Technologies Limited
Chairmanship / Membership of Committees of the board (In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees of the board are considered Audit committee and Stakeholders Relationship Committee)	<b>Prime Focus Limited:</b> i. Stakeholder's Relationship Committee- Member ii. Audit committee- Member	Nil	<b>Prime Focus Technologies Limited:</b> i. Audit Committee- Member
Remuneration last drawn by such person	₹ 1,80,00,000/- p.a	Nil – Except sitting fees.	Nil – Except sitting fees.
Remuneration sought to be paid	Upto ₹ 1,80,00,000/- p.a	No compensation shall be paid except Sitting Fees.	No compensation shall be paid except Sitting Fees.
Terms and conditions of appointment or re-appointment	Terms and Conditions as per the Board / Shareholders Resolution	Terms and Conditions as per the Board / Shareholders Resolution.	Terms and Conditions as per the Board / Shareholders Resolution.
Disclosure of relationships between directors inter-se and Manager and other Key Managerial Personnel of the company	Mr. Naresh Malhotra is a promoter of the Company. Except Mr. Naresh Mahendranath Malhotra and Mr. Namit Naresh Malhotra who are related to each other by way of father and son relationship, none of the other Directors, Manager, Key Managerial Personnel of the company are related to Mr. Naresh Malhotra.	No relationships with directors inter-se and Manager and other Key Managerial Personnel of the company.	No relationships with directors inter-se and Manager and other Key Managerial Personnel of the company.
No. of shares held in the company as on the date of notice (including as Beneficial Owner)	5,86,75,296 equity shares of Re. 1 each.	Nil	Nil
The number of Meetings of the Board attended during the Financial Year 2023-24 (till the date of this notice)	10	Not Applicable	Not Applicable
Name of the Listed entities from which director has resigned in the past 3 (three) year.	None	None	None
Performance evaluation done or not.	Yes	Not Applicable	Not Applicable

By Order of the Board of Directors

Parina Shah  
Company Secretary  
ACS 18061

Place: Mumbai

Date: August 09, 2024

Registered Office:

Prime Focus House,

Opp. Citi Bank, Linking Road, Khar West, Mumbai – 400 052.

CIN: L92100MH1997PLC108981



PRIME FOCUS  
LIMITED

Made in  
**India.**  
For the **World.**

Annual Report 2023 -2024





# Introduction

Born from a visionary spark in a Mumbai garage 27 years ago, Prime Focus has become a global leader in media creation. We empower storytellers with a world-class network of talent, technology, and resources, allowing them to focus on their vision while creating the highest-quality content for a global audience.

Driven by a steadfast commitment to collaboration and innovation, we cultivate enduring partnerships. Our comprehensive suite of services, spanning concept development to final delivery, is meticulously crafted to deliver exceptional value to our clients. Prime Focus continually pushes boundaries, shaping the future of storytelling through cutting-edge technology and collaborative creativity.

With a clear vision for the future, Prime Focus is actively expanding into content creation through strategic co-productions and productions. This expansion not only fortifies our existing offerings but also ensures our position at the vanguard of the evolving global market, bolstering India's footprint in the international media landscape. Notable co-productions and productions include 'Animal Friends', 'The Garfield Movie', 'Brahmāstra: Part One – Shiva', and 'Ramayana'.

At Prime Focus, we take pride in showcasing India as a global hub of creativity.

**PRIME FOCUS: MADE IN INDIA, FOR THE WORLD**

A close-up, artistic photograph of a fingerprint. The ridges and valleys of the fingerprint are clearly visible, creating a complex, wavy pattern. The image is color-graded with a gradient from light purple at the top to a darker, more saturated purple at the bottom. The word "Contents" is overlaid in the center in a white, serif font.

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# Chairman's Message

The Prime Focus journey is remarkable in every sense, evolving from a humble startup in a Mumbai garage to a global powerhouse in media creation over the past 27 years. Fueled by a clear vision and unwavering passion, we have pioneered cutting-edge technologies that are reshaping industry standards.

Our groundbreaking tools are revolutionising post-production processes, facilitating faster delivery, efficient resource allocation, and cost savings for our clients. Our commitment to innovation and storytelling is underscored by the prestigious awards we've garnered. This year, DNEG's exceptional VFX expertise received recognition with three VES Awards, an Emmy, and a Critics Choice Award. Additionally, PFT's dedication to providing groundbreaking AI solutions earned it the Product of the Year award at NAB Show 2023.

We believe in the power of stories, and our comprehensive solutions, powered by advanced AI, transform content into captivating experiences and valuable marketing assets. DNEG IXP spearheads this mission, delivering super-premium content for businesses, brands, and game publishers across diverse platforms. ReDefine, through its agile and client-centric approach, expands our VFX and animation services, catering to a broader range of projects seeking a boutique touch.

We stand at a pivotal juncture. The success of 'Brahmāstra: Part One – Shiva' and the anticipation surrounding upcoming productions such as 'Ramayana', 'The Garfield Movie', and 'Animal Friends' exemplify our dedication to creating the very highest quality content for a global audience.

And by integrating Prime Focus Technologies (PFT), a leader in cloud-based media and entertainment AI, with our other group companies, we solidify Prime Focus as the go-to source for end-to-end media solutions. This allows clients to manage their entire content lifecycle with a trusted partner, optimising financial, operational, and strategic benefits. Our state-of-the-art film & TV production studio complex in Mumbai, designed by leading architects and engineers, provides our global clientele with unmatched support, personalised service, and operational efficiencies.

We are relentless in creating new opportunities, expanding into uncharted territory, and optimising operations. India's recent lunar mission exemplifies the ambitious spirit that drives us. Like India reaching for the moon, Prime Focus is committed to pushing boundaries and achieving new heights in the ever-evolving media landscape.

**Naresh Malhotra**

Chairman and Whole-time Director  
Prime Focus Limited





# Highlights of the Year



## CREATIVE SERVICES

DNEG, a world leader in visual entertainment services, continues to break new ground. This past year saw significant growth and exciting advancements in creating stunning visuals for feature films, television shows, and multiplatform content.

This year also marked a significant milestone with the launch of DNEG IXP (Immersive Experiences). This new division caters to brands, businesses, and game publishers seeking to create groundbreaking experiences. DNEG IXP leverages our expertise to deliver super-premium content for gaming, concerts, live events, theme parks, and more, helping them forge deeper connections with their audiences.

DNEG's dedication to technological advancement is evident in our successful partnership with Red Hat. By implementing OpenShift, a leading hybrid cloud platform, we've accelerated software innovation and empowered our artists. This collaboration earned us the prestigious "Best Use of Cloud-Native Technologies" award at the DevOps Excellence Awards.

Our expertise in visual effects continues to be recognized by the industry. DNEG projects secured three VES Awards, an Emmy Award, and a Critics Choice Award this year. Our biggest projects over the past year were 'Fast X', 'Oppenheimer', 'Nimona', and 'Dune: Part Two'. 'Oppenheimer' dominated at the Oscars this year, 'Nimona' was Oscar-nominated for Animated Feature Film, while 'Dune' received acclaim for its ground-breaking VFX.

We were also delighted to welcome Oscar-winning VFX Supervisor Tim Burke and renowned VFX Supervisor Jake Morrison to the DNEG team last year, further solidifying our position as a creative powerhouse.

The past year has witnessed unprecedented challenges in the global entertainment industry, including disruptions due to strikes within the sector. Between May and November 2023, Hollywood experienced significant disruption to ongoing productions and delays to new projects globally as a result of simultaneous strikes by the American actors' union SAG-AFTRA and the Writers Guild of America (WGA), marking the first time that both groups had walked out at the same time since 1960. In response, the Prime Focus Group worked hard to mitigate the impact of the disruption by implementing a series of strategic measures, including a global workforce reduction to bring its capacity in line with customer demand, cost management initiatives, and a freeze on capex and discretionary spending. These actions helped to ensure that we maintained an optimal core team and operational readiness, positioning us to capitalise on the expected return of visual effects work as projects move back into production.

## CLOUD TECHNOLOGY BUSINESS

Over the past year, Prime Focus Technologies has continued to adapt and evolve in response to changing market dynamics, emerging technologies, and evolving customer preferences, positioning ourselves for long-term success and sustainable growth. We have remained focused on enhancing our product offerings, expanding our geographical footprint, and strengthening our partnerships with key players in the media and entertainment ecosystem. We continued to push our boundaries introducing new features and functionalities to our platform, with investments in research and development, and strategic acquisitions or alliances to broaden our service portfolio. One of the most noteworthy achievements of the year was the

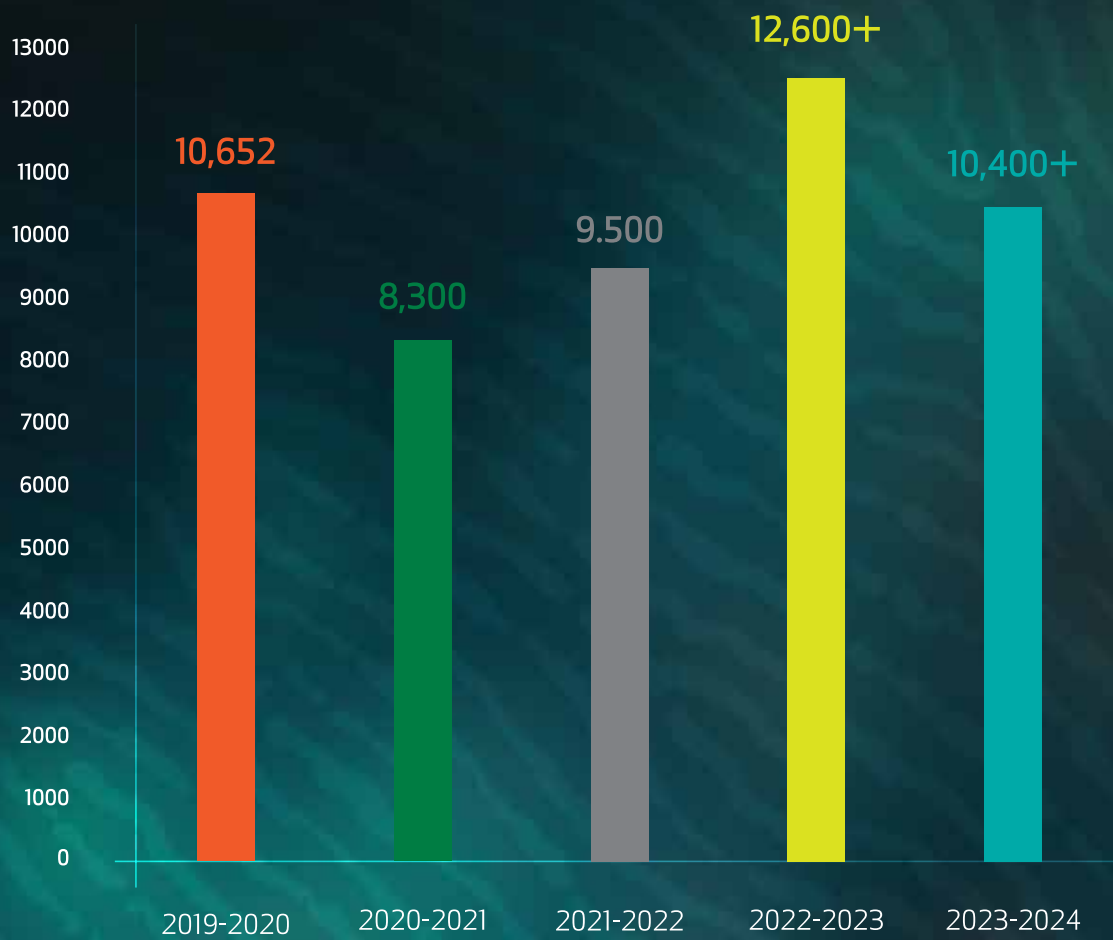
initiation of our company's rebranding campaign, along with the unveiling of a fresh website that mirrors our revitalised identity and dedication to customer service. This strategic overhaul was designed to align PFT's image with our advancing values and aspirations, reaffirming our tagline 'where your content meets revenue'.

The past year saw us fortify our foothold across global markets and broaden our array of services to effectively cater to the changing demands of our clientele by unveiling CLEAR® AI innovations to enable revenue-generating opportunities for content. We expanded our strategic relationship into the streaming ecosystem with IMAX®, an industry trailblazer with a remarkable legacy of revolutionising the global entertainment industry, enriching our capabilities to deliver exceptional solutions. The PFT-Microsoft collaboration in the past year has also forged innovative solutions for managing extensive libraries of multimedia content, unlocking new revenue streams from Active Archives.

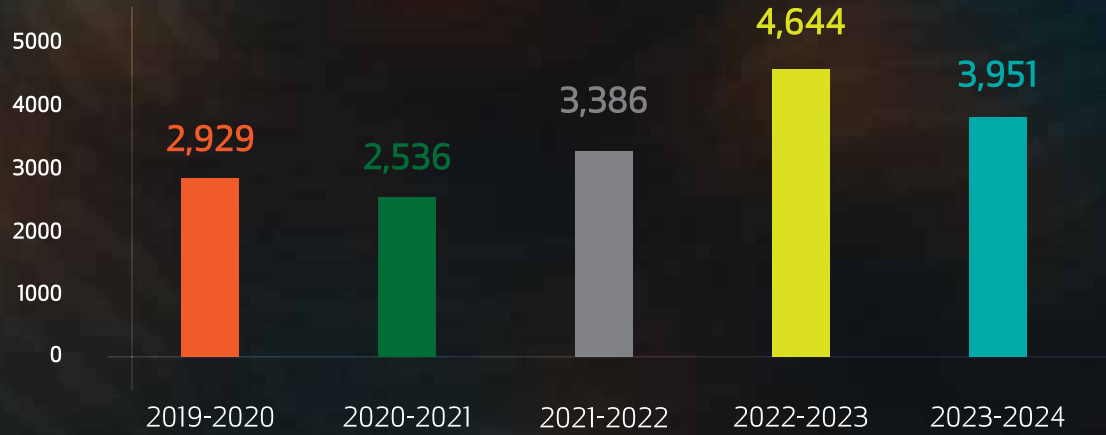
We're confident of our abilities to deliver the best to our clients, opening doors for our employees, and keeping those shareholder smiles intact. A big thank you to our awesome clients, stellar employees, and rock-solid shareholders for having our backs!



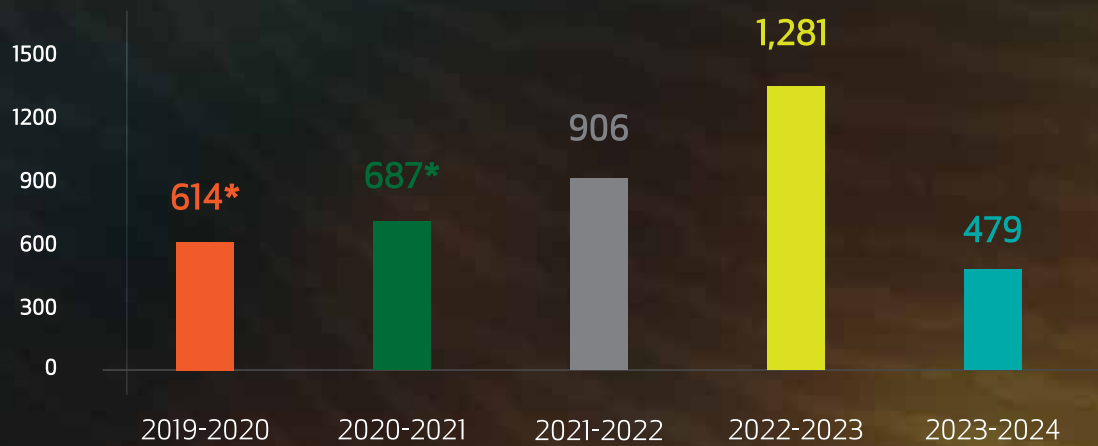
# Financial Highlights



EMPLOYEES



## REVENUE (in ₹ crores)



## ADJUSTED EBITDA (in ₹ crores)

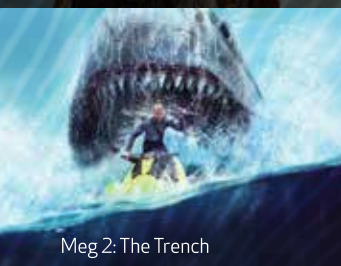
(\*including other income and excluding ESOP)



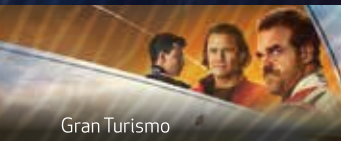
Pet Sematary: Bloodlines



Our Flag Means Death - Season 2



Meg 2: The Trench



Gran Turismo



Spy Kids - Armageddon



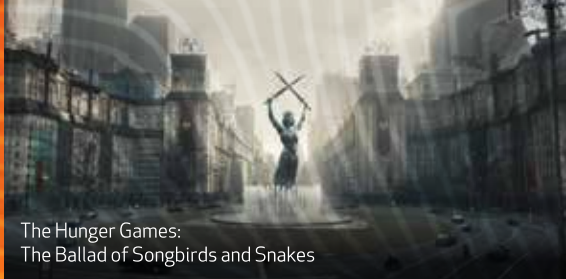
Silo



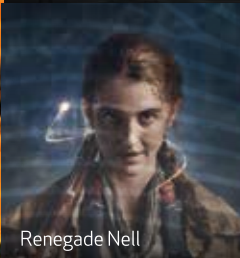
Avatar: The Last Airbender



The Haunted Mansion



The Hunger Games: The Ballad of Songbirds and Snakes



Renegade Nell



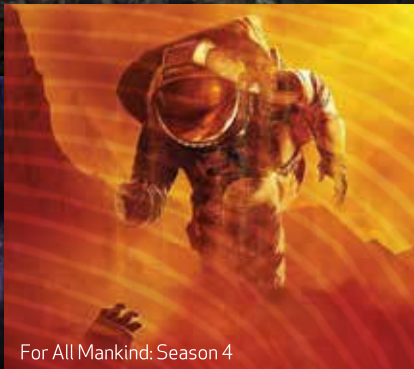
Transformers: Rise of the Beasts



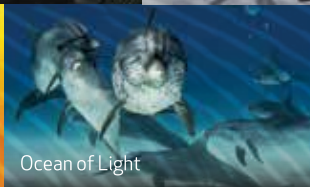
Peter Pan & Wendy



The Out-Laws



For All Mankind: Season 4



Ocean of Light



Lift

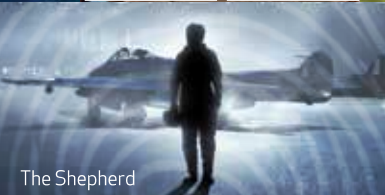


The Muppets Mayhem

# HOLLYWOOD



American Born Chinese



The Shepherd



Citadel



No Way Up



No One Will Save You



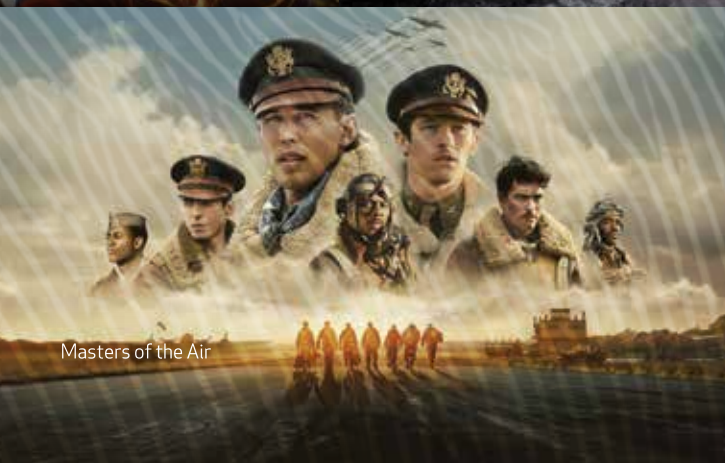
The Flash



Fast X



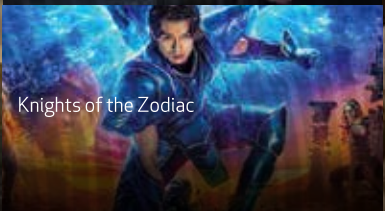
Under The Boardwalk



Masters of the Air



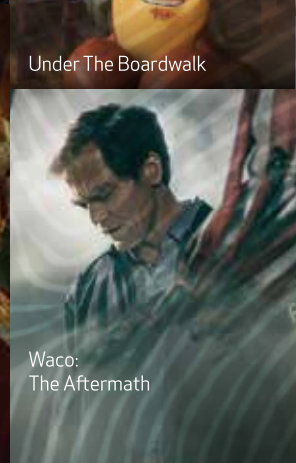
Beacon 23



Knights of the Zodiac



The Gilded Age: Season 2



Waco: The Aftermath



OMG 2



The Kerala Story



Article 370



Satyaprem Ki Katha

# BOLLYWOOD



Rocky aur Rani ki Prem Kahani



The Legend of Hanuman - Season 3



Lootere



Tiger 3



Teri Baaton Mein Aisa Uljha Jiya



Salaar



Dunki



Pippa



Gadar 2



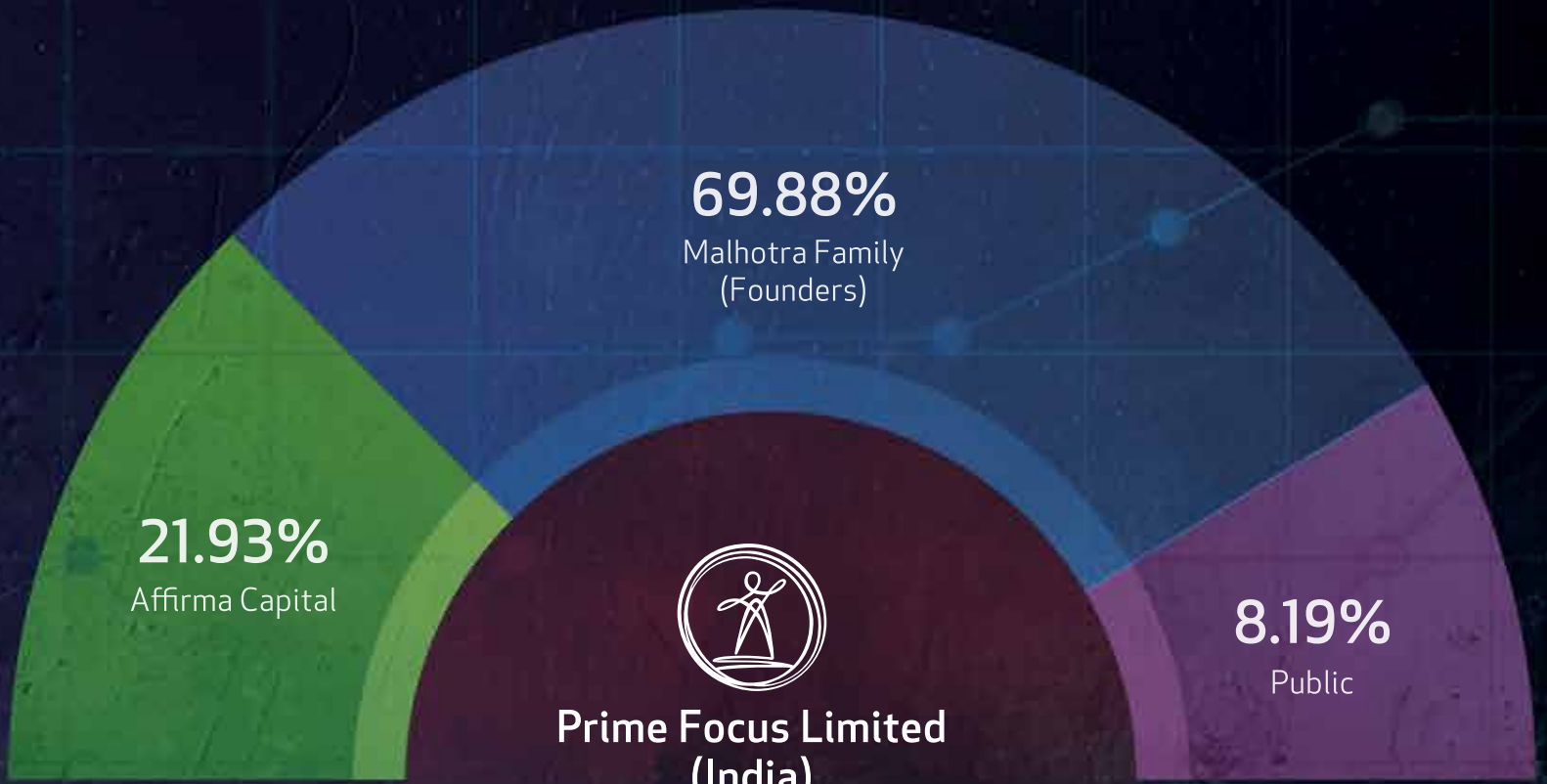




# Awards

- Best Visual Effects at the Critics Choice Award for 'Oppenheimer'.
- Won 'Outstanding Special Visual Effects in A Season Or A Movie' at Creative Arts Emmy Awards for 'The Last Of Us'.
- Visual Effects Society Awards:
  - Outstanding Visual Effects in A Photoreal Episode' for 'The Last Of Us'.
  - Outstanding Created Environment In An Episode, Commercial, Game, Cinematic, or Real-Time Project' for 'The Last Of Us'.
  - Outstanding Supporting Visual Effects In A Photoreal Feature' for 'Nyad'.
- Won 'Best National Rental - Production & OTT' at the Digital Studio India Awards 2023.
- Won Collaboration Award at the CMVP Technical Awards.
- Won 'Best Use of Cloud-Native-Technologies' at DevOps Excellence Awards.
- Mr. Naresh Malhotra received the Lifetime Achievement Award at the 2023 Digital Studio India Awards.

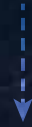
# Group Structure



**Prime Focus Limited  
(India)  
Listed on BSE/NSE**



**DNEG**  
DNEG S.A.R.L., Luxembourg –  
Global Visual Effects & Animation Business  
**56.20%\***  
(\*On fully diluted basis)



  
**PRIME FOCUS  
TECHNOLOGIES**  
Prime Focus Technologies  
Global Cloud Technology Business  
**92.23%**

# Global Presence



4 Continents



7 Time Zones



24 Cities

**BARCELONA**

**BUDAPEST**

**LEEDS**

**LONDON**

**LOS ANGELES**

**MONTRÉAL**

**NEW YORK**

**SINGAPORE**

**SOFIA**

**SYDNEY**

**TORONTO**

**VANCOUVER**

**INDIA**

BENGALURU

CHENNAI

GOA

HYDERABAD

KOLKATA

MOHALI

MUMBAI

NOIDA

PATNA

RAJAHMUNDRY

THIRUVANANTHAPURAM

VISAKHAPATNAM





# Business Overview

# 90%

OF GLOBAL REVENUE

## Creative Services

DNEG offers clients a compelling, full-service solution that allows grouping of services and global sourcing for complete end-to-end delivery of projects of any size; access to the highest-quality, award-winning talent at the most efficient pricing; and international tax advantages that can generate significant additional top-line.

After broadening our horizons to meet the demands of the OTT Sector, our India Film & Media Services business has maintained its position as the largest production, post-production and creative services provider to the film, broadcast, and OTT industries in India.

# 10%

OF GLOBAL REVENUE

## Technology Business

Our global cloud technology business, Prime Focus Technologies (PFT), is the creator of AI-enabled Enterprise Resource Planning (ERP) software, CLEAR®, for the Media and Entertainment industry. It offers broadcasters, studios, brands, and service providers solutions that help them lower their Total Cost of Operations (TCOP) by automating business processes around content and managing their business of content better.



# Creative Services

2024 began with a triumphant roar as DNEG swept three VES Awards for its phenomenal work on both 'Nyad' and 'The Last of Us'.

Winding the clock back to 2023, DNEG's exceptional visual effects artistry garnered an Emmy Award in the prestigious "Outstanding Special Visual Effects in a Season or a Movie" category for their work on the critically acclaimed series 'The Last of Us'.

DNEG's VFX prowess didn't stop there. In the same year, they also played a pivotal role in bringing the highly anticipated 'Dune: Part 2' to life with their cutting-edge visual effects. This sequel not only lived up to the hype, but has exceeded expectations, captivating audiences with its stunning visuals and compelling narrative.



## FILM VFX

DNEG continues to enjoy strong working relationships with the major Hollywood studios and to nurture partnerships with some of the most creative and well-respected directors working in Hollywood today, including:

- Christopher Nolan: Interstellar, Tenet, **Oppenheimer**
- Denis Villeneuve: Blade Runner 2049, Dune: Part One, **Dune: Part Two**
- George Miller: **Furiosa: A Mad Max Saga**
- Justin Lin: Star Trek Beyond, F9: The Fast Saga, **Fast X**
- Ron Howard: Rush, In The Heart of the Sea, **Eden**
- Bong Joon Ho: **Mickey 17**





## EPISODIC VFX

Our dedicated Episodic VFX service enables creators of episodic content worldwide to access DNEG's talent, technical innovation, and infrastructure through a bespoke offering. Our dedicated team of VFX supervisors, producers and artists bring extensive experience and understanding of episodic content to every project they undertake, and their work has been rewarded with a Primetime Emmy and numerous Visual Effects Society awards including the 2024 award for 'Outstanding Visual Effects in a Photoreal Episode' for 'The Last Of Us'.

### Standout Episodic projects in the last year include:

- The Last Of Us
- Citadel
- American Born Chinese
- Gen V
- The Gilded Age – Season 2
- For All Mankind: Season 4
- Masters of the Air

## DNEG ANIMATION

Celebrating its 10<sup>th</sup> anniversary this year, DNEG Animation is a full-service animation studio known for its high-end feature films and episodic content. We collaborate closely with filmmakers and content owners to translate their unique visions into captivating animation that resonates with global audiences.

DNEG Animation creates captivating stories and compelling characters through beautiful animation. Built on the passion and talents of our team, we help bring unique worlds to life. From complex graphic novel adaptations to beautifully-stylized films, we are dedicated to furthering the craft of animation.

Looking ahead, DNEG Animation has secured a partnership with Warner Bros. Pictures Animation and Dr. Seuss Enterprises for the upcoming animated feature film adaptation of the beloved children's book, 'The Cat in the Hat'.

DNEG Animation's recent work includes 'Nimona', 'Entergalactic', and 'Under the Boardwalk', and the team is currently in production on 'That Christmas', the studio's second collaboration with Locksmith Animation following 'Ron's Gone Wrong', and 'The Garfield Movie', a co-production with Alcon Entertainment for Sony Pictures, among other projects.



A collage of diverse people, including a man with a beard, a woman looking up, a man in a blue shirt, a man in a white shirt, a woman with a headscarf, a woman in a black dress, and a man in sunglasses. A large fingerprint graphic is overlaid on the center, with the word "REDEFINE" in bold yellow letters across it.

# REDEFINE



ReDefine brings a fresh and dynamic approach to the art of visual effects (VFX) and animation for film, episodic and multiplatform content.

As part of the DNEG Group, ReDefine leverages an incredible legacy of creative and technical innovation to cater to projects that benefit from its agile, boutique approach. It designs solutions tailored to each show's requirements and consistently delivers the highest levels of quality.

With its integrated network of studios across North America, Europe and India, ReDefine's global team is as diverse as the stories it brings to life. Its flexible, personalised and human approach to its work reinvents how it collaborates with its creative partners, enabling the team to deliver timely, ambitious and remarkable results that enhance and breathe life into every project the company works on.

ReDefine is a global company with studios in North America (Montréal, Toronto, Vancouver, Los Angeles), Europe (London, Sofia, Barcelona, Budapest), and India (Mumbai, Hyderabad, Bengaluru, Pune, Thiruvananthapuram, Kolkata, Goa, Patna and Bhubaneswar).

# STRONG PIPELINE



**GODZILLA-KONG**  
THE NEW EMPIRE



**KALKI**



**MICKEY 17**

**ONEG**

THE PENGUIN

TUESDAY

ABIGAIL

SKY FORCE

THOSE ABOUT TO DIE  
peacock 7.18.24

DEVARA



MAIDAAN

EMERGENCY

RIPLEY

REDEFINE



# Prime Focus Technologies

Prime Focus Technologies (PFT), along with its cutting-edge solutions and services to M&E enterprises, continued its steadfast efforts by adding new features to its media recognition AI platform, CLEAR® AI, to make AI work for M&E companies. The platform helps solve real world business problems for content enterprises including streaming platforms, studios and broadcasters. PFT now offers technology, with bespoke strategic consulting services to make AI work for the customers, taking into consideration their specific business challenges and unique content.

## CLEAR® AI

Our multi-modal and vendor-agnostic AI platform for unparalleled speed and flexibility is a perfect culmination of small models, LLMs, and Gen AI, purpose-built for M&E. CLEAR® AI makes 3M+ decisions annually, has processed 300K+ media assets and has 7 unique innovative patents, used by 10+ large customers.

### CONTENT MANAGEMENT

- **AI Search** - Find what you need swiftly with a conversational interface with 50-70% time savings in creating highlights, promos, and teasers, and 50-90% time savings in producing scene lifts, cut downs, and compilations.
- **AI Segmentation** - Build the "Skip Intro" feature for your content, detect various video segments like credits, studio logos, texted and textless segments.
- **AI Dedup** - Ensure your content library is clean, efficient, and cost-effective. De-dup, Optimise Storage, and Slash Costs.
- **AI Compliance** - Use AI Assistant to identify potentially objectionable content segments.
- **AI Conform** - Expedite distribution with ready-to-use serviceable, standardised masters.

### CONTENT CREATION

- **AI Metadata** - Generate tiered, deep metadata, insights, and recommendations.

### CONTENT MARKETING & DISTRIBUTION

- **AI Reframe**: Automatically convert horizontal videos into square and vertical formats.
- **AI Localize**: Experience Speech-to-Text Co-pilot for AI-driven subtitling, transcription, and translation and Text-to-Speech with AI-assisted dubbing and voice-overs with realistic voices from AI.
- **AI Ad Marker**: Identify ad break opportunities to maximise monetisation. Identify ad break opportunities to maximise monetisation. Identify ad break opportunities to maximise monetisation.



Make the world your Market with AI-powered Localization

# India Film And Media Services

## DIGITAL INTERMEDIATE/COLOR GRADING

- Our Digital Intermediate (DI) business continues to experience remarkable growth, capitalising on the burgeoning Indian market for Bollywood and regional feature films, as well as digital releases.
- This surge is driven by the rapid expansion of the OTT content market. A significant portion of our DI projects are now launched on popular OTT platforms like Disney+ Hotstar, Amazon Prime, ZEE5, JioCinema, and Netflix.
- This year, we delivered services for top-grossing projects such as 'Gadar 2', one of the highest-grossing Bollywood film of the year, 'OMG 2', 'Jailer', 'The Kerala Story', 'Rocky aur Rani ki Prem Kahani', 'Dream Girl 2', and more
- Prime Focus solidified its position as a leader in the OTT space, delivering popular projects like 'The Legend of Hanuman 3', 'Jaane Jaan', 'Trial Period', 'Ae Watan Mere Watan' and more
- Our robust project pipeline for the coming year includes highly anticipated titles like 'Maidaan', 'Mr. & Mrs. Mahi', 'Baby John', 'Sky Force' and many more.





# BOLLYWOOD



# FUTURE PIPELINE



# DIGITAL RELEASES



# India Film And Media Services

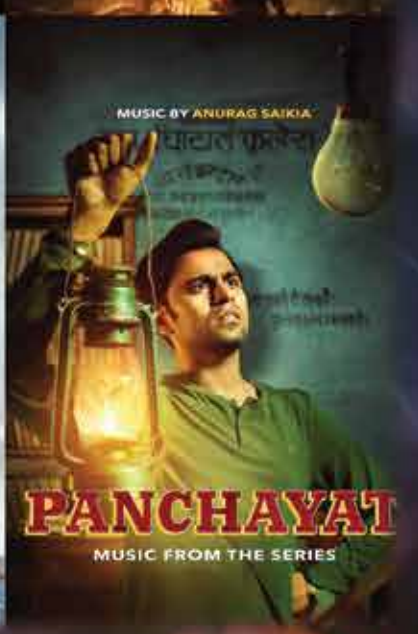
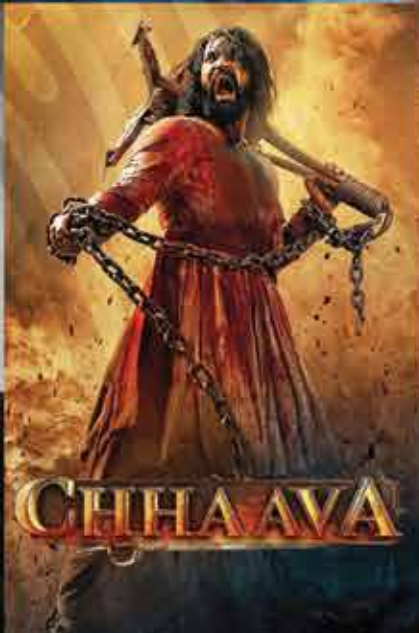
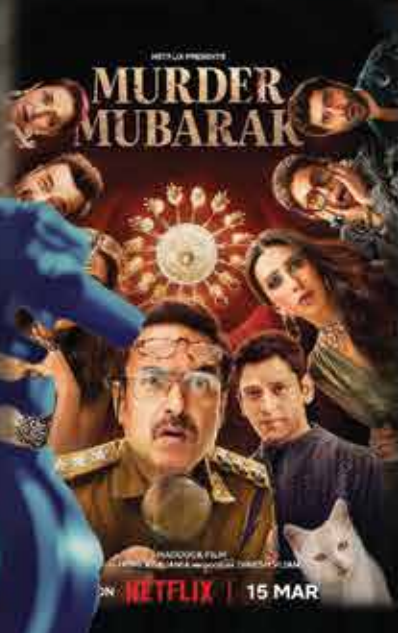
## EQUIPMENT RENTAL

The Equipment Rental business has been awarded as the 'Best National Rental - Production & OTT' at the Digital Studio India Awards 2023. This achievement reflects our unwavering commitment to providing exceptional service to the Indian film and production community.

The Equipment Rental business consistently delivers for a wide range of projects, supporting over 70 projects annually across India. Our extensive inventory boasts more than 40 high-end feature film cameras, allowing us to cater to a diverse clientele, including independent filmmakers, high-budget productions, live sporting events, and projects made for digital platforms.

The EQR pipeline has also benefited from a rise in projects for OTT platforms. This is evident in the EQR services delivered for projects like 'Half CA', 'Permanent Roommates Season - 3', and 'Three of Us', as well as theatrical blockbusters like 'Animal', 'Article 370', 'Dunki' and many more.





# Corporate Information



# BOARD OF DIRECTORS

## EXECUTIVE DIRECTOR

Mr. Naresh Malhotra - *Chairman and Whole-time Director*

## NON-EXECUTIVE DIRECTORS

Mr. Namit Malhotra

Mr. Vibhav Parikh

Mr. Kodi Raghavan Srinivasan - *Independent Director*

Mrs. (Dr.) Hemalatha Thiagarajan - *Independent Director*

Mr. Samu Devarajan - *Independent Director*

Mr. Ramakrishnan Sankaranarayanan  
(Resigned w.e.f. closure of business hours of May 30, 2023)

Mr. Padmanabha Gopal Aiyar  
(Resigned w.e.f. closure of business hours of May 30, 2023)

## CHIEF FINANCIAL OFFICER

Mr. Nishant Fadia

## COMPANY SECRETARY

Ms. Parina Shah

## STATUTORY AUDITORS

M/s. M S K A & ASSOCIATES  
(Firm Registration No. 105047W)

## REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited  
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083  
Tel: (0) 810 811 6767 | Fax: +91 22 49186060  
Email: [swayam@linkintime.co.in](mailto:swayam@linkintime.co.in) | Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## REGISTERED OFFICE

Prime Focus House, Opposite Citi Bank, Linking Road, Khar (West), Mumbai 400052  
Tel: +91 22 6715 5000 | Fax: +91 22 6715 5001  
Email: [ir.india@primefocus.com](mailto:ir.india@primefocus.com) | Website: [www.primefocus.com](http://www.primefocus.com)

## CORPORATE IDENTITY NUMBER (CIN)

L92100MH1997PLC108981

# Directors' Report

To  
The Members of  
Prime Focus Limited ("the Company")

Your Company's Directors are pleased to present the Twenty-Seventh Annual Report together with the Audited Financial Statements for Financial Year ended March 31, 2024.

## 1. FINANCIAL PERFORMANCE SUMMARY

The Consolidated and Standalone Audited Financial Results for the Financial Year ended March 31, 2024 are as follows:

(₹ in crores)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Income from services	3930.05	4628.11	33.45	40.74
Other operating income	20.49	16.15	-	-
Total income from operations	3950.54	4644.26	33.45	40.74
Less: Expenses	4196.26	4136.85	60.94	71.34
Add: Other income	216.91	279.49	50.26	40.63
Less: Finance costs	557.90	420.72	23.37	23.95
Less: Exceptional items (gain)	-	60.04	-	-
Less: Tax expense	(98.22)	111.65	(0.27)	10.55
Less: Minority interest	(83.95)	47.20	-	-
Profit / (Loss) for the year	(404.54)	147.29	(0.33)	(24.47)

## 2. OPERATIONS AND PERFORMANCE REVIEW AND STATE OF COMPANY'S AFFAIRS

### Consolidated

During the Financial Year under review, total income from operations of the Company and its subsidiaries stood at ₹ 3,950.54 crores as compared to ₹ 4,644.26 crores in the previous year. The Net Loss after tax and after minority interest was ₹ (404.54) crores as compared to Net Profit of ₹ 147.29 crores in previous year.

### Standalone

Total income from operations of the Company during the year was ₹ 33.45 crores as compared to ₹ 40.74 crores in the previous year. The Net loss after tax was ₹ (0.33) crores as compared to ₹ (24.47) crores in the previous year. A detailed analysis on the Company's performance, both Consolidated & Standalone, is included in the "Management Discussion & Analysis" Report which forms part of this Annual Report.

## 3. DIVIDEND

In view of the losses in the Financial Year 2023-24, the Directors do not recommend any dividend on its equity shares for the Financial Year 2023-24.

## 4. DIVIDEND DISTRIBUTION POLICY

In compliance with the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") your Board has formulated a dividend distribution policy. A copy of the said policy is available on the website of the Company at <http://www.primefocus.com/sites/default/files/pdf/Dividend-Distribution-Policy.pdf>.

## 5. TRANSFER TO RESERVES

In view of the losses in the Financial Year 2023-24, your Company has not transferred any amount to Reserves.

## 6. SHARE-CAPITAL

### Authorised Share Capital

During the Financial year under review, the Authorised Share Capital of your Company was increased from ₹ 45,05,00,000/- (Rupees Forty Five Crores and Five Lakhs) to ₹ 85,00,00,000/- (Rupees Eighty Five Crores) comprising of 85,00,00,000 (Eighty Five Crores) Equity Shares of Re. 1/- (Rupee One) each by passing of an ordinary resolution through postal ballot on March 21, 2024 by the shareholders of the Company.

As on March 31, 2024, the Authorised Share Capital of your Company is ₹ 85,00,00,000/- (Rupees Eighty Five Crores) comprising of 85,00,00,000 (Eighty Five Crores) equity shares of Re. 1/- (Rupee One) each.

#### **Paid-Up Share Capital**

Pursuant to the approval granted by ESOP Compensation Committee of the Company at its meetings held on February 1, 2024 and February 13, 2024, the Company has allotted 1,18,000 (One Lakh Eighteen Thousand) Equity Shares and 1,94,000 (One Lakh Ninety Four Thousand) Equity shares respectively of face value of Re. 1/- (Rupee One) each at an issue price of ₹ 52/- (Rupees Fifty Two), arising out of the exercise of Employees Stock Option granted to the employees of the Company and its subsidiaries.

Post allotment of the aforesaid equity shares, the issued, subscribed and paid-up equity share capital of the Company as on March 31, 2024 stood at ₹ 29,98,48,644/- (Rupees Twenty Nine Crores Ninety Eight Lakhs Forty Eight Thousand Six Hundred Forty Four) comprising of 29,98,48,644 (Twenty Nine Crores Ninety Eight Lakhs Forty Eight Thousand Six Hundred Forty Four) equity shares of Face Value of Re. 1/- (Rupee One) each.

The Company has neither issued shares with differential voting rights nor sweat equity shares. As on March 31, 2024, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### **7. EMPLOYEE STOCK OPTION SCHEME (ESOP)**

The Company has implemented 'PFL-ESOP Scheme 2014' compliant with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**") to reward and retain the qualified and skilled employees and to give them an opportunity to participate in the growth of the Company, these schemes are administered by the ESOP Compensation Committee of the Company.

A certificate from the Secretarial Auditors of the Company as required under Regulation 13 of the SEBI SBEB & SE Regulations shall be available electronically for inspection by the Members at the ensuing Annual General Meeting. The disclosures as required to be made under the provisions of the Act and Rules made thereunder and under Regulation 14 of the SEBI SBEB & SE Regulations read with SEBI Circular dated June 16, 2015 are accessible on Company's website at [https://www.primefocus.com/sites/default/files/pdf/2024\\_25/Disclosure\\_under\\_SEBI\\_Regulations\\_2021\\_for\\_the\\_year\\_ended\\_31st\\_March\\_2024.pdf](https://www.primefocus.com/sites/default/files/pdf/2024_25/Disclosure_under_SEBI_Regulations_2021_for_the_year_ended_31st_March_2024.pdf).

The details of Employee Stock Options form part of the Notes to Accounts to Financial Statements in this Annual Report. No employee of the Company received grant of options during the year amounting to 5% or more of the options granted or exceeding 1% of issued capital of the Company.

### **8. SECRETARIAL STANDARDS**

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("**ICSI**") and approved by the Central Government under Section 118 (10) of the Companies Act, 2013 ("**the Act**") for the Financial Year ended 2023-24.

### **9. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of Financial Year of the Company to which the Financial Statements relate and the date of this Report.

### **10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the Financial Year under review, there were no significant or material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

### **11. CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the Company during the Financial Year ended March 31, 2024.

### **12. RISK MANAGEMENT**

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. A key factor in determining a Company's capacity to create sustainable value is the risks that the Company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a Company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed. The Board has a duly constituted Risk Management Committee of Directors.

The Company is well aware of the above risks and as part of business strategy has a robust risk management framework to identify, evaluate and mitigate business risks with timely action. This framework seeks to enable growth, create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage by undertaking effective steps to manage risks.

The Board approved Risk Management policy has been put in place, which is reviewed periodically, to establish appropriate system and procedures to mitigate all risks faced by the Company.

The Risk Management policy of the Company is available on the website at [https://www.primefocus.com/sites/default/files/pdf/2024\\_25/PFL\\_Risk\\_Management\\_Policy.pdf](https://www.primefocus.com/sites/default/files/pdf/2024_25/PFL_Risk_Management_Policy.pdf).

### 13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. For further details, please refer to the Management Discussion and Analysis Report which forms a part of this Annual Report.

### 14. HUMAN RESOURCES

Human Resource is considered as one of the most critical resource in the business which can be continuously smoothened to maximize the effectiveness of the organization. Human Resource builds the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst employees towards strengthening the Company's Policies and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company. The Company has generally enjoyed cordial relations with its personnel. Further, the total number of permanent employees of the Company as on March 31, 2024 is 16.

### 15. PREVENTION OF SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has a mechanism in place for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. All employees (permanent, contractual, temporary, trainees) are covered.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace. During the year under review, Company has not received any complaints on sexual harassment and hence there are no complaints pending as on the end of the Financial Year 2023-24 on sexual harassment.

### 16. PUBLIC DEPOSITS

The Company has not accepted any deposits from public falling within the ambit of sections 73 and 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, no

disclosure is required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

### 17. ANNUAL RETURN

In compliance with the provisions of Section 92 and Section 134(3) (a) of the Act, the Annual Return of the Company for the Financial Year ended March 31, 2024 has been uploaded on the website of the Company and the web link of the same is [https://www.primefocus.com/sites/default/files/pdf/Form\\_MGT\\_7\\_PFL\\_FY\\_23-24.pdf](https://www.primefocus.com/sites/default/files/pdf/Form_MGT_7_PFL_FY_23-24.pdf)

### 18. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015, the Audited Consolidated Financial Statements of the Company for the Financial Year 2023-24, together with the Auditors' Report forms part of this Annual Report.

### 19. SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES

#### Financial Performance:

A separate statement containing the salient features of financial statements of subsidiaries/joint venture/associate companies of the Company in the prescribed Form AOC - 1 in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 forms part of this Annual Report.

The said Form also highlights the financial performance of each of the subsidiaries included in the Consolidated Financial Statements (CFS) of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting of the Company i.e., Monday, September 30, 2024. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company.

The financial statements including the CFS, and all other documents required to be attached to this report have been uploaded on the website of the Company at [www.primefocus.com](http://www.primefocus.com).

The Policy for determining Material Subsidiaries has been uploaded on the Company's website at [https://www.primefocus.com/sites/default/files/pdf/POLICY\\_ON\\_MATERIAL\\_SUBSIDIARIES.pdf](https://www.primefocus.com/sites/default/files/pdf/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf)

The Company has 38 subsidiaries/joint venture and associate companies as on March 31, 2024.



- a. **Companies which have become subsidiary Company:**
  1. DNEG Australia Productions Pty Ltd became subsidiary of the Company w.e.f. February 7, 2024.
- b. **Companies which ceased to be Subsidiary Company:**
  1. Prime Focus 3D Cooperatief U.A., Netherlands was liquidated w.e.f. February 13, 2024 and ceased to be subsidiary of the Company.
  2. Prime Focus MEAD FZ LLC, dissolved w.e.f. June 16, 2023.
  3. Prime Focus World N.V., Netherlands ("PFW NV") ceased to be subsidiary w.e.f. March 29, 2024 pursuant to merger with DNEG S.A.R.L., Luxembourg (formerly known as Prime Focus Luxembourg S.a.r.l.).
- c. **Joint Venture / Associate Companies:**
  1. During the Financial Year under review, Joint Venture agreement relating to Incamera Limited has been terminated w.e.f. February 14, 2024.
- d. **Further the following changes were taken place after the financial year till the date of this report:**
  1. Vegas II VFX Ltd., Vancouver, BC and Double Negative Huntsman VFX Ltd., Canada ceased to be subsidiaries w.e.f. April 1, 2024 pursuant to merger with Double Negative Canada Productions Ltd.
  2. Brahma AI Limited became subsidiary of the Company w.e.f. April 12, 2024.
  3. Lowry Digital Imaging Services, Inc., liquidated w.e.f. April 12, 2024.

## 20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. CONSERVATION OF ENERGY

- i. **The steps taken to or impact on conservation of energy**– Although the Company is not engaged in manufacturing activities, as a responsible corporate citizen, we continue to pursue and adopt appropriate energy conservation measures. The Company makes every effort to conserve energy as far as possible in its postproduction facilities, Studios, Offices, etc. The Company also takes significant measures to reduce energy consumption by using energy efficient computers and by purchasing energy efficient equipment. The Company purchases PCs, laptops, air conditioners etc. that meet environment standards, wherever possible and replace old equipment with more energy-efficient equipment.
- ii. **The Steps taken by the Company for utilizing alternate sources of energy** – Not applicable.

- iii. **The capital investment on energy conservation equipment**
  - The Company constantly evaluates new developments and invests into latest energy efficient technology.

### B. TECHNOLOGY ABSORPTION

- i. **The efforts made towards technology absorption**– The Company adopts the latest trends in the technology development and introduces the same so as to ensure reduction in cost with best quality output.
- ii. **The benefits derived like product improvement, cost reduction, Product development or import substitution**
  - Not applicable.
- iii. **Imported Technology**
  - (a) The details of technology imported - Not Applicable
  - (b) The year of import - Not applicable
  - (c) Whether the technology has been fully absorbed
    - Not applicable
  - (d) If not fully absorbed - Not applicable
- iv. **Expenditure incurred on Research and Development (R&D)** - Your Company is predominantly a service provider and therefore has not set up a formal R&D unit, however continuous research and development is carried out at various development centers as an integral part of the activities of the Company.

### C. PARTICULARS OF FOREIGN CURRENCY EARNINGS AND OUTGO:

(₹ In Crores)		
Particulars	March 31, 2024	March 31, 2023
Foreign exchange earned in terms of actual inflow	0.30	56.77
Foreign exchange outgo in terms of actual outflow	(4.64)	(399.89)

## 21. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the Financial Year ended March 31, 2024 as stipulated under Regulation 34(2)(e) read with Schedule V of the Listing Regulations, is included as a separate section form part of this Annual Report.

## 22. CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in Regulation 34 read along with schedule V of Listing Regulations is included in this Annual Report for the Financial Year 2023-24.

## 23. DIRECTORS

As per the relevant provisions of the Act and Listing Regulations, during the Financial Year under review, the following changes in Directors are detailed as follows:

### i) Retirement by Rotation:

In accordance with the provisions of Section 152 of the Act read with Companies (Management & Administration) Rules, 2014, Mr. Naresh Mahendranath Malhotra (DIN: 00004597), Chairman and Whole-time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

An item seeking your approval on the above is included in the Notice convening the Annual General Meeting. Brief resume and other requisite details as stipulated under Listing Regulations and Secretarial Standard - 2 on General Meetings of the Directors being appointed/re-appointed forms part of the Notice of the ensuing Annual General Meeting.

### ii) Appointment/Re-appointment of Director:

During the financial year under review, there was no appointment/re-appointment of Director in the Company.

### iii) Resignation/Completion of term of Directors:

- a) Mr. Ramakrishnan Sankaranarayanan (DIN:02696897), resigned as a Non-Executive Director of the Company w.e.f May 30, 2023 on account of other professional commitments.
- b) Mr. Padmanabha Gopal Aiyar (DIN: 02722981), resigned as a Non-Executive Independent Director of the Company w.e.f May 30, 2023 due to other professional commitments.

The Board placed on record their appreciation for the services rendered by them during their tenure with the Company.

### iv) Other Updates:

- a) Mr. Kodi Raghavan Srinivasan (DIN: 00012449) completes his second term of five (5) consecutive years as Non-Executive Independent Director at the conclusion of 27<sup>th</sup> Annual General Meeting. The Board placed on record its appreciation for the services rendered by him during his tenure with the Company.

## 24. DECLARATION BY INDEPENDENT DIRECTORS

Every Independent Director, at the first meeting of the Board after appointment and thereafter at the first meeting of the Board in every Financial Year or whenever there is change in the circumstances which may affect his/her status as the Independent Director, is

required to provide the declaration that he/she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

In accordance with the above, 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 16(1)(b) of Listing Regulations. Further, all the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act. In the opinion of the Board, all the Independent Directors fulfill the criteria of independence, integrity, expertise and have the required experience as provided under the Act, Rules made thereunder, read with the Listing Regulations and are independent of the management.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs ('IICA'). Accordingly, the Independent Directors of the Company have registered themselves with the IICA for the said purpose. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) years from the date of inclusion of their names in the data bank. All Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test by IICA.

## 25. KEY MANAGERIAL PERSONNEL (KMP)

In terms of Section 203 of the Act, following are the KMPs of the Company as on March 31, 2024:

- Mr. Naresh Mahendranath Malhotra, Chairman and Whole-Time Director.
- Mr. Nishant Fadia, Chief Financial Officer.
- Ms. Parina Shah, Company Secretary and Compliance Officer.

During the Financial Year under review, there were no changes to the Key Managerial Personnel of the Company.

## 26. BOARD EVALUATION

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Listing Regulations, annual evaluation of the performance of the Board, its Committees and of individual Directors has been made.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The performance evaluation of the Chairman and the Non Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role. The criteria for performance evaluation of Independent Directors included aspects like time invested in understanding the company and its unique requirements; bringing external knowledge and perspective to the table for discussions at the meetings; expression of his/her views on the issues discussed at the Board Meetings and keeping himself/herself updated on current areas and issues that are likely to be discussed at the Board level.

#### Criteria for Determining Qualifications, Positive Attributes and Independence of a Director

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- **Qualifications** – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- **Positive Attributes** - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- **Independence** - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations.

#### Familiarization Programme for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations the Company has in place a programme for familiarisation of

the Independent Directors, details of which are available on the website of the Company: [https://www.primefocus.com/investor-center#Familiarisation\\_Prgm\\_for\\_ID](https://www.primefocus.com/investor-center#Familiarisation_Prgm_for_ID)

## 27. NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and other Employees pursuant to the provisions of the Act and Regulation 19 of the Listing Regulations.

The salient features and objectives of the Nomination and Remuneration policy are as follows:

- To formulate the criteria and terms to determine qualifications, attributes and independence of Directors;
- To identify the qualification, key attributes and profile required of persons who may be appointed in Senior Management and Key Managerial positions;
- To determine remuneration of the Directors, Key Managerial Personnel and Senior Management employees and other employees based on the Company's size of business, financial position and trends and practices prevailing in similar companies in the industry;
- To devise mechanism and carry out evaluation of the performance of Directors;
- To devise and achieve diversity on the composition of Board, an essential element to support quality of performance;
- To retain, motivate and promote talent and create a sense of participation and ownership;
- To carry out such other functions as is mandated by Board of Directors and perform such other functions as may be necessary or appropriate for performance of duties.

Further, the Nomination and Remuneration policy of the Company is available on the website of the Company at [https://www.primefocus.com/sites/default/files/pdf/Nomination\\_Remuneration\\_Policy.pdf](https://www.primefocus.com/sites/default/files/pdf/Nomination_Remuneration_Policy.pdf)

## 28. BOARD MEETINGS

During the Financial Year 2023-24, your Board met Seven (7) times such that the intervening gap between the two Board Meetings was within the period prescribed under the Act and Regulation 17 of Listing Regulations.

Details of the composition of the Board and its Committees along with the Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report, which forms part of this Annual Report.

## 29. AUDIT COMMITTEE

The Audit Committee as on March 31, 2024 comprises of following members:

Name of the Members	Positions
Mr. Samu Devarajan	Chairman
Mr. Kodi Raghavan Srinivasan	Member
Mr. Padmanabha Gopal Aiyar*	Member
Mrs. (Dr.) Hemalatha Thiagarajan*	Member
Mr. Naresh Mahendranath Malhotra*	Member

\*Mr. Padmanabha Gopal Aiyar, ceased to be member of Audit Committee w.e.f May 30, 2023. Mr. Naresh Mahendranath Malhotra and Mrs. (Dr.) Hemalatha Thiagarajan were appointed as members of the Audit committee w.e.f. May 30, 2023.

The Board accepted the recommendation of the Audit Committee whenever made by the Committee, during the Financial Year under review.

Further, details relating to the Audit Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

## 30. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and 177(10) of the Act and the provisions of Listing Regulations, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who can avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Chairperson of the Audit Committee. The Audit Committee periodically reviews the functioning of this Mechanism. The policy of vigil mechanism is available on the Company's website at [https://www.primefocus.com/sites/default/files/pdf/Whistle\\_Blower\\_PFL.pdf](https://www.primefocus.com/sites/default/files/pdf/Whistle_Blower_PFL.pdf)

The details of the Vigil Mechanism/ Whistle Blower Policy are given in the Report on Corporate Governance, which forms part of this Annual Report.

## 31. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure A**.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the members, excluding the information on employees particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on

all working days up to the date of Annual General Meeting of the Company i.e. Monday, September 30, 2024. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

No Directors of the Company received any remuneration or commission from any of its subsidiaries/joint venture.

## 32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted Corporate Social Responsibility Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Corporate Social Responsibility Committee as on March 31, 2024 comprises of following members:

Name of the Members	Positions
Mr. Naresh Mahendranath Malhotra	Chairman
Mr. Ramakrishnan Sankaranarayanan*	Member
Mr. Samu Devarajan	Member
Mr. Namit Naresh Malhotra*	Member

\*Mr. Ramakrishnan Sankaranarayanan ceased to be member of the CSR committee w.e.f. May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as a member in the CSR committee w.e.f. May 30, 2023.

The brief outline of the CSR Policy of the Company along with the Annual Report on CSR activities is set out in **Annexure B** of this report. The policy is available on the Company's website at [https://www.primefocus.com/sites/default/files/pdf/2021\\_22/PFL\\_CSR\\_Policy.pdf](https://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_CSR_Policy.pdf)

## 33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans given, Investments made, Guarantees given and Securities provided during the Financial Year under Section 186 of the Act are stated in the Notes to Accounts which forms part of this Annual Report.

## 34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/ transactions entered by the Company with the Related Parties during the Financial Year were on an Arm's length basis and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were entered into only with prior approval of the Audit Committee, except transactions which qualify under Omnibus approval as permitted under the law. A statement

of all Related Party Transactions entered is placed before the Audit Committee and Board for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company has adopted a Policy on Related Party Transactions and the same is available on the Company's website at [https://www.primefocus.com/sites/default/files/pdf/Policy\\_on\\_Related\\_Parties\\_2023.pdf](https://www.primefocus.com/sites/default/files/pdf/Policy_on_Related_Parties_2023.pdf)

The disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to your Company, since there were no material transactions with related parties.

### 35. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with the Listing Regulations, the Business Responsibility & Sustainability Report, describing the initiatives taken by your Company from an environment, social and governance perspective for FY 2023-24 forms part of this Annual Report.

### 36. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 and other applicable provisions, if any, of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, the Company transferred 9485 shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to IEPF Authority including shares held in unclaimed suspense account on November 30, 2017. The balance number of shares lying with the IEPF Authority is 9285 shares as on March 31, 2024.

The members, whose unclaimed shares have been transferred to IEPF, may claim the same by making application to the IEPF authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) for details of unclaimed shares transferred to IEPF please refer Company's website viz. [www.primefocus.com](http://www.primefocus.com).

### 37. AUDITORS

#### Statutory Auditors

At the 26<sup>th</sup> Annual General Meeting held on September 29, 2023, M/s. M S K A & ASSOCIATES (Firm Registration No. 105047W), were appointed as Statutory Auditors of the Company for the first term of 5 (Five) consecutive years from the conclusion of 26<sup>th</sup> Annual General Meeting till the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be held for the Financial Year 2027-28.

The Company has received a confirmation from M/s. M S K A & ASSOCIATES (Firm Registration No. 105047W) that they satisfy the criteria provided under section 141 of the Act and are not disqualified to act as the Statutory Auditors and are eligible to hold the office as Auditors of the Company.

The Auditors Report for the Financial Year 2023-24 does not contain any qualification, reservation, disclaimer or adverse remark and forms part of this Annual Report.

#### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Listing Regulations, M/s. D. M. Zaveri & Co. (CP No. 4363), Practicing Company Secretaries had been re-appointed as Secretarial Auditor, to undertake Secretarial Audit of the Company for the Financial Year 2023-24. The report of the Secretarial Auditor in the prescribed Form MR-3 is annexed to this report as **Annexure C1**.

The Secretarial Auditors' Report for the Financial Year 2023-24 does not contain any qualification, reservation or adverse remark.

In accordance with the provisions of Regulation 24A of the Listing Regulations, Secretarial Audit Report of two material unlisted Indian subsidiaries of the Company namely, Prime Focus Technologies Limited and DNEG India Media Services Limited are provided as **Annexure - C2 and C3** respectively to this Report.

In accordance with the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, read with Exchange Circular no. 20230410-41 dated April 10, 2023, the Company has obtained the Annual Secretarial Compliance Report incorporating additional affirmations from the Secretarial Auditor for the Financial Year 2023-24. The same is also submitted to the Stock Exchanges.

### 38. COST RECORDS

Maintenance of Cost records and requirement of cost audit as prescribed under Section 148 of the Act are not required by the Company.

### 39. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE ACT

During the Financial Year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

### 40. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with section 134(5) of the Act in the preparation of the annual accounts for the Financial Year ended on March 31, 2024 and to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the

state of affairs of the company as at the March 31, 2024 and of the loss of the Company for that year on that date;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors have laid down proper systems of internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 41. WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

In terms of Regulation 17(8) of Listing Regulations, the Company has obtained compliance certificate from the Whole -Time Director and Chief Financial Officer.

#### 42. INSOLVENCY AND BANKRUPTCY

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year and hence not being commented upon.

#### 43. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial Year under review, there has been no incident of one time settlement for loan taken from the banks or financial institutions and hence not being commented upon.

#### 44. DIVESTMENT OF THE ENTIRE EQUITY SHAREHOLDING OF THE COMPANY IN PRIME FOCUS TECHNOLOGIES LIMITED, SUBSIDIARY OF THE COMPANY

The Board on April 29, 2024 has approved the divestment by way of sale of its entire equity shareholding in Prime Focus Technologies Limited ("PFT"), subsidiary of the Company to DNEG S.A R. L., Luxembourg ("DNEG"), a step-down subsidiary of the Company, on terms and conditions as set forth in the Share Purchase Agreement dated April 29, 2024 and Addendum to Share Purchase Agreement dated May 29, 2024 executed between the Company, PFT and DNEG. The said transaction is subject to approval of the members of the Company.

#### 45. RAISING OF FUNDS THROUGH RIGHT ISSUE OF EQUITY SHARES AND / OR DETACHABLE SHARE WARRANTS

The Board of the Company, at its meeting held on February 01, 2024, considered and approved raising of funds by way of a rights issue of equity shares (25% of the amount payable on application and balance within a period of 18 months from the date of issue) and / or detachable share warrants (to be converted within a period of 18 months from the date of issue), to eligible equity shareholders of the Company as on the record date (to be notified later) or to such person or persons who may or may not be shareholder of the Company in whose favour the rights may be renounced (in full or part) by respective shareholder, for a maximum amount not exceeding ₹ 4,000 Crore (the "Issue"), at an issue price of ₹ 90/- per equity share (including a premium of ₹ 89/- per equity share) / warrant.

#### 46. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation to the Members, financial institutions, bankers and business associates, Government authorities, customers and vendors for their co-operation and support and looks forward to their continued support in the future. Your Directors also place on record, their deep sense of appreciation for the committed services by the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Naresh Mahendranath Malhotra**

Chairman & Whole-Time Director  
DIN: 00004597

**Namit Naresh Malhotra**

Director  
DIN: 00004049

Date: May 30, 2024

Place: Mumbai

## ANNEXURE A

### PARTICULARS OF EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year:

(₹ in crores)

Sr. No.	Names of Directors/Key Managerial Personnel	Designation	Remuneration (₹)	Ratio of Directors remuneration to Median remuneration	% increase in the remuneration
<b>DIRECTOR</b>					
1	Mr. Naresh Mahendranath Malhotra	Chairman & Whole-Time Director	1.80	30.32	5.99
<b>KEY MANAGERIAL PERSONNEL</b>					
1	Ms. Parina Shah	Company Secretary	0.34	N.A	N.A
2	Mr. Nishant Fadia	Chief Financial Officer	0.59	N.A	N.A

Note: Non-Executive Directors are paid remuneration only by way of sitting fees.

2. **The percentage increase in the median remuneration of employees in the Financial Year:**  
There is 1.32% increase in the median remuneration of employees in the Financial Year 2023-24.
3. **The number of permanent employees on the rolls of Company:**  
The number of permanent employees on the rolls of Company as on March 31, 2024 was 16.
4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**  
There have not been any increase in the salaries of the employees other than the managerial personnel and managerial remuneration to managerial personnel and the remuneration payable to the managerial personnel has been benchmarked with the remuneration being drawn by similar positions in similar industry.
5. **Affirmation**  
It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Naresh Mahendranath Malhotra**  
Chairman & Whole-Time Director  
DIN: 00004597

**Namit Naresh Malhotra**  
Director  
DIN: 00004049

**Date:** May 30, 2024

**Place:** Mumbai

## ANNEXURE B

## Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline of the Company's CSR policy	CSR is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of Prime Focus Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders. The CSR policy of the Company can be viewed on website of the Company at <a href="http://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_CSR_Policy.pdf">http://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_CSR_Policy.pdf</a>																									
2. Composition of the CSR Committee	<table border="1"> <thead> <tr> <th data-bbox="645 596 702 793">Sl. No.</th> <th data-bbox="702 596 1107 793">Name of Director</th> <th data-bbox="1107 596 1259 793">Designation / Nature of Directorship</th> <th data-bbox="1259 596 1435 793">Number of meetings of CSR Committee held during the year</th> <th data-bbox="1435 596 1608 793">Number of meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td data-bbox="645 793 702 835">1</td> <td data-bbox="702 793 1107 835">Mr. Naresh Mahendranath Malhotra</td> <td data-bbox="1107 793 1259 835">Chairman</td> <td data-bbox="1259 793 1435 835">1</td> <td data-bbox="1435 793 1608 835">1</td> </tr> <tr> <td data-bbox="645 835 702 877">2</td> <td data-bbox="702 835 1107 877">Mr. Ramakrishnan Sankaranarayanan*</td> <td data-bbox="1107 835 1259 877">Member</td> <td data-bbox="1259 835 1435 877">1</td> <td data-bbox="1435 835 1608 877">NA</td> </tr> <tr> <td data-bbox="645 877 702 919">3</td> <td data-bbox="702 877 1107 919">Mr. Samu Devarajan</td> <td data-bbox="1107 877 1259 919">Member</td> <td data-bbox="1259 877 1435 919">1</td> <td data-bbox="1435 877 1608 919">1</td> </tr> <tr> <td data-bbox="645 919 702 961">4</td> <td data-bbox="702 919 1107 961">Mr. Namit Naresh Malhotra*</td> <td data-bbox="1107 919 1259 961">Member</td> <td data-bbox="1259 919 1435 961">1</td> <td data-bbox="1435 919 1608 961">1</td> </tr> </tbody> </table> <p data-bbox="645 961 1608 1066">*Mr. Ramakrishnan Sankaranarayanan has resigned from Board and Committees of the Company w.e.f May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as member of CSR Committee with effect from May 30, 2023.</p>	Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	1	Mr. Naresh Mahendranath Malhotra	Chairman	1	1	2	Mr. Ramakrishnan Sankaranarayanan*	Member	1	NA	3	Mr. Samu Devarajan	Member	1	1	4	Mr. Namit Naresh Malhotra*	Member	1	1
Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year																						
1	Mr. Naresh Mahendranath Malhotra	Chairman	1	1																						
2	Mr. Ramakrishnan Sankaranarayanan*	Member	1	NA																						
3	Mr. Samu Devarajan	Member	1	1																						
4	Mr. Namit Naresh Malhotra*	Member	1	1																						
3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company	Link for CSR Policy and composition of CSR Committee are as follows; <a href="http://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_CSR_Policy.pdf">http://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_CSR_Policy.pdf</a> <a href="http://www.primefocus.com/who-we-are#BoardCommittee">http://www.primefocus.com/who-we-are#BoardCommittee</a>																									
4. Provide the executive summary along with the web- link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable	NOT APPLICABLE																									
5. (a) Average net profit of the Company as per section 135(5) (b) Two percent of average net profit of the Company as per sub- section 5 of section 135 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. (d) Amount required to be set off for the financial year, if any (e) Total CSR obligation for the financial year [(b)+(c)-(d)]	₹ (150,448,852) Not Applicable in view of Loss - - -																									



6. (a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project)	Not Applicable
(b) Amount spent in Administrative overheads	Not Applicable
(c) Amount spent on Impact Assessment, if applicable	Not Applicable
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	Not Applicable

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NA	NA	NA	NA	NA	NA

(f) Excess amount for set off, if any - NOT APPLICABLE

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section 5 of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section 6 of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section 6 of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section 5 of section 135, if any.		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Yes  No

If yes, enter the number of Capital assets created/acquired

Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

Sr. No.	Short particulars of the property or asset(s) [ including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					(1)	(2)	(3)
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
-	-	-	-	-	-	-	-

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section 5 of section 135: Not Applicable

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Naresh Mahendranath Malhotra**  
Chairman & Whole-Time Director  
Chairman - CSR Committee  
DIN: 00004597

**Namit Naresh Malhotra**  
Director  
DIN: 00004049

**Date:** May 30, 2024

**Place:** Mumbai

## Annexure C1

### SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial year ended March 31, 2024

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

To,  
The Members,

#### Prime Focus Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Prime Focus Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Prime Focus Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on March 31, 2024, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 ('The SEBI'):-
  - (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, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not relevant / applicable during the year under review)**
- (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, 2021; **(Not relevant / applicable during the year under review)**
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not relevant / applicable during the year under review)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I further report** that based on the explanation given by the management of the Company, there are no other laws that are specifically applicable to the company.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. including other specific laws to the extent applicable to the Company as represented by management mentioned above.

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors

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

Adequate notice is given to all the directors to schedule the Board Meeting, 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.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the period under review, there were following major actions which have been done in compliance with applicable statutory provisions;

- Pursuant to special resolutions passed at the 26<sup>th</sup> Annual General Meeting held on September 29, 2023, the consent of the members of the Company was obtained for alteration of Object Clause of the Memorandum of Association of the Company.
- Pursuant to PFL - Employee Stock Option Scheme 2014, 3,12,000 Equity shares of face value of Re. 1 each for cash at exercise price of ₹ 52 per share of the Company was allotted to the grantees who has exercised their vested options.
- Pursuant to ordinary resolution vide Postal Ballot dated March 21, 2024, the consent of the members of the Company was obtained for Increase of Authorised capital of the Company from ₹ 45,05,00,000/- (Rupees Forty Five Crores and Five Lakhs only) divided into 45,05,00,000 (Forty Five Crores and Five Lakhs) Equity Shares of Re. 1/- (Rupee One) each to ₹ 85,00,00,000/- (Rupees Eighty Five Crores only) divided into 85,00,00,000 (Eighty Five Crores) Equity Shares of Re. 1/- (Rupee One) each by alteration of Capital Clause of the Memorandum of Association of the Company.

**For D. M. Zaveri & Co  
Company Secretaries**

**Place: Mumbai**

**Date: May 30, 2024**

**ICSI UDIN: F005418F000447299**

**Peer Review Certificate No.: 1187/2021**

**Dharmesh Zaveri**

**(Proprietor)**

**FCS. No.: 5418**

**CP No.: 4363**

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

## Annexure A

To,

The Members,

**Prime Focus Limited**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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 D. M. Zaveri & Co  
Company Secretaries**

**Dharmesh Zaveri  
(Proprietor)**

**FCS. No.: 5418**

**CP No.: 4363**

**Place: Mumbai**

**Date: May 30, 2024**

## Annexure C2

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Regulation 24A of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

**Prime Focus Technologies Limited**  
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prime Focus Technologies Limited (CIN: U72200MH2008PLC179850) and having its registered office at True North, Plot No. 63, Road No. 13, Opp. Hotel Tunga Paradise, MIDC, Andheri (E), Mumbai - 400093 (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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 the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not applicable to the Company during the audit period)**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations 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, 2018 **(Not applicable to the Company during the audit period)**;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the audit period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(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, 2021 **(Not applicable to the Company during the audit period)**;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(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 **(the company being unlisted and a material subsidiary of a listed company, only limited provisions are applicable)**.
- (vi) There are no laws that are specifically applicable to the company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Few Board Meetings of the Company during the year under review were held at shorter notice with the consent of the Directors 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.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of board meetings for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** that the requirement of Secretarial Audit is applicable to the company pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the company is a material unlisted subsidiary of its parent company viz., Prime Focus Limited.

**We further report** that during the audit period:

1. Company has Modified the terms of 3,00,000 existing Compulsorily Convertible Debentures with respect to extension of conversion period from August 31, 2023 to August 31, 2024; and
2. Company has Redeemed 44,107 shares each of Series A - 0.01% Non-Convertible Non - Cumulative Redeemable Preference Shares (NCRPS) and Series B - 0.01% NCRPS, of face value of Re.1 each at a total premium of ₹ 1,24,10,546/- on July 31, 2023.

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.

**For Manish Ghia & Associates**  
Company Secretaries  
(Unique ID: P2006MH007100)

**Pankaj Kumar Nigam**  
Partner

**Place:** Ghaziabad

**Date:** May 29, 2024

**UDIN:** F007343F000478330

**M. No. FCS 7343, C.P. No. 7979**

**PR 822/2020**

**'Annexure A'**

To,

The Members,

**Prime Focus Technologies Limited**

Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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 secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Manish Ghia & Associates**  
Company Secretaries  
(Unique ID: P2006MH007100)

**Pankaj Kumar Nigam**  
Partner

**Place:** Ghaziabad

**Date:** May 29, 2024

**UDIN:** F007343F000478330

**M. No. FCS 7343, C.P. No. 7979**

**PR 822/2020**

Annexure C3

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Regulation 24A of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,

**DNEG INDIA MEDIA SERVICES LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DNEG INDIA MEDIA SERVICES LIMITED** (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ("Audit Period") 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the period under Audit)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the period under Audit)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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, 2018; **(Not applicable to the Company during the period under Audit)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
  - (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; **(Not applicable to the Company during the period under Audit)**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the period under Audit)**
- and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(The Company being unlisted and material subsidiary of Listed Company, only limited provisions are applicable.)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges. **(Not applicable to the Company during the period under Audit)**

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

**I further report** that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance. The Company confirms that the 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 respective meetings of the Board or Committee thereof.

**I further report** that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report** that no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

**Mehul Raval**  
**Practicing Company Secretary**  
**ACS 18300**  
**CP.No: 24170**  
**UDIN: A018300F000462084**

**Place: Mumbai**  
**Dated: May 27, 2024**

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

## Annexure A

To,  
The Members,

### **DNEG INDIA MEDIA SERVICES LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures 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.

**Mehul Raval**  
**Practicing Company Secretary**  
**ACS 18300**  
**CP.No.: 24170**

**Place: Mumbai**  
**Dated: May 27, 2024**



# Management Discussion & Analysis

## Section 1

### Company Profile

Prime Focus Limited (hereinafter referred to as 'PFL' or 'the Company') is a global leader in media creation, offering comprehensive end-to-end post-production services. The Company provides storytellers with top talent, advanced technology, and valuable resources, allowing them to concentrate on their creative vision and produce high-quality content for a global audience. The Company services include various aspects of the creative, technology, production, and post-production realms. PFL has expertise in visual effects, stereo 3D conversion, animation, technology products & services, production equipment rental, Digital Intermediate, and picture post. PFL, along with its group, employs over 10,400 professionals in 24 locations across the globe.

PFL, established in 1997, has cemented its position as a global leader with over two decades of experience. The Company maintains a streamlined workflow across its global offices with a robust portfolio of in-house technologies and tools. Pioneering technologies like View-D™, CLEAR™, and DAX Digital Dailies® have contributed to PFL's leadership position. Moreover, the innovative World Sourcing Delivery Model ensures clients receive premium services efficiently and cost-effectively.

PFL's clientele includes top Hollywood studios, Over-The-Top (OTT) providers, broadcasters, advertisers, and production houses worldwide. With a focus on exceptional quality, effective work systems, and price optimisation, PFL collaborates with content creators to enable creativity. The Company earns revenues primarily from Hollywood, with significant contributions from major studios such as Disney, Warner Bros., Marvel, Paramount, Universal, and Netflix.

PFL, through its subsidiaries Prime Focus Technologies and Double Negative (DNEG), offers comprehensive services, including creative, technology, and high-end production services. In July 2014, Prime Focus Limited (PFL) has acquired Double Negative which positioned the Company as a prominent player in the visual effects and animation industry. This acquisition has garnered DNEG numerous awards for its exceptional work in VFX, strengthening its reputation as a leader in the field. As a global media powerhouse, DNEG continues to expand its visual effects and animation businesses, with the potential for significant growth into new geographies.

In April 2024, DNEG acquired PFT shares from PFL as part of its strategy to consolidate its technology business under one umbrella. This acquisition aims to streamline operations and enhance the company's technological capabilities. The Company aims to enhance its capabilities throughout the content lifecycle, spanning post-production, content management,

and distribution by integrating its operations. The merger would position DNEG for continued growth, innovation, and enhanced client value delivery in the future.

## Section 2

### Financial Year 2023-24 Highlights

- The Company's expertise in visual effects continues to be recognized, as evidenced by numerous industry awards. This ongoing acclaim further strengthens DNEG's position as a leading creative powerhouse in the media field. The Company has been consistently striving to achieve benchmarks and improve its financial performance in the global filmmaking industry.
- PFL's Digital Intermediate (DI) business continues to experience remarkable growth, capitalizing on the rapidly growing Indian market for Bollywood and regional feature films, as well as digital releases. This surge is driven by the rapid expansion of the OTT content market, with a significant portion of the Company's DI projects now launched on popular platforms like Disney+ Hotstar, Amazon Prime, ZEE5, Jio Cinema, and Netflix.
- PFL's consolidated revenue stood at ₹ 3,951 crores, while Adjusted EBITDA stood at ₹ 479 crores for FY 2023-24. The Company continues to attract renowned clients and has contributed to major Hollywood film franchises and top OTT shows of the year.

### Project Highlights

#### Creative Services

- DNEG, a world leader in visual entertainment services, continued to make significant strides. In FY 2023-24, the Company experienced substantial growth and advancements in creating stunning visuals for feature films, television shows, and multiplatform content.
- In FY 2023-24, PFL delivered services for top-grossing projects such as 'Gadar 2', one of the highest-grossing Bollywood films of the year, 'OMG 2', 'Jailer', 'The Kerala Story', 'Rocky aur Rani ki Prem Kahani', 'Dream Girl 2', and more. The Company has strengthened its position as a leader in the OTT space, delivering popular projects like 'The Legend of Hanuman 3', 'Jaane Jaan', 'Trial Period', 'Ae Watan Mere Watan', and more.
- A major highlight was the launch of DNEG IXP (Immersive Experiences), a new division aimed at brands, businesses, and game publishers seeking to create groundbreaking experiences. DNEG IXP leverages the Company's expertise to deliver super-premium content for gaming, concerts, live events, theme parks, and more, enhancing audience engagement.

- DNEG's commitment to technological innovation is showcased through its successful partnership with Red Hat. DNEG has enhanced software innovation and empowered its artists through the implementation of OpenShift, a prominent hybrid cloud platform.
- During FY 2023-24, DNEG projects garnered three VES Awards, an Emmy Award, and a Critics Choice Award. The key projects included 'Fast X', 'Oppenheimer', 'Nimona', and 'Dune: Part Two'. 'Oppenheimer' excelled at the Oscars, 'Nimona' earned an Oscar nomination for Animated Feature Film, and 'Dune' received acclaim for groundbreaking VFX.
- The addition of Oscar-winning VFX Supervisor Tim Burke and renowned VFX Supervisor Jake Morrison to the team further strengthened DNEG's standing as a creative leader.
- PFL's future pipeline for Bollywood releases include Madaan, Emergency, Mr. & Mrs. Mahi, Baby John, Chandu Champion, Vedaa, Sky Force, Heeramandi: The Diamond Bazaar.
- The Company's future Hollywood DNEG projects include Furiosa, The Garfield Movie, That Christmas, Eden, Kalki 2898AD, Here, Borderlands, The Gorge, Ghostbusters: Frozen Empire, Animal Friends, Godzilla x Kong: The New Empire, Mickey 17 and Those About To Die.
- The future projects for Redefine included Borderlands, Those About To Die, Tuesday, Abigail, Ripley, Madaan, Kalki 2898AD, Emergency, Bade Miyan Chote Miyan, Yudhra, The Penguin and Saving Bikini Bottom: The Sandy Cheeks Movie.

### Tech/Tech-Enabled Services

- Over the past year, Prime Focus Ltd (PFL) has adapted and expanded in response to dynamic market conditions, emerging technologies, and evolving customer preferences, positioning itself for sustained growth and long-term success.
- The Company has focused on enhancing its product offerings, expanding its global footprint, and strengthening partnerships within the media and entertainment ecosystem.
- PFL's strategic initiatives included the introduction of new platform features, investments in research and development, and strategic acquisitions to broaden its service portfolio.
- PFT was honoured with the National Awards of Excellence by Asia HRD Congress and the title of "Organization with Innovative HR Practices Award".

### Project Highlights (released projects)

Bollywood	Digital Releases
1. Fighter	1. The Legend of Hanuman - Season 3
2. Rocky aur Rani ki Prem Kahani	2. Jaane Jaan
3. OMG 2	3. Bawaal
4. Gadar 2	4. Lootere
5. Jailer	5. Trial Period
6. Dream Girl 2	6. Ae Watan Mere Watan
7. Teri Baaton Mein Aisa Uljha Jiya	7. Commando
8. Satyaprem Ki Katha	8. Murder Mubarak
9. Tu Jhoothi Main Makkaar	9. Wild Wild Punjab
10. Tiger 3	10. Sunflower 2
11. The Kerala Story	
12. Crew	
13. Fukrey 3	
14. Bastar: The Naxal Story	
15. Mission Raniganj	
16. Madgaon Express	

## Section 3

### Economy Overview

#### Global Economy

The global economy displayed strong resilience even in the face of challenges and uncertainties in 2023. The world faced a challenging period in the past few years, due to the pandemic, the Russia-Ukraine conflict, and energy crises. In 2023, the global economy showed signs of stabilization and recovery following a difficult period. During this time, inflation began to decrease and move closer to target levels. According to the International Monetary Fund (IMF), the global headline inflation declined from 6.8% in 2023 to 5.9% in 2024, with a further decline to 4.5% projected for 2025. The global economy maintained steady growth, supported by positive supply trends, despite central banks raising interest rates to stabilise prices. The global economy continued its steady growth, supported by an increase in the production and distribution of goods and services. The global economy grew by 3.2% in 2023, with similar growth rates anticipated for both 2024 and 2025.

#### World Economic Output (%)

	2023	2024P	2025P
<b>World Output</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>
<b>Advanced Economies</b>	<b>1.6</b>	<b>1.7</b>	<b>1.8</b>
United States	2.5	2.7	1.9
Euro Area	0.4	0.8	1.5
Japan	1.9	0.9	1.0
United Kingdom	0.1	0.5	1.5
Canada	1.1	1.2	2.3
Other Advanced Economies	1.8	2.0	2.4
<b>Emerging Market and Developing Economies</b>	<b>4.3</b>	<b>4.2</b>	<b>4.2</b>
<b>Emerging and Developing Asia</b>	<b>5.6</b>	<b>5.2</b>	<b>4.9</b>

	2023	2024P	2025P
China	5.2	4.6	4.1
<b>India</b>	<b>7.8</b>	<b>6.8</b>	<b>6.5</b>
<b>ASEAN-5</b> (Indonesia, Malaysia, Philippines, Thailand, Vietnam)	<b>4.1</b>	<b>4.5</b>	<b>4.6</b>

Source: IMF World Economic Outlook April 2024

Global economic growth was significantly affected by high borrowing costs and reduced fiscal support.

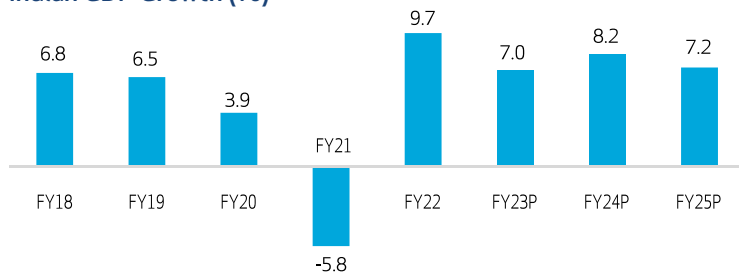
However, the advanced economies played a pivotal role in maintaining global resilience, benefiting from steady employment growth and increased consumer confidence despite significant monetary tightening. The United States experienced growth surpassing pre-pandemic levels, driven by robust demand and strong economic fundamentals, and is anticipated to grow by 2.7% in 2024 and 1.9% in 2025. Despite challenges such as tight monetary policy and high energy costs, the Euro Area is projected to grow by 0.8% in 2024 and 1.5% in 2025. In 2023, emerging markets and developing economies (EMDE) faced challenges including geopolitical tensions, high public debt, and unstable inflation rates. EMDE grew by 4.3% in 2023 and are expected to grow by 4.2% in both 2024 and 2025.

The global economic outlook is expected to remain stable; however, rising interest rates, along with geopolitical conflicts such as the Russia-Ukraine war and ongoing tensions between Israel and Palestine, may cause further supply chain disruptions. To overcome these challenges, the global economy is expected to adopt medium-term fiscal consolidation and promote multilateral cooperation among nations.

### Indian Economy

India's economic growth has been driven by strong domestic demand and robust expansion across various sectors. The country has made significant progress in using technology to improve knowledge sharing, strengthen manufacturing capabilities, and enhance export competitiveness in FY 2023-24. These initiatives have propelled growth and enhanced nation's economic fundamentals. According to the National Statistics Organisation (NSO), India's economy grew by 8.2% in FY 2023-24, surpassing the 7.0% growth witnessed in FY 2022-23.

### Indian GDP Growth (%)



Source: NSO estimates dated May 31, 2024

RBI MPC (Monetary Policy Committee) report dated June 07, 2024

In FY2024, the Monetary Policy Committee (MPC) maintained a steady stance, keeping the policy repo rate at 6.5% and projecting inflation at 5.4% for the year. The goal is to gradually align inflation with the target of 4.0%.

In the business realm, the gradual adoption of digital platforms and e-commerce has paved the way for entrepreneurs to explore new opportunities and facilitate global trade. With the increasing digitisation of services, mobile users now enjoy unprecedented convenience and flexibility in accessing a wide range of resources. According to the Telecom Regulatory Authority of India (TRAI), the number of mobile users surged from 798.7 million as of December 31, 2022, to 865.3 million as of December 31, 2023, marking an annual growth of 8.3%.

The adoption of technology-driven solutions in India, particularly innovative digital payment methods like the unified payments interface (UPI), has significantly fuelled e-commerce growth in the country.

In FY24, India recorded 131 billion UPI transactions worth ₹200 trillion, up from 83.7 billion transactions worth ₹139 trillion in FY23. The government's interim Union Budget for FY 2024-25 is in line with India's aspirations for technological advancement and innovation, allocating a corpus of ₹1 lakh crore for technology financing.

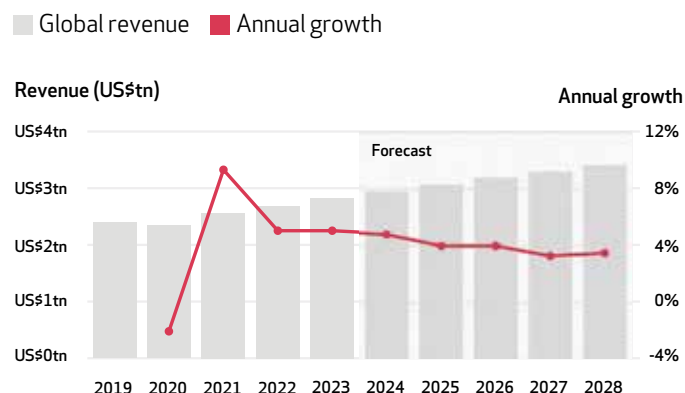
Key indicators like automobile sales and Goods and Services Tax (GST) revenues have shown consistent improvement, suggesting a positive outlook for the overall economy. The Indian economy's strength and resilience, along with recent reforms, have established a strong foundation for sustained long-term growth. As per the RBI's projections, India's GDP is expected to achieve a growth rate of 7% in the FY 2024-25.

## Section 4

### Global Media & Entertainment (M&E) Industry Landscape

The Global M&E Industry is a dynamic and rapidly evolving sector, driven by technological advancements, shifting consumer preferences, and a growing demand for innovative content and experiences. The global M&E sector's total revenue increased by 5% to US\$ 2.8 trillion in 2023. The global M&E industry regained stability during the year, with global revenue rising and surpassing overall economic growth despite economic challenges and technological changes. Over the next five years, the global M&E sector is expected to grow at a 3.9% Compound Annual Growth Rate (CAGR), reaching US\$ 3.4 trillion in 2028. As the M&E industry grows, significant new revenue streams would form in advertising, streaming, and emerging markets. Such disruption is creating both opportunities and risks for the M&E sector, as traditional value chains break down and digital ecosystems are expected to become more dominant in the coming period. The rapid growth in streaming has slowed in 2023, but generative Artificial Intelligence (AI) promises increased efficiency and productivity while introducing new business methods across various industries.

## Global M&E Industry Revenue (US\$ trillion)



Source: PwC Global Entertainment & Media Outlook 2024-2028

In 2023, the United States accounted for over one-third of global spending and remained the largest M&E market for both advertising and consumer spending. However, the growth of M&E industry in the US has been slower, with a CAGR of 4.3% through 2028, compared to the global rate of 4.6%. Among the larger markets experiencing rapid growth, Indonesia and India are expected to lead over the next five years, followed by China. It has been projected that, by 2028, China's M&E sector would grow with a CAGR of 7.1%. By 2028, China's advertising and consumer spending revenues are projected to reach US\$362.5 billion, while US revenues are expected to be double that amount, reaching US\$808.4 billion. India is set to become the fastest-growing OTT video-streaming market, driven by its large, diverse population, with a nationwide strong interest in sports content, especially cricket. Among the smaller markets showing rapid growth, Nigeria is expected to lead with a 10.1% CAGR through 2028. Nigeria has a young population of 220 million and is Africa's top M&E hub, producing around 2,500 Nollywood films annually. Turkey's M&E industry has been also growing rapidly, with an expected 9.5% CAGR through 2028, driven by extensive social media use.

The advertising revenues in the M&E sector is expected to surpass US\$1 trillion by 2026 and grow at a 6.7% CAGR through 2028. The advertising revenues are expected to contribute 55% to the total M&E industry growth over the next five years till 2028. The internet advertising grew by 10.1% in 2023, by adding US\$52.5 billion in total revenues. It is further expected to grow at a CAGR of 9.5% through 2028 and would account for 77.1% of total ad spending. Within internet advertising revenue, the fastest-growing segment has been the retail or other display ads, primarily consisting of non-video display ads on retailers' apps and websites. This segment is expanding rapidly, particularly in mature e-commerce markets like the US, where it is expected to grow at a 21.6% CAGR, reaching US\$ 31.7 billion by 2028, up from US\$ 11.9 billion in 2023.

Global subscriptions for the over-the-top (OTT) video services are expected to increase from 1.6 billion in 2023 to 2.1 billion by 2028, representing a 5.0% annual growth rate. As the number and variety of streaming services increase, the OTT market is starting to experience

saturation. Consequently, the average revenue per OTT video subscription is projected to rise moderately, from US\$ 65.21 in 2023 to US\$ 67.66 in 2028. As subscription revenue growth in OTT video services stabilises, global advertising Video On Demand (AVOD) revenue is expected to continue growing at double-digit rates, with a five-year CAGR of 14.1% through 2028. The advertising VOD is projected to make up about 28% of global streaming revenues in 2028, compared to 20% in 2023.

Generative AI (GenAI) has emerged as a transformative force in the M&E industry, presenting both opportunities and challenges. GenAI is expected to boost profits and enhance product quality as its capabilities extend to creating content, such as text generation, visual storyboards, and 3D models, and improving post-production efficiency. In countries like Japan and Indonesia, GenAI is accelerating production processes in anime, comics, and creative fields. Key concerns include managing AI tools to ensure creators' rights are protected, as emphasised by the 2023 Hollywood writers' strike. Although GenAI currently focuses on improving efficiency and reducing costs, its potential for revenue growth is particularly notable in the advertising sector. By integrating GenAI into content creation and advertising processes, companies can swiftly develop and refine creative strategies. This approach has the potential to unlock new revenue streams and enhance overall value creation in the M&E sector.

### Indian Media and Entertainment (M&E) Sector

The Indian M&E sector has experienced unprecedented growth due to the widespread adoption of digital technologies and the government's focus on improving digital infrastructure. The FICCI EY report, "#Reinvent-India's media & entertainment sector is innovating for the future," reported that the Indian M&E sector grew by 8.1% year-over-year (YoY) in 2023. The sector's revenues reached ₹2.3 trillion (US\$27.9 billion) in 2023, up from ₹2.1 trillion in 2022. While television remained the largest segment, it is expected that digital media will overtake it in 2024. In 2023, the Indian M&E sector saw significant changes. All segments, except television, experienced growth. The sector grew by ₹173 billion, although this was less than the ₹371 billion growth in 2022, largely due to significant challenges in the first half of the year. The Writers Guild of America (WGA) and the Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) strike had a significant impact on TV and film production, affecting India's post-production and VFX segments as well.

New media, including digital platforms and online gaming, showed the most substantial growth, contributing ₹122 billion and increasing its share of the sector from 20% in 2019 to 38% in 2023. Traditional media, such as television, print, film entertainment, live events, out-of-home (OOH) advertising, music, and radio, saw their share of the sector's revenues decrease from 76% in 2019 to 57% in 2023. In 2023, experiential segments such as online gaming, film entertainment, live events, and OOH media continued to perform strongly, growing by a combined 18%.

## Indian M&E Industry: Size and projections (in ₹ billion)

	2019	2022	2023	2024E	2026E	CAGR 2023-2026
Television	787	709	696	718	766	3.2%
Digital media	308	571	654	751	955	13.5%
Print	296	250	260	271	288	3.4%
Online gaming	65	181	220	269	388	20.7%
Filmed entertainment	191	172	197	207	238	6.5%
Animation and VFX	95	107	114	132	185	17.5%
Live events	83	73	88	107	143	17.6%
Out of Home media	39	37	42	47	54	9.3%
Music	15	22	24	28	37	14.7%
Radio	31	21	23	24	27	6.6%
<b>Total</b>	<b>1,910</b>	<b>2,144</b>	<b>2,317</b>	<b>2,553</b>	<b>3,081</b>	<b>10.0%</b>
<b>Growth</b>		<b>21%</b>	<b>8%</b>	<b>10%</b>		

Source: FICCI EY

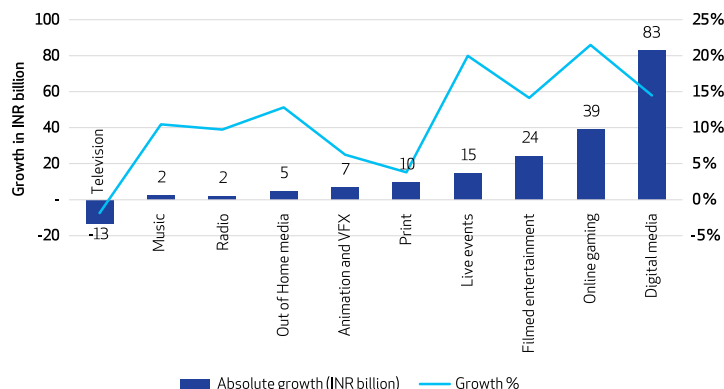
Television advertising revenue declined by 6.5% in 2023, primarily due to reduced spending by gaming and direct-to-consumer (D2C) brands, which affected earnings from premium properties. Additionally, the Hindi-speaking market (HSM) was weak, leading to a 3% overall decline in ad volumes. Despite three years of declining subscription revenue, there was growth in 2023 driven by price increases, although the number of pay TV households decreased by two million. Linear TV viewership increased by 2% in 2023 as compared to 2022. In addition, the number of smart TVs connected to the internet rose significantly, reaching 19 to 20 million, up from around 10 million in 2022.

In 2023, India saw the release of nearly 200,000 hours of content across various mediums. Almost all of the content, making up 96% of the total, was broadcasted on television, excluding news bulletins, totalling a significant amount of 189,685 hours. Meanwhile, OTT platforms played a smaller but noteworthy role, contributing 2% of the content, which equates to 2,986 hours. Additionally, the film industry contributed 2% of the total content, totalling 3,888 hours. This diverse array of content creation underscores India's vibrant media landscape, catering to diverse audience preferences across different platforms.

In 2023, General Entertainment Channels (GEC) accounted for 68% of the total hours on television (excluding news bulletins), indicating their dominance in TV programming. Additionally, there was an increase of 117 films released in 2023 compared to 2022. Out of these, 416 films were released on OTT platforms. However, the number of films released directly to digital platforms halved in comparison to the previous year. Regional OTT content surpassed Hindi language content in terms of volume for the first time in 2023, showcasing the growing popularity and diversity of regional content. India produced nearly 200,000 hours of content in 2023.

## Segment growth 2023 Vs 2022 (In ₹ Billion)

All segments except television recovered and recorded growth in 2023



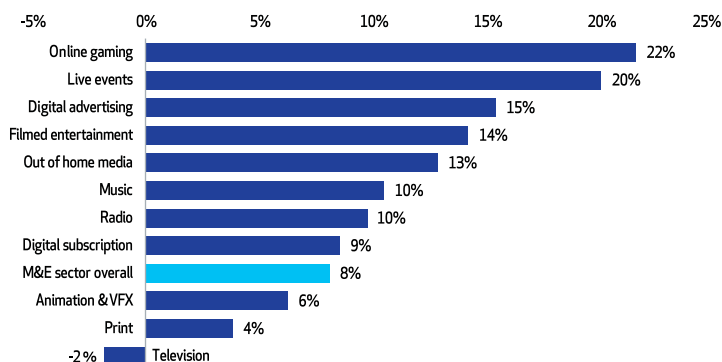
Source: FICCI EY

In 2023, digital advertising grew by 15% to reach ₹576 billion, accounting for 51% of total advertising revenues. This included over ₹200 billion from small and medium-sized enterprises (SMEs) and long-tail advertisers, and ₹86 billion from e-commerce platforms. In 2023, digital subscriptions grew by 9% to reach ₹78 billion, which is significantly lower than the 27% growth in 2022. The slower growth in viewership or revenue was attributed to premium cricket events being accessible only through subscription-based services rather than free-to-air channels or platforms. Paid video subscriptions decreased by two million, totalling 97 million across 43 million households in India.

Overall, subscriptions witnessed a growth of ₹75 billion, with new media, including online gaming and digital platforms, contributing 58% of this growth. Subscription strategies focused on attracting affluent consumers, leading to a subscriber base that was concentrated among higher-income individuals. It's estimated that the top 40 to 50 million households predominantly fuel digital and film subscriptions, while online gaming and print have a broader audience of 70 to 85 million homes, and TV remains the most widely accessed medium with coverage in 118 million households. Additionally, the share of subscription revenue in the M&E sector decreased from 43% in 2019 to 41% in 2023, indicating a slight shift in revenue streams within the industry.

## Segmental performance in 2023

### Segment growth 2023 vs. 2022



Source: FICCI EY

## Indian Film Industry

In 2023, the film entertainment segment experienced a growth of 14%, reaching ₹197 billion. Theatrical collections have reached unprecedented highs in recent months, and the increasing affluence of audiences suggests that this growth trajectory will continue. In 2023, fewer films were released directly on digital platforms. The industry is expected to undergo significant changes, with reinvention becoming a core theme across different channels, content types, and operational models.

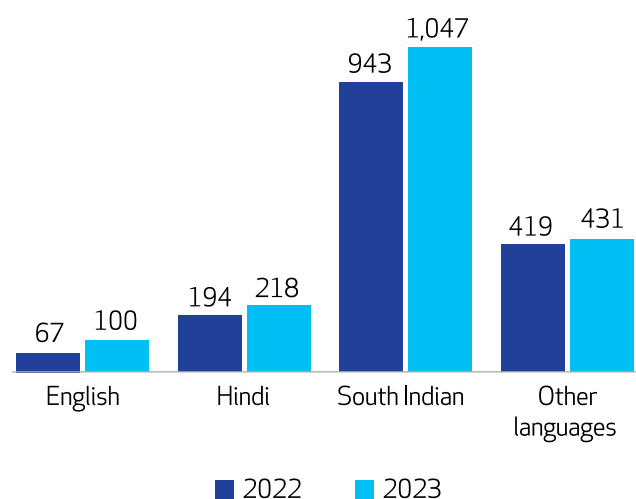
### Film Entertainment Revenues by segments (In ₹ Billion)

	2023	2024E	2026E
Domestic theatricals	120	126	146
Overseas theatricals	19	20	23
Broadcast rights	15	15	16
Digital/OTT rights	35	37	42
In-cinema advertising	7.5	8.5	10
<b>Total</b>	<b>197</b>	<b>207</b>	<b>238</b>

Source: FICCI EY

In 2023, 1,796 films were released in theatres, an 11% increase from 2022. Cinema admissions declined by 5%, from 944 million to just over 900 million, with fewer than 100 million people visiting a cinema hall in 2023. In 2023, the largest number of films released were in Telugu with 317, followed by Tamil with 271, Kannada with 241, and both Malayalam and Hindi with 218 each. The screen count increased by 4%, reaching 9,742 screens, with the northeast region leading the growth by adding 10% more screens, followed by the Hindi-speaking markets, which added 6% more screens.

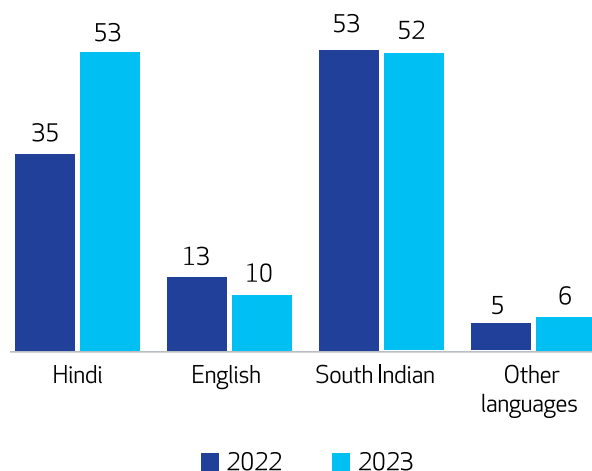
### Film releases by language (in Units)



Source: FICCI EY

Domestic theatrical revenues reached ₹120 billion for the first time, driven by higher ticket prices and by the revival of Hindi cinema at the box office. Digital platforms reduced their direct-to-digital premiums, leading to a significant decrease in the number of direct-to-digital film releases, making theatrical performance more critical in determining the value of digital rights.

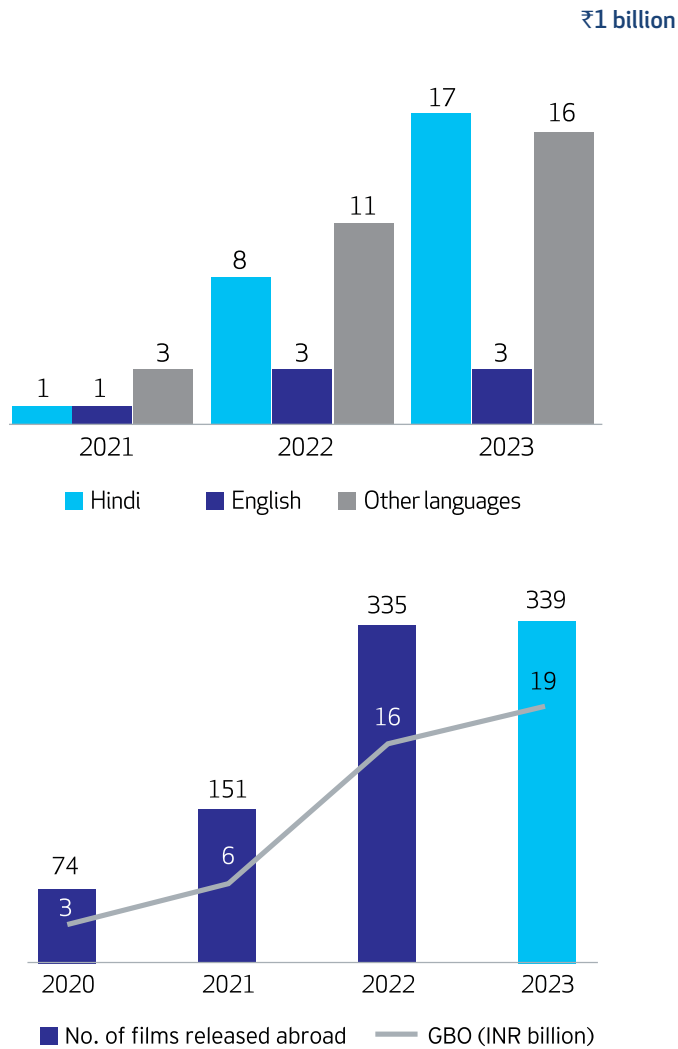
### Theatrical revenues by language (In ₹ Billion)



Source: FICCI EY

In 2023, 36 films grossed ₹1 billion or more, compared to 22 films in 2022. Among the top ten movies that crossed the ₹1 billion mark, six were in Hindi, while the remaining four were in South Indian languages. Other notable films included 15 in South Indian languages and one in Punjabi. As audiences preferred larger cinematic experiences, mid-sized and smaller films did not perform as well in cinemas as they had in previous years. In 2023, 339 films were released across 38 countries, marking an increase from 33 countries in the previous year. These films collectively generated a gross box office collection of ₹19 billion, representing a 19% increase compared to 2022. Significant strides have been achieved in expanding international theatrical releases autonomously; however, exploring opportunities in the Chinese market could emerge as a pivotal growth catalyst for the industry.

**Number of films crossing GBO collection of International theatricals (Number of units)**



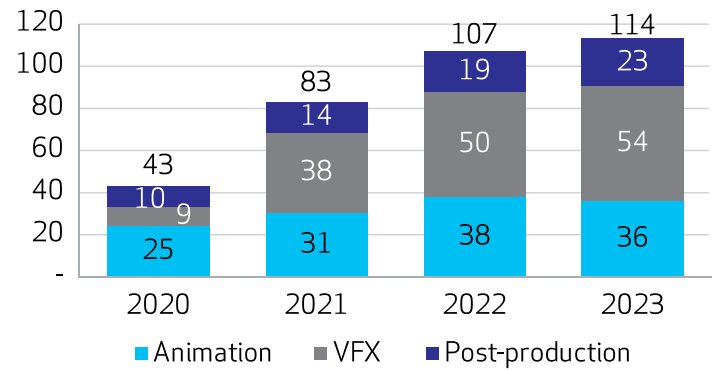
Source: FICCI EY

Broadcast rights struggled due to challenges with ratings and monetisation for film channels. In-cinema advertising recovered by 50%. Going forward, the film entertainment segment is expected to grow at a CAGR of 7%, reaching ₹238 billion by 2026, driven by increased affluence, high-quality mass content, and innovations in pricing, infrastructure, and distribution. The growth will be driven by the film segment, particularly through increased theatrical revenues as Hindi movies adopt more mass-market storytelling and expand into tier-II and III cities. Broadcast rights may remain soft, but digital rights are expected to compensate, fuelled by the growth of Connected TV households. The OTT platforms are expected to prioritize profitability by concentrating their investments on fewer high-profile properties, while scaling back on investments in mid-range films.

**Animation, VFX (Virtual Effects) and Post-Production**

In 2023, the animation, VFX and post-production segment experienced a growth of 6% by reaching industry revenue of ₹114 billion. The Indian animation industry navigated a challenging landscape in 2023, declining by 5%. Local demand for animation softened, and media industry merger discussions caused significant delays in approving new projects, resulting in fewer releases. Major broadcasters, facing declining ad revenue, had to cut back, further limiting budgets for new animation productions.

**Animation and VFX Industry Revenues (In ₹ Billion)**



Source: FICCI EY

However, the industry showcased its resilience as studios diversified their offerings by venturing into VFX and feature films to adapt to changing market conditions. The Indian VFX industry defied the global slowdown, experiencing a remarkable 10% growth in 2023. Additionally, the industry actively participated in international events, seeking fresh opportunities in the global market. This proactive approach suggested a promising future for Indian animation despite the headwinds it faced in 2023. The Hollywood writers' strike, along with potential mergers and declining advertising revenues, resulted in a reduction in the slate of animated content produced for broadcast in India. The demand for content experienced a revival in the second half of the year, which contributed to overall growth, bolstered further by the increasing incorporation of VFX in Indian content.

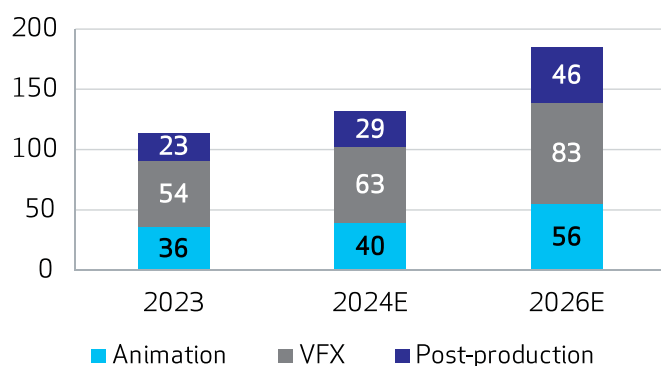
However, cost-cutting measures at major OTT platforms, which contribute about 40-50% to the segment's revenue, did pose a challenge. Despite challenges in other sectors, the domestic VFX market thrived and accounted for 35% of revenue, driven by heightened demand for VFX in Indian productions. Moreover, there was a notable 5-10% increase in the utilisation of VFX and digital effects in advertising, signalling a promising new avenue for industry expansion.

The post-production industry in India saw significant growth in 2023, with a 20% YoY increase in revenue. This growth was primarily driven by the blurring boundaries between different types of content, highlighting a

trend towards integrated and diverse production needs within the industry. This growth stemmed from two major trends: content localisation and the rise of multilingual audiences. Major OTT platforms released content in a wider range of languages and South Indian movies being dubbed into more languages drove a surge in localisation needs. This included a significant rise in dubbing English content into Indian languages, with 46% of viewers preferring content in their native tongue. This trend was further supported by a 124% increase in the Indian audience for English subscription video-on-demand (SVOD) content. Secondly, the rise of AI technology has made dubbing more realistic, efficient, and cost-effective. With just a 3-5% cost increase to enable dubbing, studios can unlock significant new revenue opportunities.

The Indian animation and VFX industry is poised for a rebound, fuelled by several promising factors. The post-production industry is expected to return to normal by mid-2024, reversing the slowdown in new project commissions witnessed in 2023. By 2026, the Indian animation, VFX, and post-production industry is on track for significant growth, with a projected CAGR of 17.5% to reach ₹185 billion. India's animation, VFX, and post-production industries are projected to record ₹56 billion, ₹83 billion, and ₹46 billion in revenue by 2026, respectively. In addition, the government incentives offering up to 30% cost reimbursement aim to boost competitiveness and attract foreign collaborations. Adding to the positive outlook, the massive growth of 152% in US demand for adult animation creates substantial outsourcing opportunities for Indian studios. An increased industry partnerships are promoting global co-productions, financing avenues, and demand for VFX and animation services. The talent gap is being addressed through collaborations between major studios and educational institutions. This multi-pronged approach suggests a bright future for the Indian animation and VFX industry.

### Animation and VFX Industry Revenues (In ₹ Billion)



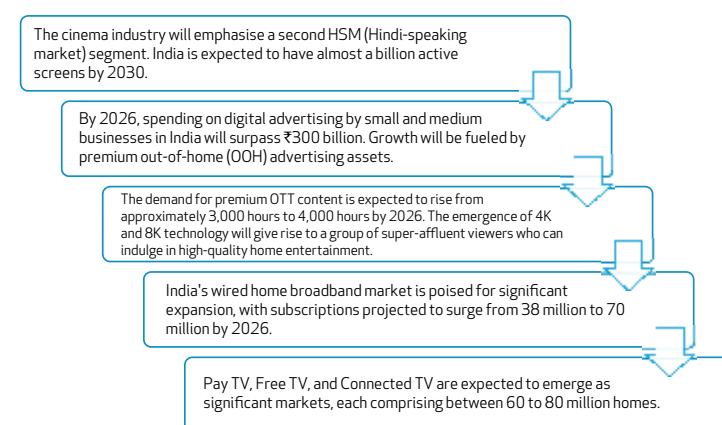
Source: FICCI EY

### Industry Outlook

The M&E sector is expected to grow by 10.2% to reach ₹2.55 trillion by 2024, and then grow at a CAGR of 10.0% to reach ₹3.08 trillion by 2026. As India moves towards a billion active screens by 2030, with mobile screens comprising over 75% of them, there is a pressing need to

innovate content creation, distribution, and monetisation strategies to meet evolving consumer demands. Approximately 240 million of these will be large screens (such as TVs, laptops, and PCs), while the rest will be small screens (including mobile phones and phablets). Given the 1:3 ratio between large and small screens, media companies will need to adopt a multiscreen and multi-format strategy. The accessibility and affordability of the internet are driving M&E sector growth, particularly through ad-supported video-on-demand platforms offering live sports events. Supportive developments in infrastructure, consumer market growth, and public policies are further democratising content consumption. India's talent pool in content creation, including post-production, VFX, animation, and gaming, is positioning the country as a creative industry hub.

### Recent Trends in the Indian M&E industry



## Section 5

### Company/Business Overview

PFL has emerged as an internationally recognised, independent, and diversely integrated media service provider. Under the leadership of Mr. Namit Naresh Malhotra since its humble beginnings in Mumbai in 1997, PFL has established itself as a market leader in media creation with a robust business model and skilled workforce. The Company and its subsidiaries operate across various Indian cities including Bengaluru, Chennai, Goa, Hyderabad, Kolkata, Mohali, Mumbai, Noida, Patna, Thiruvananthapuram, Visakhapatnam and Rajahmundry. The Company has strong presence in international markets in Barcelona, Budapest, London, Los Angeles, Montreal, New York, Sofia, Sydney, Toronto, Vancouver, Leeds and Singapore. The extensive domestic as well as global network of PFL enables proactive marketing and leverages region-specific advantages effectively.

### Products and Services

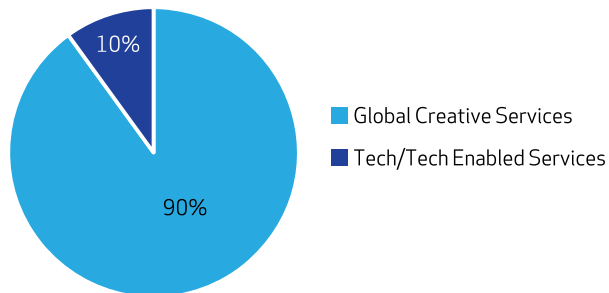
PFL operates across three primary business segments:

- Creative services, including visual effects, stereo 3D conversion, animation, and production and postproduction services such as equipment rental, digital intermediate, picture post, shooting floors, and sound stages.



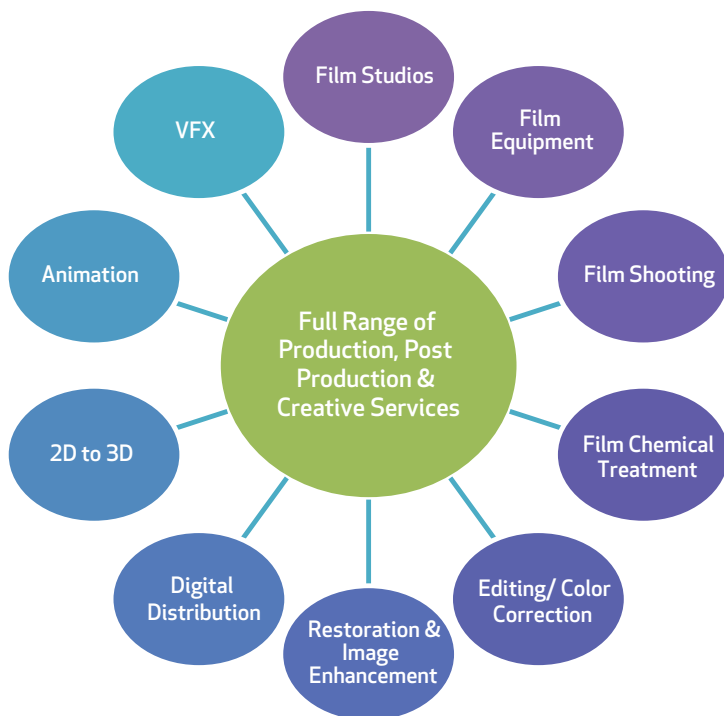
- Tech/Tech-Enabled Services, which include the Media ERP Suite and cloud-enabled media services.
- Leasing or renting of properties and/or assets, along with allied services.

#### Divisional Revenue Share FY 2023-24



The Company provides extensive product and service solutions to major studios, broadcasters, and advertising sectors globally. PFL has forged collaborations with prominent studios and consistently delivered successful high-end franchise films.

#### Providing Comprehensive Services



#### International Presence:

PFL leverages its strong technological expertise to provide optimized integrated services to its global clientele. Approximately 90% of PFL's total revenue comes from its international business, allowing the Company to expand its sales team and attract more international clients. PFL's

unique 'World Sourcing' delivery model and global Digital Pipeline enable seamless communication with content creators throughout the creative process, enhancing cost management and operational efficiencies. With a presence across 4 continents, 7 time zones, and 24 locations, PFL executes projects around the clock, 365 days a year.

#### Marquee Clientele

PFL serves a diverse clientele across the entire media industry value chain and product lifecycle. Some of its prominent clients include globally renowned Hollywood and Indian studios and media corporations:

- Studios A&E Networks, Warner Bros, Lionsgate, Crunchyroll, Tegna, Studios, Disney, Marvel, Universal Studios, Netflix, Paramount, Sony, Twentieth Century Fox, Legendary Pictures, and DreamWorks.
- Broadcast networks: Channel 4, ITV Bloomberg, Disney, Star, Hearst, Associated Press, Sony, Colors, Sinclair Broadcast Group, Insight TV, Discovery, and Zee.
- Others: ICC, BCCI, Cricket Australia, JWT, Lowe Lintas, Netflix, Amazon, and Sky.

#### Key Business Segments

##### Creative Services

PFL is a leading provider of visual effects (VFX) services to major Hollywood studios, specialising in high-quality VFX, 3D, and animation for films. In July 2014, the Company merged with DNEG, a top global provider of visual effects and animation for feature films and television. PFL's Creative Services division also offers animation services and collaborates with content creators throughout the production process to produce visually appealing content. The Company focuses on high-end projects, utilizing its extensive experience, operational scale, and World Sourcing delivery model to ensure excellent proficiency, quality, and cost-effectiveness. The Global Creative Service segment contributed approximately 90% of PFL's total revenue in FY 2023-24.

DNEG is a global leader in stereo 3D conversion, holding a substantial share of the global content market. With offices and studios across North America, Europe, and Asia and a workforce of over 10,400 employees, DNEG maintains a competitive advantage in stereo 3D conversion and visual effects, bolstered by strategic partnerships.

DNEG, part of PFL's Creative Services segment, offers visual effects, stereo 3D conversion, and animation services. DNEG is renowned in the visual effects industry, collaborating with major Hollywood studios like Marvel, Universal, Warner Bros, Paramount, Twentieth Century Fox, Sony, Disney, and Lionsgate, as well as acclaimed directors such as Christopher Nolan, David Yates, Ron Howard, Zack Snyder, and Steven Spielberg. **The Company has earned seven Academy Awards® for Best Visual Effects and numerous BAFTA and Primetime EMMY® Awards for its exceptional VFX work.**

During FY 2023-24, PFL delivered many Bollywood blockbusters, including the following:

1. Fighter
2. Rocky aur Rani ki Prem Kahani
3. OMG 2
4. Gadar 2
5. Jailer
6. Dream Girl 2
7. Teri Baaton Mein Aisa Uljha Jiya
8. Satyaprem Ki Katha
9. Tu Jhoothi Main Makkaar
10. Tiger 3
11. The Kerala Story
12. Crew
13. Fukrey 3
14. Bastar: The Naxal Story
15. Mission Raniganj
16. Madgaon Express

### Tech/Tech-Enabled Services

Prime Focus Technologies (PFT), a subsidiary of PFL, specialises in merging media expertise with IT capabilities, focusing on the global M&E industry. PFT developed CLEAR® and CLEAR® AI, cutting-edge AI-driven technologies hosted on the cloud. These innovations enhance the content supply chain for streaming platforms, studios, and broadcasters, significantly reducing Total Cost of Operations (TCOP). PFT operates under a World Sourcing® model, utilising a global digital pipeline and a network of facilities worldwide. The technology segment contributes approximately 10% to PFL's overall revenue. PFT collaborates with major companies like Walt Disney-owned Star TV, Channel 4, ITV, Sinclair Broadcast Group, A&E Networks, Warner Bros. Discovery, Hearst, PBS, Paramount, Lionsgate, Crunchyroll, Insight TV, Disney+ Hotstar, BCCI, Tegna, Amazon MGM Studios and more. The following are PFT's major accomplishments:

- Delivering over 20,000 video & audio assets monthly to more than 300 brands.
- Subtitling capabilities in over 60 languages for the past 15 years, supported by a team of 200 subtitling experts and native translators worldwide.
- Annual delivery of over 2,400,000 minutes of Subtitling & Closed Captioning services.
- Dubbing expertise in over 60 languages, encompassing more than 15,000 hours of content annually across diverse genres like feature films, advertisements, documentaries, animation, and e-learning.

- Over 400 voice artists specializing in multiple Indian regional languages and dialects.
- A dedicated team of 1500+ subtitling experts, translators, and adapters.
- Providing Compliance operations for 2,500+ hours of content annually, processing 600,000+ minutes in adherence to global regulatory standards.
- Delivery of 1,700 promos monthly in over 15,000 versions.
- Utilising preconfigured bots for 450+ streaming platforms, ensuring rapid and widespread distribution of content to large audiences.

### PFT's Media Services comprises of the following:

1. Localization (Subtitling, Dubbing, Access Services, and Text-to-Text Localization),
2. Techno Creative Solutions (Marcomm Services & Postproduction),
3. Fulfilment (QC, Mastering, Re-Mastering, Digital Packaging Delivery, Compliance)

### Highlights: FY 2023-24

Following are the highlights for the year under review for the PFL's technology business segment:

### CLEAR® Innovations and Product Launches at National Association of Broadcasters (NAB):

- Introduced CLEAR® Conversational AI Co-Pilot.
- Launched CLEAR® Clip: AI-powered Content Highlights.
- Introduced CLEAR® AI Dedup and CLEAR® AI Metadata.
- Demonstrated how CLEAR® AI enhances content marketing and distribution efficiency, driving revenue for customers.

### NAB Sessions

- Ramki S., CEO of Prime Focus Technologies, participated in the Beat the BUZZR® panel at NAB alongside Andy Beach, CTO of Media at Microsoft.
- Patricio Cummins, SVP, Global Head of Technology Sales, and Rohan Warey, VP, Pre-Sales, presented insights on "CLEAR® AI Innovations for Revenue Generation" at the Content Protection Summit.
- Rohan Warey also spoke at the CDSA - Content Protection Summit on CLEAR® AI Innovations for Revenue Generation.
- Aditya Jha, VP Client Solutions and Bid Responses represented PFT at the Media and Entertainment Services Alliance (MESA DAM(N) tour, introducing PFT's offerings at NAB.

## Other Highlights

- At the Broadcast India Show 2023, PFT featured CLEAR® AI Discover as a pivotal tool for content curation.
- During the HITS Spring 2023 festival, PFT introduced groundbreaking insights into the transformative potential of AI in content creation, as highlighted in an article by MESA.
- At the DPP Media Supply Festival 2023, Ramki S. emphasized the urgency of addressing customer needs today.
- At the IBC Show 2023, PFT showcased CLEAR® Clip, CLEAR® AI, CLEAR® Localize, and CLEAR® AI Discover, demonstrating their unmatched speed and flexibility. Rohan Warey participated in the DAM(N) tour organized by MESA.
- At the Movielabs Showcase 2030, Nav Khangura discussed PFT's automation of Channel 4's multi-vendor content supply chain and PFT's latest innovations in media supply chain solutions.
- In a podcast by MESA, CEO Ramki S. engaged in a discussion on 'Strategies for AI Integration'.
- Ramki and Microsoft CTO Andy Beach discussed their collaboration to make Co-pilot AI a reality for media and entertainment on the DPP Podcast.
- In an EGA podcast, Jyothi Nayak unravelled the strategies of 'Going Global with Local' in content localization.
- Jyothi Nayak was also featured in the 'Women in Localization' edition of EGA's Reteller magazine on 'Unlocking Multilingual Potential: A journey in Subtitling and Localization'.
- PFT was featured in the MESA Round-Up, and CLEAR® AI was showcased in the editorial section of Reteller magazine.
- Prathamesh Tare, Strategy Lead at PFT, received the Emerging Talent in Sustainability award at NAB2024.

## DNEG Awards & Accolades

DNEG received the following awards:

- Achieved Best Visual Effects at the Critics' Choice Award for 'Oppenheimer'.
- DNEG's commitment to technological advancement was highlighted through its successful partnership with Red Hat, where DNEG accelerated software innovation with OpenShift, a top hybrid cloud platform. This collaboration resulted in PFL receiving the prestigious "Best Use of Cloud-Native Technologies" award at the DevOps Excellence Awards.
- Won Outstanding Special Visual Effects In A Season Or A Movie at the Creative Arts Emmy Awards for 'The Last Of Us'.

- Recognized at the Visual Effects Society Awards and received awards for:
  - o Outstanding Visual Effects In A Photoreal Episode for 'The Last Of Us'.
  - o Outstanding Created Environment In An Episode, Commercial, Game, Cinematic, Or Real-Time Project for 'The Last Of Us'.
  - o Outstanding Supporting Visual Effects In A Photoreal Feature for 'Nyad'.
- Received Best National Rental - Production & OTT at the Digital Studio India Awards 2023.
- Earned the Collaboration Award at the CMVP Technical Awards.
- Secured Best Use of Cloud-Native-Technologies at the DevOps Excellence Awards.
- Mr. Naresh Malhotra received the Lifetime Achievement Award at the 2023 Digital Studio India Awards.

## PFT Awards & Accolades

PFT received the following awards during the year:

- Won the NAB Product of the Year Award for the third consecutive year, for CLEAR® Clip: Gen AI-powered Content highlights.
- PFT achieved first place in the Award of Excellence at Tata Play Promentum. This award placed the Company at the top among Tata Play's Supplier Partner Management Program for FY 2023-24 and highlights its dedication to service excellence.
- PFT received the National Awards of Excellence from Asia HRD Congress and the title of "Organization with Innovative HR Practices Award".
- PFL's project on AI-led automation of Segmentation workflows for ITV was shortlisted for the IBC Innovation Awards 2023 for Content Distribution.
- CLEAR® AI Reframe was a finalist in the Publish category at the IABM BaM Awards 2023, acknowledged for its innovation at the IBC Show 2023.
- Received the Digital Studio Awards for CLEAR® AI Reframe, honoured with the 'Outstanding Product Innovation of the Year' trophy.
- Stood among the Finalists at the VideoTech Innovation Awards for CLEAR® AI Reframe.
- Disney was nominated for the "Outstanding Achievement in Restoration" category at the HPA Awards for Cinderella highlighted PFL's partnership and preservation efforts. PFT has been proud of its

partnership with Disney on preserving this beloved 1950's Animation Classic. It had been a privilege to breathe new life into this timeless masterpiece, ensuring its magic endures for generations to come.

- PFT's CLEAR® Localize was the runner-up in the 14th Aegis Graham Bell Award for Innovation in Media & Entertainment.
- PFT ranked in the Top 100 of the 2023 Nimdzi Insights 100 Ranking of the world's largest Language Service Providers (LSPs).

### Financial Highlights of FY 2023-24 (Consolidated Audited Financials):

The Income from operations declined from ₹4,644 crore to ₹3,951 crore in FY 2023-24 due to macroeconomic and industry challenges, which affected the company's revenues. The Creative Solutions segment, including India FMS, contributed about 90% of the total revenue for the year, while the Tech/Tech-Enabled Services segment contributed about 10% during the year under review. The adjusted EBITDA also saw a decline from ₹1,281 crore to ₹479 crore in FY 2023-24. The adjusted EBITDA margin decreased to 12.1% in FY 2023-24 from 27.6% in FY 2022-23.

### Financial Highlights of FY 2023-24 (Consolidated Audited Financials):

- The Company's total income amounted to ₹4,167 crores, compared to ₹4,924 crores for the year ending March 31, 2023.
- The adjusted EBITDA margin stood at 12.1%.
- Cash Profit (PAT + Depreciation + non-cash employee stock option expense) reached ₹18.8 crore, with a Cash Profit Margin of 0.5%.
- Creative Services (Including India FMS) total revenue contributed ₹3630 crore in FY 2023-24, representing 90% of Group revenues.
- Total revenue for Tech/Tech-Enabled Services contributed ₹321 crores in FY 2023-24.
- Net Debt (Debt - Cash) as of March 2024 stood at ₹4,014 crores (after adjusting for operating lease liabilities).
- Continuous efforts are underway to reduce high-cost India debt through refinancing with more affordable and longer-term debt options.

### Key Change in Financial Ratios

Ratios	Units	Consolidated			
		March 31, 2024	March 31, 2023	Change	Remarks
Debtors Turnover (x)	Times	7.71	8.61	(10.5%)	Improvement due to better collection efforts.
Inventory Turnover (x)	Times	NA	NA		Not Applicable.
Interest Coverage Ratio (x)	Times	(0.05)	1.87	(102.8%)	Business was affected during the year due to Hollywood actor's and writer's strike.
Current Ratio (x)	Times	1.33	1.41	(5.5%)	Business was affected during the year due to Hollywood actor's and writer's strike.
Debt Equity Ratio (x)	Times	9.80	221.20	(79.5%)	Improvement due to settlement of loan with equity shares of subsidiary during the year.
Operating Profit Margin (%)	Percentage	(0.73%)	17.00%	(312.1%)	Business was affected during the year due to Hollywood actor's and writer's strike.
Net Profit Margin (%)	Percentage	(12.43%)	4.20%	(395.8%)	Business was affected during the year due to Hollywood actor's and writer's strike.
Return on Net worth – RoNW (%)	Percentage	(94.67%)	771.75%	(193.9%)	Business was affected during the year due to Hollywood actor's and writer's strike.

## Section 6

### Business Strategy

PFL stands as a premier one-stop destination for post-production services worldwide, offering top-notch and innovative solutions in post-production, creativity, and technology. The Company has increased its market position and achieved global expansion through a strategic approach focused on acquiring key businesses, establishing itself as a prominent independent service provider. PFL is committed to sustaining its consistent and profitable growth, driven by the following factors:

- **Dominance in Creative Services:** PFL holds a leading position in Creative Services and is the preferred provider of graphically enhanced solutions.
- **Global Expansion and Diversification:** PFL aims to strengthen its global presence by diversifying its content and expanding its geographical reach.
- **Cross-Selling and Revenue Optimisation:** The Company focuses on enhancing cross-selling opportunities by integrating VFX, 3D, and high-end CG animation services to drive revenue while controlling costs.

- **Tech-Enabled Services Growth:** PFL will further expand its client base by offering tech-enabled services and enhancing revenue from existing clients. Additionally, the Company prioritizes incorporating new modules and analytics into its product line.
- **Financial Strategy:** PFL and its subsidiaries will continue evaluating equity and debt financing options to unlock value across the group. The Company emphasizes growth and business efficiency to enhance shareholder wealth.

## Section 7

### Outlook

The global M&E industry is poised for significant growth and transformation over the coming years. Media companies are expected to adopt strategies focused on business model reinvention, exploring innovative ways to create, deliver, and capture value. The emerging technologies such as generative AI is expected to become the key driver for driving efficiency, productivity, and innovative business approaches. Additionally, the media companies are expected to navigate diverse regional dynamics to identify and seize new revenue opportunities.

By 2030, India is expected to have nearly a billion active screens. Of these, approximately 240 million will be large screens, such as TVs, laptops, and PCs, while the rest will be small screens, including mobile phones and phablets. Given the 1:3 ratio between large and small screens, media companies are expected to adopt a multi-screen and multi-format strategy.

Going forward, the unified interface will become a critical aspect of the future growth of connected TVs, enhancing customer experience and serving as a hub for content discovery. If the pricing for popular streaming services is comparable to television pricing, or slightly higher when bundled with data, the reach of smart TVs could surpass 100 million households sooner than expected. It would also lead to a larger audience exposure for the media companies in future.

Additionally, the high-end cinemas are likely to evolve into “experience zones,” catering to multiplex audiences who seek spectacular movie experiences and a night out with friends and family. This market currently includes over 100 million customers or 50 million households and is expected to grow to 100 to 150 million viewers across the top 50 to 75 cities in India. Such a shift will necessitate changes in content production and may include regional OTT releases in a windowed manner. The future innovations in exhibition pricing are also expected in the recent future, leading to new approaches such as loyalty programs, discounts, group pricing, and rentals.

As one of the world’s leading independent integrated media companies and a top-tier VFX provider to Hollywood, PFL is well-positioned to sustain growth and deliver outstanding services to its clients. The Company has a substantial backlog of orders slated for completion within the next three

to five years. PFL is set to benefit from this robust order pipeline, positive momentum in its ERP and technology businesses, access to cutting-edge technology, and increased efforts to enhance the overall content supply chain across its extensive global network.

## Section 8

### Opportunities & Threats

The M&E industry has shifted towards providing on-demand, personalised, and immersive experiences. Key trends anticipated in the future of the M&E industry include the rise of direct-to-consumer models, live streaming, bundled streaming services, influencer culture, microcontent, cloud gaming, blockchain technology, and the use of data, AI, and automation for content creation and management. These trends point to a future of customised digital offerings and more engaging experiences across the global M&E industry. Direct-to-mobile (D2M) technology are expected to grow in larger cities, and content-rich home packages with features like interactivity, security, and education are expected to enhance broadband utility. Additionally, a strategy for implementing and monetising D2M technology has been also expected to be developed in the near future.

The Indian M&E industry is highly heterogeneous and requires fine segmentation. The Video on Demand (VOD) market is primarily driven by the growing use of mobile devices for watching online videos and increasing consumer spending on internet-based services. Accordingly, different content types are expected to have premium Subscription Video on Demand (SVOD), theatrical, SVOD, bundled SVOD, satellite, Transactional Video on Demand (TVOD), and free television windows. With India having approximately 323 million households today, expected to grow to 345 million by 2030, and considering that around 25% will be below the poverty line, there is still an opportunity to reach around 70 million homes. Additionally, home broadband is projected to grow from approximately 38 million connections to 70 million by 2026.

The film segment is projected to continue its growth, primarily driven by theatrical revenues. Hindi movies are expected to broaden their appeal by incorporating mass-market storytelling, more visual effects (VFX), and expanding their presence into tier-II and III cities. Although broadcast rights may experience a decline due to the decrease in pay TV homes, this loss will be offset by gains in digital rights as connected TV (CTV) homes are anticipated to increase significantly. The key challenge posed by connected smart TVs is that broadcasters will now compete against social media and digital-native platforms for a share of time on the large screen.

The media companies are anticipated to seize these substantial opportunities to drive growth. By leveraging emerging trends and technologies, such as direct-to-consumer models and advanced content delivery methods, they will be well-positioned to expand their market presence and enhance their revenue streams. As they adapt to evolving consumer preferences and technological advancements, the media companies are expected to capitalise on new revenue channels and strengthen their competitive advantage in the industry.

## Section 9

### Risks and Concerns

PFL strongly believes in the power of effective risk management, enabling it to minimise the impact of risks on its business processes and proactively prepare for various challenges. The Company has adopted a Risk Management Policy as a crucial component of its Risk Management Framework to better handle inherent business risks. This framework ensures timely identification, evaluation, and mitigation of risks. Additionally, prompt risk mitigation measures are implemented to manage adverse situations resulting from foreseeable risks. Below are some of the inherent risks associated with the Company:

#### Industry Specific Risk

**Risk:** PFL faces significant exposure to various external risks that directly affect its profitability and sustainability. Changes in the business environment, consumer preferences, and regulatory policies can hinder the Company's operating and financial performance. Strikes in the media industry pose risks to the Company by disrupting production schedules, delaying deliveries, and affecting efficiency. Additionally, such disruptions can cause potential reputational damage, which may impact the Company's future business opportunities.

**Mitigation Strategy:** As digital technology adoption rises and the demand for digital content increases, the global media and entertainment industry is expected to see significant growth. This growth is projected to continue, particularly with expanding reach into non-urban and regional consumer bases, including rural areas. With its diverse portfolio, strong order book, and global network, PFL is well-prepared to navigate any risks associated with the M&E industry.

#### Competition Risk

**Risk:** The M&E market has become highly competitive. Both domestic and international players present significant risks to the Company's success. Additionally, advancements in Artificial Intelligence are intensifying competition, as AI technologies increasingly influence production, content creation, and market dynamics.

**Mitigation Strategy:** PFL uses a world-source delivery model to provide high-quality work on time, giving the Company a competitive edge. It has earned a global reputation for delivering top-notch services to major Hollywood and Bollywood production houses. PFL maintains its advantage through dynamic proprietary inventions, effective market initiatives, and technological progress. Its focus on diversification, originality, and long-standing relationships with studios and international media service providers has elevated PFL to a leading position in the industry.

#### Talent Retention Risk

**Risk:** Retaining and maintaining the Company's talent pool is crucial. Finding talented and skilled individuals is challenging, especially in India, due to the limited number of schools teaching visual effects. The inability to recruit and retain qualified employees could harm the Company's competitive advantage and pose an attrition risk.

**Mitigation Strategy:** The Company's HR policy aims to maximise retention by implementing best practices, offering competitive pay, and providing intensive leadership training at all levels. This proactive approach helps attract, retain, and develop a diverse range of talented individuals. Additionally, the HR policy ensures that employees' personal ambitions are aligned with the organisation's goals, promoting overall success.

#### Profitability Risk

**Risk:** The M&E industry faces significant profitability risks due to its relatively low operating margins. Additionally, delays in new content releases and higher costs for procuring professional talent can create unsustainable financial situations for businesses in this sector.

**Mitigation Strategy:** PFL consistently invests in researching and implementing new technology to improve efficiencies and margins. Its global presence on four continents allows it to manage diverse projects effectively. Major production studios favour PFL due to its track record of producing award-winning, critically acclaimed films that achieve high public recognition and lucrative returns. PFL also employs efficient cost control measures and workforce rationalisation to increase margins and sustain profitability. In the highly competitive and low-margin industry, these strategies help PFL secure better margins.

#### Cyber Security Risk

**Risk:** The M&E industry is vulnerable to cyberattacks due to sensitive content. The COVID-19 pandemic has enabled cybercriminals to introduce new malware techniques and exploit remote working and emerging technologies. Any security breach or IT infrastructure disruption can lead to the loss of sensitive data, legal noncompliance, reputational damage, and revenue loss.

**Mitigation Strategy:** PFL has a proactive risk-mitigation program and a response plan for quick adaptation in case of an incident. The network is regularly upgraded and backed up, and the incident response plan is continuously developed and updated. Employees are educated about cyber risks and common security threats through phishing campaigns. Additionally, a fixed policy for using personal devices at work has been established. The Company is committed to protecting sensitive data and strengthening security controls.

## Section 10

### Internal Control Systems and their Adequacy

This robust internal control system has been a crucial element of the Company's governance framework, ensuring transparency, accountability, and integrity are maintained across all levels of operations. The Company mitigates risks and safeguards its reputation in the market by adhering to stringent regulatory standards and implementing best practices. Regular monitoring and assessment of internal controls allow for continuous improvement and adaptation to evolving business dynamics. Moreover, the Company promotes a culture of compliance and ethical conduct, reinforcing its commitment to maintaining the highest standards of corporate governance. Through these measures, the Company remains

vigilant in upholding its responsibilities to stakeholders and maintaining trust in its operations.

## **Section 11**

### **Human Resources**

PFL attributes its growth and success to its dedicated workforce. The Company prioritises the well-being and professional development of its employees, recognising their pivotal role in driving innovation and efficiency. PFL ensures its workforce is equipped with the necessary skills for success, through various initiatives like performance appraisals, learning programs, and talent management frameworks. Individual care and empowerment are core tenets of PFL's values, evident in its inclusive leadership approach and emphasis on career advancement. Moreover, PFL's human resources policies are designed to cultivate a positive and supportive workplace culture. An open-door policy encourages transparent communication, idea sharing, and collaboration, promoting a sense of belonging and ownership among employees. The Company aims to enhance employee satisfaction, boost morale, and impart a sense of belonging within the organisation. PFL places a strong emphasis on talent identification and development, recognising that exceptional talent forms the integral part of its success. The Company meticulously identifies emerging leaders and nurtures a pool of skilled professionals ready to meet future challenges. PFL ensures that its workforce remains

adaptable, agile, and equipped to navigate the challenges of a rapidly changing business landscape by supporting talent from within and actively investing in skill enhancement initiatives. PFL is committed to nurturing a talent-driven environment and with over 10,400 employees as of March 31, 2024, to ensure ongoing growth and excellence.

## **Section 12**

### **Cautionary Statements**

This report contains statements that may be "forward looking" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to the Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances

# Report on Corporate Governance

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines. The Company's philosophy on corporate governance is to achieve business excellence and maximizing shareholder value through ethical business conduct. The Company's philosophy also includes building partnerships with all stakeholders, employees, customers, vendors, service providers, local communities and government. The Company has always set high targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to high standards of corporate governance practices. During the Financial Year under review, the Board continued its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies, prudent business plans and best practices in governance. By ensuring transparency, fair play and independence while discharging its fiduciary responsibilities, the Board ensures continued adherence to high standards of Corporate Governance.

The Company endeavours to demonstrate the highest standards of Corporate Governance and ethical behaviour across the Company with no tolerance for any deviation from these standards. The Company strives to achieve long term shareholder value creation through responsible decision making. Being a global organisation, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and practices.

## 2. BOARD OF DIRECTORS

A diverse, independent and well informed Board functions as the core of any Corporate Governance philosophy. To this end the Board of the Company has an optimum mix of Executive and Non-Executive Directors, including a woman Director.

The Board of Directors of the Company has an appropriate mix of Executive Directors, Non-Executive Directors and Independent Directors to maintain the Board's independence and separate its functions of governance and management. As on March 31, 2024, the Board comprises of six (6) Directors, out of which one (1) is an Executive Director, two (2) are Non-Executive Non-Independent Directors and three (3) are Independent Directors including one (1) Woman Independent Director. The composition of the Board is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**") read with sections 149 and 152 of the Companies Act, 2013 (the "**Act**"). In the opinion of the Board, the Independent Directors fulfill the conditions specified

in the Listing Regulations and are independent of the management. During the Financial Year 2023-24, Mr. Padmanabha Gopal Aiyar, Independent Director and Mr. Ramakrishnan Sankaranarayanan, Non-Executive Director of the Company resigned from their directorship due to other professional commitments and have confirmed that there are no other material reasons for their resignation. Except Mr. Naresh Mahendranath Malhotra and Mr. Namit Naresh Malhotra who are related to each other by way of father and son relationship, none of the other Directors are related to each other. The profile of the Directors can be accessed on the Company's website at <http://www.primefocus.com/who-we-are#Board>

None of the Directors on the Company's Board is a Member of more than ten (10) Committees or Chairperson of more than five (5) Committees [Committees being Audit Committee and Stakeholder Relationship Committee] across all the public limited companies in which he/she is a Director, pursuant to Regulation 26 of the Listing Regulations. Furthermore, Mr. Naresh Mahendranath Malhotra, Whole-time Director of the Company does not serve as an Independent Director in any Company. All the Directors have made necessary disclosures regarding Committee positions held by them in other listed companies and do not hold the office of Director in more than twenty (20) companies, including ten (10) public companies pursuant to the provisions of the Act. The terms & conditions of the appointment of the Independent Directors are hosted on the Company's website. None of the Independent Directors of the Company serve as an Independent Director in more than seven (7) listed companies. The maximum tenure of the Independent Directors is in compliance with the provisions of the Act. All Directors except Nominee Director and Independent Directors are liable to retire by rotation.

The required information, including information as enumerated in Part A of Schedule II of the Listing Regulations is made available to the Board of Directors for discussions and consideration at Board Meetings. The Whole-Time Director ("**WTD**") and the Chief Financial Officer ("**CFO**") have certified to the Board inter alia, the accuracy of the Financial Statements and adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) of the Listing Regulations, pertaining to WTD and CFO certification for the Financial Year ended March 31, 2024.

During the Financial Year under review, Seven (7) Board meetings were held on April 13, 2023; May 30, 2023; August 11, 2023; September 01, 2023; November 03, 2023; February 01, 2024 and February 13, 2024. The requisite quorum was present at all the meetings. The Company has complied with the terms of Section 173(1) of the Act and Regulation 17(2) of Listing Regulations for



conducting minimum four (4) meetings of Board of Directors during the Financial Year. With a view to reduce paper consumption and to leverage available technology, Board and its Committee meetings are conducted through electronic means whenever possible. This includes disseminating of documents such as Notices, Agendas, Notes etc. to the Directors through electronic means. Minutes of the meetings are also circulated to the Directors via electronic mode.

In case of business exigencies, the approval of the Board is taken through circular resolutions. During the Financial Year under review, no circular resolution was passed by the Board of Directors.

The Board of Directors of the Company comprises of Directors who have the qualifications, skills and expertise to contribute to the growth and long term strategy of the Company.

The Board of Directors has, in the context of the Company's business, identified the following core skills/ expertise/ competencies required for it to function effectively which are currently available with the Board:

<b>Media Business</b>	Understanding of media business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
<b>Strategy and Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long- term effective stakeholder engagements and driving corporate ethics and values.

The names and categories of the Directors on the Board, the number of directorships and committee positions held by them in other Public Limited Companies, attendance at the last Annual General Meeting and at the Board Meetings held during the Financial Year under review and their shareholding including skills /expertise/competencies are as under:

Sr. No.	Name of Director and DIN	Category of Director	Skills sets/ expertise/ competencies/ Practical Knowledge	No. of Directorship held in other Companies*	Name of other Listed entities where the Director of the Company is a Director including the category of Directorship	Membership held in Committees of other Companies **	Chairmanship held in Committees of other Companies **	No. of Board meetings attended during the year #	Attendance at last Annual General Meeting	Shareholding in the Company as on March 31, 2024
1.	Mr. Naresh Mahendranath Malhotra <sup>1</sup> DIN: 00004597	Chairman and Whole-Time Director (Promoter)	Media Business, Strategy, Planning and Governance	3	Nil	Nil	Nil	7	Present	58,675,296 equity shares
2.	Mr. Namit Naresh Malhotra DIN: 00004049	Non-Executive Director (Promoter)	Media Business, Strategy and Planning	2	Nil	Nil	Nil	3	Absent	14,900,000 equity shares
3.	Mr. Ramakrishnan Sankaranarayanan <sup>2</sup> DIN: 02696897	Non-Executive Director	Media Business, Strategy, Planning and Governance	-	-	-	-	2	Not Applicable	50 equity shares
4.	Mr. Kodi Raghavan Srinivasan DIN: 00012449	Non-Executive Independent Director	Strategy Planning and Governance	Nil	Nil	Nil	Nil	7	Absent	Nil
5.	Mr. Padmanabha Gopal Aiyar <sup>3</sup> DIN: 02722981	Non-Executive Independent Director	Strategy Planning and Governance	-	-	-	-	0	Not Applicable	Nil
6.	Mrs. (Dr.) Hemalatha Thiagarajan DIN: 07144803	Non-Executive Independent Director	Strategy Planning and Governance	Nil	Nil	Nil	Nil	1	Absent	Nil

Sr. No.	Name of Director and DIN	Category of Director	Skills sets/ expertise/ competencies/ Practical Knowledge	No. of Directorship held in other Companies*	Name of other Listed entities where the Director of the Company is a Director including the category of Directorship	Membership held in Committees of other Companies **	Chairmanship held in Committees of other Companies **	No. of Board meetings attended during the year #	Attendance at last Annual General Meeting	Shareholding in the Company as on March 31, 2024
7.	Mr. Samu Devarajan DIN: 00878956	Non- Executive Independent Director	Strategy Planning and Governance	5	ADC India Communications Limited- Independent Director	5	2	7	Present	Nil
8.	Mr. Vibhav Parikh DIN: 00848207	Non-Executive Director	Strategy Planning and Governance	3	EPack Durable Limited	3	Nil	7	Absent	Nil

\* Only Public limited companies (both listed and unlisted) are included in other directorships. Directorships in all other companies including private limited companies (which are not the subsidiary of Public Company), foreign companies and companies under Section 8 of the Act are excluded.

\*\* Chairmanship/Membership of the Audit Committee and the Stakeholders' Relationship Committee are considered for the purpose of committee positions in all public companies, whether listed or not as per Regulation 26 (1)(b) of the Listing Regulations.

# Meetings attended via video conference facility.

1. Mr. Naresh Mahendranath Malhotra was re-appointed as the Chairman and Whole-time Director of the Company w.e.f. May 01, 2023.
2. Mr. Ramakrishnan Sankaranarayana resigned as a Non-Executive Director from the Board and Committees of the Company w.e.f. May 30, 2023 on account of other professional commitments.
3. Mr. Padmanabha Gopal Aiyar resigned as a Non-Executive Independent Director from the Board and Committees of the Company w.e.f. May 30, 2023 on account of other professional commitments and confirmed that there were no other material reasons for his resignation.

The Board periodically reviews the compliance reports of the laws applicable to the Company.

Further, none of the Directors holds any Convertible instruments.

**Annual Independent Directors Meeting:** In accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and (4) of Listing Regulations and Secretarial Standards, a separate meeting of the Independent Directors was held during the Financial Year on February 13, 2024, to review the performance of the Non-Independent Directors including the Chairman of the Company and performance of the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the management of the Company and Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties. Moreover, the Non-Independent Directors and Management Personnel did not take part in the meeting.

**Board Effectiveness Evaluation:** Pursuant to the provisions of Sections 134 and 178 of the Act read with Regulations 17 and 34 of Listing Regulations, a formal Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Chairman, was conducted during the Financial Year. For details, kindly refer the Directors' Report.

**Familiarization Programme for Independent Directors:** The details of Familiarization Programme for all the Independent Directors are available on the website of the Company at <http://www.primefocus.com/investor-center#FamiliarisationPrgmforID>

**Terms of appointment of Independent Directors:** Terms and conditions of appointment/re-appointment of Independent Directors are available on the website of the Company at <http://www.primefocus.com/sites/default/files/pdf/terms-and-conditions-of-appointment-of-independent-directors.pdf>.

### 3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles. The Committees of the Board have oversight of specific areas delegated to them and in certain cases, through their recommendation facilitate decision making by the Board. The Board supervises the execution of responsibilities by the Committees and is responsible for their actions. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

As on March 31, 2024, the Board has Seven (7) Committees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, ESOP Compensation Committee, Risk Management Committee and Rights Issue Committee.

**The brief description of Committees are as follows:**

**A. Audit Committee:**

The Audit Committee of the Company functions in accordance with the requirement of Section 177 of the Act and Regulation 18 of the Listing Regulations. The composition of the Audit Committee is in compliance with Regulation 18(1) read with Schedule II of the Listing Regulations. As on March 31, 2024, the Audit Committee comprises of Four (4) Directors, consisting of Three (3) Independent Directors and One (1) Executive Director. The Members of the Audit Committee possess financial/accounting expertise/ exposure.

The meetings of the Audit Committee are also attended by the CFO, Representatives of the Statutory Auditors and other Senior Officials of the Company as special invitees. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The minutes of each Audit Committee meeting are noted in the next meeting of the Board.

During the Financial Year under review, Six (6) Audit Committee meetings were held on April 13, 2023; May 30, 2023; August 11, 2023; September 01, 2023; November 03, 2023 and February 13, 2024 and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present at all the Meetings. The Chairman of the Audit Committee is an Independent Director and he has attended last year's Annual General Meeting to address the queries of the shareholders.

As on March 31, 2024, the composition of the Audit Committee and the attendance of its members at its meeting held during the Financial Year is as follows:

Name of the Member	Category	Position	Meetings attended #
Mr. Samu Devarajan	Independent & Non-Executive Director	Chairman	6
Mr. Kodi Raghavan Srinivasan	Independent & Non-Executive Director	Member	6
Mr. Padmanabha Gopal Aiyar@	Independent & Non-Executive Director	Member (upto May 30, 2023)	0
Mrs. (Dr.) Hemalatha Thiagarajan*	Independent & Non-Executive Director	Member (w.e.f May 30, 2023)	0
Mr. Naresh Mahendranath Malhotra*	Chairman and Whole-time Director	Member (w.e.f May 30, 2023)	4

# Meetings attended via video conference facility.

@Mr. Padmanabha Gopal Aiyar ceased to be the member of the Audit Committee on account of his resignation from the Board and Committees of the Company w.e.f. May 30, 2023.

\*Mr. Naresh Mahendranath Malhotra and Mrs. (Dr.) Hemalatha Thiagarajan were appointed as the members of Audit Committee w.e.f. May 30, 2023.

**Terms of Reference:**

The broad terms of reference includes the following as is mandated in Part C of Schedule II of Listing Regulations and Section 177 of the Act:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
- Recommend to the Board, the appointment, re- appointment, terms of appointment, remuneration and, if required, replacement or removal of Statutory Auditors and fixation of Audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by them.
- Reviewing, with the management the Annual Financial Statements and Auditor's Report thereon before submission to the Board, for approval with particular reference to the matters stated under sub clause (a) to (g) of Part C of Schedule II of Listing Regulations.
- Reviewing, with the management, the Quarterly Financial Results before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.

- k. Evaluation of internal financial controls and risk management systems.
- l. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n. Discussion with internal auditors of any significant findings and follow up there on.
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r. To review the functioning of the Whistle Blower mechanism.
- s. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- t. Examination of the Financial Statement and the auditors' report thereon.
- u. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- v. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- w. Review of Compliances of SEBI (Prohibition of Insider Trading) Regulations, 2015 once in a Financial Year and verification of internal control systems.
- x. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

- y. Mandatory review of information with particular reference to the matters stated under point (1) & (3) to (6) of sub clause (B) of Part C of Schedule II of Listing Regulations.

M/s. M S K A & ASSOCIATES (Firm Registration No. 105047W), the Company's Statutory Auditor, are responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those Financial Statements with accounting principles generally accepted in India.

#### B. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee ("NRC") of the Company functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations, which are reviewed from time to time.

During the Financial Year under review, One (1) NRC meeting was held on May 30, 2023.

As on March 31, 2024, the NRC comprises of Three (3) Directors, consisting of Two (2) Non-Executive Independent Directors and One (1) Non-Executive Director.

The composition of NRC and attendance of its members at its meeting held during the financial year is as follows:

Name of the Member	Category	Position	Meetings attended #
Mr. Samu Devarajan	Independent & Non-Executive Director	Chairman	1
Mr. Kodi Raghavan Srinivasan	Independent & Non-Executive Director	Member	1
Mr. Padmanabha Gopal Aiyar <sup>@</sup>	Independent & Non-Executive Director	Member (upto May 30, 2023)	0
Mr. Namit Naresh Malhotra <sup>@</sup>	Non-Executive Director	Member (w.e.f May 30, 2023)	0

# Meetings attended via video conference facility.

@Mr. Padmanabha Gopal Aiyar ceased to be a member of the NRC on account of his resignation from the Board and Committees of the Company w.e.f. May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as the member of the NRC w.e.f. May 30, 2023.

The Company Secretary of the Company acts as the secretary to the NRC. The Chairman of NRC is an Independent Director and has attended the last year's Annual General Meeting to address the queries of the Shareholders.

### Terms of Reference:

The broad terms of reference of the NRC are as follows:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.  
  
For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required.
  - consider candidates from a wide range of backgrounds, having due regard to diversity.
  - consider the time commitments of the candidates.
- c. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- d. Devising a policy on Board's diversity.
- e. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- f. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- g. Recommend to the board, all remuneration, in whatever form, payable to senior management.

### Nomination and Remuneration Policy

The Company adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees in accordance with the provisions of the Act and the Listing Regulations and the same is available on the Company's website at [http://www.primefocus.com/sites/default/files/pdf/Nomination\\_Remuneration\\_Policy.pdf](http://www.primefocus.com/sites/default/files/pdf/Nomination_Remuneration_Policy.pdf).

### Remuneration to Directors:

#### Non-Executive Director:

The Non-Executive Directors of the Company are paid sitting fees of ₹ 20,000/- per meeting for attending the meeting of the Board of Directors. No sitting fees were paid to the Directors for attending the Meeting of the Committees of the Board and attending the separate meeting of Independent Directors.

Details of the Remuneration paid to the Non-Executive Directors for the Financial Year ended March 31, 2024 are as follows:

(Amount in ₹)

Name of Director	Remuneration Paid	Sitting Fees	Total
<b>Non-Executive Directors</b>			
Mr. Padmanabha Gopal Aiyar*	-	-	-
Mr. Kodi Raghavan Srinivasan	-	1,40,000	1,40,000
Dr. (Mrs.) Hemalatha Thiagarajan	-	20,000	20,000
Mr. Samu Devarajan	-	1,40,000	1,40,000
Mr. Namit Naresh Malhotra®	-	-	-
Mr. Ramakrishnan Sankaranarayanan**	-	-	-
Mr. Vibhav Parikh	-	1,40,000	1,40,000

@Mr. Namit Naresh Malhotra, Non-Executive Director of the Company did not receive any sitting fees.

\*Mr. Padmanabha Gopal Aiyar resigned w.e.f. May 30, 2023.

\*\* Mr. Ramakrishnan Sankaranarayanan, Non-Executive Director of the Company did not receive any sitting fees and he resigned w.e.f. May 30, 2023.

During the Financial Year under review, the Non- Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

#### Executive Director:

The remuneration paid to the Executive Director is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by the Executive Director and is in consonance with the terms of appointment approved by the Members, at the time of the Executive Director's appointment.

Details of Remuneration paid to the Chairman and Whole-Time Director for the Financial Year ended March 31, 2024 are as follows:  
(₹ in crores)

Name of Director	Naresh Mahendranath Malhotra (Whole-Time Director and Chairman)
Remuneration	1.80 p.a.
Service Contract	3 years
Performance linked Incentives	Nil
Stock options	Nil

The notice period for termination of appointment of Mr. Naresh Mahendranath Malhotra is three months or salary in lieu thereof. There are no severance fees payable.

The detailed evaluation criteria for Independent Directors forms part of Directors Report.

### C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee's ("SRC") composition and the terms of reference meet with the requirements of Regulation 20 read with Part D of Schedule II of the Listing Regulations and provisions of Section 178 of the Act. During the Financial Year under review, Four (4) meetings were held on May 30, 2023; August 11, 2023; November 03, 2023 and February 13, 2024. The requisite quorum was present at all the meetings of SRC.

As on March 31, 2024, the SRC comprises of Three (3) Directors of which Two (2) are Non-Executive Independent Directors and One (1) is Executive Director.

The Chairman of the SRC is an Independent Non-Executive Director and he has attended last year's Annual General Meeting to address the queries of the shareholders.

The Composition of SRC and attendance of its members at the meetings held during the Financial Year is as follows:

Name of the Member	Category	Position	Meetings attended #
Mr. Samu Devarajan	Independent & Non-Executive Director	Chairman	4
Mr. Kodi Raghavan Srinivasan	Independent & Non-Executive Director	Member	4
Mr. Naresh Mahendranath Malhotra	Chairman & Whole-time Director	Member	4

# Meetings attended via video conference facility.

Ms. Parina Shah, Compliance Officer and the Company Secretary of the Company acts as a Secretary to the Committee and the designated e-mail address for investor complaints is [ir.india@primefocus.com](mailto:ir.india@primefocus.com).

The SRC functions with the objective of looking into the redressal of Shareholders'/Investors' grievances.

The SRC is primarily responsible for:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### Complaints from Investors

The number of complaints received and resolved to the satisfaction of investors during the Financial Year ended March 31, 2024 and their break-up is as under:

Particulars	Received	Resolved	Pending
No. of Complaints	3	3	0

Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Share Transfer Agent - Link Intime India Private Limited at 'C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083. Tel: +91 810 811 6767 Fax: +91 22 49186060.

### D. Risk Management Committee:

Risk Management Committee ("RMC") has been constituted pursuant to the provisions of Regulation 21 read with Part D of Schedule II of the Listing Regulations for identification of internal and external risks specifically in particular including financial, operational, sectoral, sustainability, information, cyber security risks.

During the Financial Year under review, Three (3) meetings of the RMC were held on May 30, 2023; November 03, 2023 and February 13, 2024.

The Composition of RMC and attendance of its members at the meetings during the Financial Year is as follows:

Name of the Member	Category	Position	Meetings attended
Mr. Naresh Mahendranath Malhotra	Chairman and Whole-time Director	Chairman	3
Mr. Ramakrishnan Sankaranarayanan <sup>@</sup>	Non-Executive Non Independent Director	Member (upto May 30, 2023)	1
Mr. Samu Devarajan	Independent & Non-Executive Director	Member	3
Mr. Namit Naresh Malhotra <sup>@</sup>	Non-Executive Director	Member	0

<sup>@</sup>Mr. Ramakrishnan Sankaranarayanan ceased to be the member of the RMC on account of his resignation from the Board and Committees of the Company w.e.f. May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as the member of RMC w.e.f. May 30, 2023.

#### Terms of Reference:

The broad terms of reference of the RMC are as follows:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.

#### E. Corporate Social Responsibility (CSR) Committee:

The CSR committee has been constituted in accordance with Section 135 of the Act:

The broad terms of reference of CSR Committee are as follows:

- a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act or any amendments thereto.
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the CSR policy of the Company from time to time.

During the Financial Year under review, One (1) meeting of the CSR Committee was held on May 30, 2023. The composition of the CSR Committee and attendance of its members at its meeting held during the financial year is as follows:

Name of the Member	Category	Position	Meetings attended <sup>#</sup>
Mr. Naresh Mahendranath Malhotra	Chairman and Whole-time Director	Chairman	1
Mr. Samu Devarajan	Independent & Non-Executive Director	Member	1
Mr. Ramakrishnan Sankaranarayanan <sup>@</sup>	Non-Executive Non Independent Director	Member (upto May 30, 2023)	NA
Mr. Namit Naresh Malhotra <sup>@</sup>	Non-Executive Director	Member (w.e.f. May 30, 2023)	1

<sup>#</sup> meeting attended via Video Conference facility.

<sup>@</sup>Mr. Ramakrishnan Sankaranarayanan ceased to be the member of the CSR Committee on account of his resignation from the Board and Committees of the Company w.e.f. May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as the member of CSR Committee w.e.f. May 30, 2023.

#### F. ESOP Compensation Committee

Pursuant to the applicable provisions of law, the Board of Directors at its meeting held on July 02, 2014 constituted ESOP Compensation Committee.

During the Financial Year under review, Two (2) meetings of ESOP Compensation Committee was held on February 01, 2024 and February 13, 2024. The composition of the ESOP Compensation

Committee and attendance of its members at its meeting during the financial year is as follows:

Name of the Member	Category	Position	Meetings Attended#
Mr. Samu Devarajan	Independent & Non-Executive Director	Chairman	2
Mr. Kodi Raghavan Srinivasan	Independent & Non-Executive Director	Member	2
Mr. Ramakrishnan Sankaranarayanan <sup>@</sup>	Non-Executive Non Independent Director	Member (upto May 30, 2023)	NA
Mr. Namit Naresh Malhotra <sup>@</sup>	Non-Executive Director	Member (w.e.f. May 30, 2023)	1

# Meetings attended via video conference facility.

@Mr. Ramakrishnan Sankaranarayanan ceased to be the member of the ESOP Compensation Committee on account of his resignation from the Board and Committees of the Company w.e.f. May 30, 2023 and Mr. Namit Naresh Malhotra was appointed as the member of ESOP Compensation Committee w.e.f. May 30, 2023.

The terms of reference of ESOP Compensation Committee include, inter-alia, granting of Stock Options to the eligible employees, ascertaining the detailed terms and conditions for such grants, administering the Employee Stock Option Schemes of the Company and exercising the powers and performing the duties as prescribed under the applicable provisions of Law.

#### G. Rights Issue Committee

Pursuant to the applicable provisions of Law, the Board of Directors in its meeting held on February 01, 2024 constituted Rights Issue Committee.

During the Financial Year under review, One (1) meeting of Rights Issue Committee was held on March 12, 2024. The composition of the Rights Issue Committee and attendance of its members at its meeting during the financial year is as follows:

Name of the Member	Category	Position	Meeting Attended#
Mr. Nishant Fadia	Chief Financial Officer	Chairman	1
Mr. Kodi Raghavan Srinivasan	Independent & Non-Executive Director	Member	1
Ms. Parina Shah	Company Secretary	Member	1

# Meeting attended via video conference facility.

#### 4. PARTICULARS OF SENIOR MANAGEMENT

Name of the Senior Management Personnel	Designation
Mr. Nishant Fadia	Chief Financial Officer
Ms. Parina Shah	Company Secretary

During the year under review, there have been no changes in the Senior Management of the Company.

#### 5. SUCCESSION PLANNING

The Company believes that sound succession plans for the Board members and senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee and the Board, as part of the succession planning exercise, periodically reviews the composition of the Board to ensure that the same is closely aligned with the strategic and long-term needs of the Company.

#### 6. DETAILS OF PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A) OF THE LISTING REGULATIONS

During the Financial Year under review, the Company has not raised funds through preferential allotment or qualified institutional placement.

#### 7. RECOMMENDATIONS OF COMMITTEES OF THE BOARD

There were no instances during the Financial Year 2023-24, wherein the Board had not accepted recommendations made by any committee of the Board.

#### 8 GENERAL BODY MEETINGS:

##### i. Annual General Meeting:

Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Location	Time
2020-21	September 30, 2021	Through Video Conferencing (deemed venue: Prime Focus House, Opp Citi Bank, Linking Road, Khar (West), Mumbai- 400052)	03:00 p.m.
2021-22	September 30, 2022	Through Video Conferencing (deemed venue: Prime Focus House, Opp Citi Bank, Linking Road, Khar (West), Mumbai- 400052)	12:30 p.m.
2022-23	September 29, 2023	Through Video Conferencing (deemed venue: Prime Focus House, Opp Citi Bank, Linking Road, Khar (West), Mumbai- 400052)	12:30 p.m.



## ii. Special Resolutions:

- a. Details of special resolutions passed in the previous three Annual General Meetings are as follows:

Date of General Meeting	Number of Special resolutions passed	Details of Special Resolutions
September 30, 2021	1	1. To re-appoint Mr. Samu Devarajan (DIN:00878956) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
September 30, 2022	1	1. To consider re-appointment of and remuneration payable to Mr. Naresh Mahendranath Malhotra (DIN: 00004597) as a Chairman and Whole-time Director of the Company.
September 29, 2023	2	1. To alter the Object Clause of the Memorandum of Association of the Company. 2. To approve to sell/transfer/ dispose/ Lease/ assign asset(s) of the material subsidiary(ies).

- b. No Extra-ordinary General Meetings were held during the last three Financial Years.
- c. Details of Special Resolutions passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern - Nil

## 9. DISCLOSURES:

### a. Related Party Transactions

Details of the relevant related party transactions entered into by the Company are set out in the Notes to Accounts. During the Financial Year under review, materially significant transactions with related parties were on an arm's length basis and did not have potential conflicts with the interests of the Company at large. Suitable disclosures as required by IND AS 24 have been made in the Annual Report. All transactions with related parties entered into by the Company were on an arm's length basis and were approved by the Audit Committee. Pursuant to the Regulation 23 of the Listing Regulations, the Board of Directors has adopted the 'Related Party Transaction Policy' and the same is available on the Company's website at [http://www.primefocus.com/sites/default/files/pdf/PRIME\\_FOCUS\\_LIMITED-Related\\_Party\\_Policy.pdf](http://www.primefocus.com/sites/default/files/pdf/PRIME_FOCUS_LIMITED-Related_Party_Policy.pdf).

### b. Compliances with regard to Capital Market

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities Exchange Board of India or any other statutory authorities relating to the capital markets. During the last three years, there were no non-compliances and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market and has also complied with requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations, as applicable.

### c. Whistle Blower Policy/Vigil Mechanism

Pursuant to Regulation 18 and 22 of the Listing Regulations and the provisions of Section 177 of the Act, the Board of Directors has adopted a 'Whistle Blower Policy/Vigil Mechanism', which provides a

formal mechanism for all Directors and employees of the Company to approach the Management of the Company and make protected disclosure to the Management about unethical behaviour, actual or suspected fraud.

The said policy is available on the website of the Company at [http://www.primefocus.com/sites/default/files/pdf/Whistle\\_Blower\\_29.08.2022.pdf](http://www.primefocus.com/sites/default/files/pdf/Whistle_Blower_29.08.2022.pdf).

The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.

No complaint has been received as at the Financial Year ended March 31, 2024 and no employee of the Company was denied access to meet the Chairman of the Audit Committee in this regard.

### d. Whole-Time Director /Chief Financial Officer Certification

In terms of requirements of Regulation 17(8) and 33(2) of Listing Regulations, the Whole-Time Director and Chief Financial Officer of the Company have certified to the Board in the prescribed format for the Financial Year under review that the Financial Statements represents true and fair view of the Company's affairs and do not contain any untrue/misleading statement and the same has been reviewed by the Audit Committee and taken on record by the Board.

### e. Compliance with mandatory and non-mandatory requirements

The Company has complied with all the mandatory requirements of Listing Regulations. The details of these compliances have been given in the relevant sections of this report. The Company also incorporates certain non-mandatory recommendations as mentioned below:

#### 1. The Board:

The Company has an Executive Chairman and the office provided to him for performing his executive duties is also utilised by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him whenever needed, in performance of his duties.

**2. Shareholder Rights:**

Audited and Un-audited quarterly financial results are sent to the stock exchanges and published in the newspapers as per the Listing Regulations. The same are also posted on the Company's website [www.primefocus.com](http://www.primefocus.com).

**3. Modified opinion(s) in audit report:**

Company's financial statements are unqualified.

**4. Reporting of internal auditor:**

The Internal Auditor reports directly to the Audit Committee.

**f. Reconciliation of Share Capital Audit**

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 [erstwhile: vide SEBI circular No. D&CC /FITTC/CIR-16/2002 dated December 31, 2002 read with Securities and Exchange Board of India (Depositories Participants) Regulations, 1996], a Company Secretary in Practice carries out audit of Reconciliation of Share Capital on quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

The said report, duly signed by practicing company secretary is submitted to stock exchanges where the securities of the company are listed within 30 days of the end of each quarter and this Report is also placed before the Board of Directors of the company.

**10. CODE OF CONDUCT**

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities.

The Code of Conduct is in consonance with the requirements of Listing Regulations. The Code of Conduct is available on the Company's website at [http://www.primefocus.com/sites/default/files/pdf/pfl\\_code\\_of\\_conduct.pdf](http://www.primefocus.com/sites/default/files/pdf/pfl_code_of_conduct.pdf).

The Code has been circulated to all the members of the Board and the Senior Management. The Directors and the Senior Management have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect duly signed by the Whole-Time Director of the Company.

**11. MEANS OF COMMUNICATION**

- a. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed by Regulation 33 of the Listing Regulations within prescribed time limits. Quarterly results are regularly submitted to the Stock Exchanges in terms of the requirements of Regulation 33 of the Listing Regulations.
- b. The quarterly/half yearly and annual financial results are published in one English national daily newspaper circulating in the whole or substantially the whole of India i.e. either Business Standard or Financial Express and one Marathi daily newspaper i.e. Pudhari.
- c. The Company also informs the Stock Exchanges in a prompt manner about all price sensitive information or such other matters which in its opinion, are material and relevant to the shareholders and subsequently are displayed on the Company's website [www.primefocus.com](http://www.primefocus.com).

The Company's website contains a separate dedicated section "Investor center" where shareholders information is available. Full Annual Reports are also available on the website in a user- friendly and downloadable format.

The Company posts its Quarterly/Half Yearly/Annual Results, Annual Report, official news releases, press releases, presentations made to investors and transcripts of the meetings with institutional investors/analysts on its website i.e. [www.primefocus.com](http://www.primefocus.com).

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' i.e. 'Disclosure under Regulation 46 of the Listing Regulations' on the Company's website contains the basic information about the Company, e.g., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances and such other details as may be required under Regulation 46 of the Listing Regulations. The Company ensures that the contents of this website are updated at all times.

**12. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124 and other applicable provisions, if any, of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, the Company transferred 9485 shares in respect of which dividend has not been paid or claimed for seven consecutive year or more to IEPF Authority including shares held in unclaimed suspense account on November 30, 2017. The balance number of shares lying with the IEPF Authority is 9285 shares as on March 31, 2024.

The members, whose unclaimed shares have been transferred to IEPF, may claim the same by making application to the IEPF authority in form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) for details of unclaimed shares transferred to IEPF please refer Company's website viz [www.primefocus.com](http://www.primefocus.com).

### 13. DETAILS OF UNCLAIMED SHARES/AMOUNT LYING IN SUSPENSE ACCOUNT.

As on March 31, 2024, there are no unclaimed shares / amount lying in the suspense account.

### 14. SUBSIDIARY COMPANIES

The Company has adopted a Policy for determining Material Subsidiaries of the Company, pursuant to the provisions of Regulation 16 of the Listing Regulations, which states the following:

- i. Meaning of 'Material Subsidiary'.
- ii. Requirement of Independent Director in certain Material Non Listed Subsidiaries.
- iii. Restriction on disposal of a Material Subsidiary by the Company and;
- iv. Disclosure requirements, based on Regulation 23 of the Listing Regulations and any other laws and regulations as may be applicable to the Company.

This policy is available on the website of the Company at [http://www.primefocus.com/sites/default/files/pdf/POLICY\\_ON\\_MATERIAL\\_SUBSIDIARIES.pdf](http://www.primefocus.com/sites/default/files/pdf/POLICY_ON_MATERIAL_SUBSIDIARIES.pdf).

In terms of the provisions of Regulation 24 of the Listing Regulations, the minutes of the board meetings of subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies. The performance and summary of key decisions of the subsidiaries is also reviewed by the Audit Committee/ Board periodically.

### 15. PREVENTION OF INSIDER TRADING

The Company has instituted a mechanism to avoid Insider Trading. In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has established systems and procedures to restrict insider trading activity and has framed an Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information in order to protect the interest of the shareholders at large. The said Code is available on the Company's website at [http://www.primefocus.com/sites/default/files/pdf/PFL\\_Insider\\_Trading\\_Code\\_2021.pdf](http://www.primefocus.com/sites/default/files/pdf/PFL_Insider_Trading_Code_2021.pdf)

The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.

### 16. CERTIFICATION FROM PRACTICING COMPANY SECRETARY

A Certification from Practicing Company Secretary certifying that none of the Directors of the Company are disqualified or debarred from being appointed or continuing as Directors of companies by Board/ Ministry of Corporate Affairs or such statutory Authority forms part of this Report.

### 17. FEES PAYABLE TO STATUTORY AUDITORS

Total fees of ₹3.42 crores (previous year: ₹11.45 crores) for Financial Year 2023-24, 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.

### 18. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the Financial Year under review, Company has not received any complaints on sexual harassment.

1. Number of complaints filed during the Financial Year- Nil
2. Number of complaints disposed of during the Financial Year- Nil
3. Number of complaints pending as on the end of Financial Year- Nil

**19 a. GENERAL SHAREHOLDER INFORMATION**

1	Annual General Meeting Date, Time and Mode	Date: Monday, September 30, 2024 Time: 12.30 p.m. Mode: Video conferencing and other audio-visual means as set out in the Notice of Annual General Meeting.
2	Financial Year	2023-24
3	Dividend	In view of the losses during the Financial Year 2023-24, the Directors do not recommend any dividend for its equity shares.
4	Listing on Stock Exchanges and confirmation on payment of Annual Listing Fees to Stock Exchanges.	The equity shares of your Company are listed on: <b>BSE Limited (BSE)</b> Add:- P.J. Towers, Dalal Street, Fort, Mumbai - 400 001; & <b>National Stock Exchange of India Limited (NSE)</b> Add:- Exchange Plaza, Bandra-Kurla Complex, Bandra, Mumbai - 400 051. Annual Listing fees as applicable have been paid to the above Stock Exchanges within prescribed timelines. The equity shares of the Company have not been suspended from trading on the said Stock Exchanges or by any Regulatory /Statutory Authority.
5	Stock Code	For Equity Shares BSE Limited (BSE):- "532748" National Stock Exchange of India Limited (NSE):- "PFOCUS" ISIN Code : INE367G01038
6	Date of Book Closure	Not Applicable
7	Registrar to issue & Share Transfer Agents	Link Intime India Private Limited Unit: Prime Focus Limited Add: C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai -400 083 Tel: +91 810 811 6767 Fax: +91 22 49186060 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> ; Email: <a href="mailto:swayam.linkintime.co.in">swayam.linkintime.co.in</a>
8	A) Share Transfer System	In accordance with the provisions of Regulation 40(1) of the Listing Regulations, effective from April 01, 2019, transfer of shares of the Company shall not be processed unless the shares are held in dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them and participate in various corporate actions.  As per the recent amendments to the Listing Regulations, effective from January 24, 2022 and SEBI's Circular dated January 25, 2022, it has been mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) Renewal / Exchange of securities certificate; (d) Endorsement; (e) Sub-division/ Splitting of securities certificate; (f) Consolidation of securities certificates/ folios; (g) Transmission, and (h) Transposition.

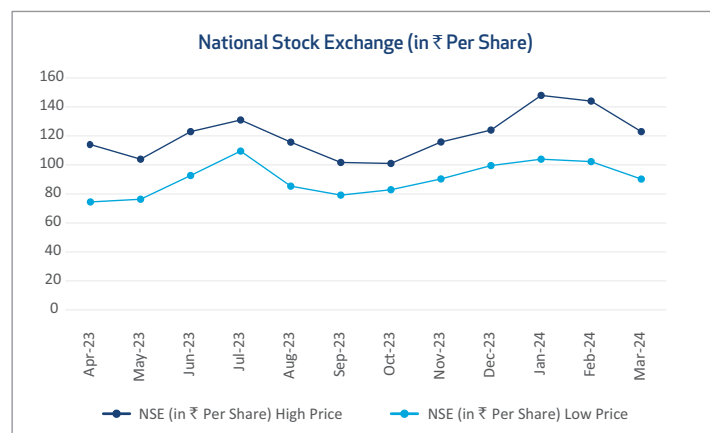
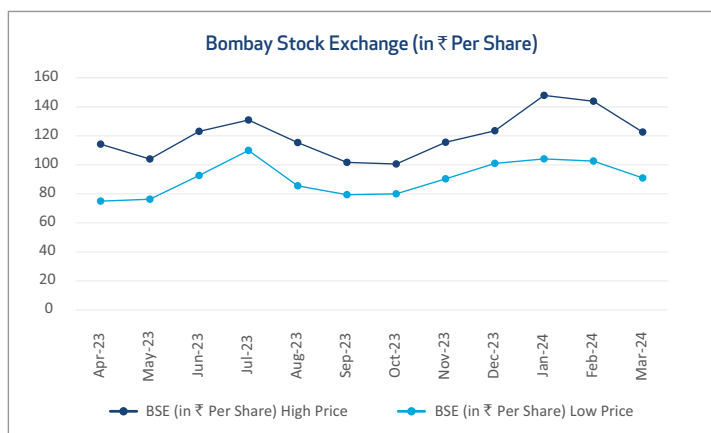
	B) Transmission System	<p>In accordance with the said Circular, Company's RTA shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities. In case of any query(ies) or issue(s) regarding process of the service request(s), shareholders / claimants can contact RTA (Cont. No.: +91 810 811 6767) or by can write an e-mail at <a href="mailto:swayam.linkintime.co.in">swayam.linkintime.co.in</a></p> <p>Pursuant to SEBI circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, SEBI has directed that listed companies shall henceforth issue securities in dematerialized form only while processing the Transmission request as may be received from the securities holder/ claimant. Accordingly, RTA to verify and process the service request and thereafter issue a "Letter of Confirmation" in lieu of physical securities certificate(s), to the securities holder /claimant within 30 days of its receipt of such request after removing objections, if any.</p> <p>The RTA / Issuer Companies shall issue a reminder after the end of 45 days and 90 days from the date of issuance of Letter of Confirmation, informing the securities holder and /claimant to submit the demat request as above in case no such request has been received by the RTA till the time.</p>
9	Commodity price risk or foreign exchange risk and hedging activities	<p>The Company seeks to minimize the effects of adverse exchange rate fluctuations on the financial positions of the Company by closely monitoring the Foreign Exchange Exposure and taking the adequate measures when needed.</p>
10	Plant Location	<p>The Company is not a manufacturing unit and thus not having any Plant. Following are the Offices where the business of the Company is being conducted:</p> <p>A. Goregaon-Film City Office</p> <ol style="list-style-type: none"> <li>i. FC Main Building, Film City Complex, Dadasaheb Phalke Film City, Goregaon (East), Mumbai-400065.</li> <li>ii. 2nd, 3rd, 4th, 5th Floor, Mainframe, B Wing, Royal Palms, Aarey Colony, Goregaon (East), Mumbai - 400065.</li> <li>iii. Ground Floor, Royal Palms, Master Mind - I, Aarey Colony, Goregaon (East), Mumbai - 400065.</li> <li>iv. Recording &amp; Dubbing Studio, Dadasaheb Phalke Film City Complex, Goregaon (East), Mumbai - 400065.</li> <li>v. Prime Focus Studios, Film City Complex, Dadasaheb Phalke Chitranagri, Goregaon (East), Mumbai - 400065.</li> </ol> <p>B. Santacruz office</p> <ol style="list-style-type: none"> <li>i. Ground Floor (Garage), 2nd and 3rd Floor, Anandkunj, North Avenue, Linking Road, Santacruz (West), Mumbai - 400054.</li> </ol> <p>C. Khar Office</p> <ol style="list-style-type: none"> <li>i. Prime Focus House, Linking Road, Opposite Citibank, Khar (West), Mumbai-400052.</li> </ol> <p>D. Lower Parel Office</p> <ol style="list-style-type: none"> <li>i. 2nd Floor, Raghuvanshi Mills Compound, SB Marg, Lower Parel (West), Mumbai - 400013.</li> </ol> <p>E. Andheri West Office</p> <ol style="list-style-type: none"> <li>i. 4th Floor, Blue Wave, Off Link Road, Veera Desai Road, Andheri (West), Mumbai - 400053.</li> </ol>

11	Address for Correspondence	Ms. Parina Shah, Company Secretary and Compliance Officer - Prime Focus Limited. Registered Office: Prime Focus House, Linking Road, Opposite Citibank, Khar (West), Mumbai-400052, Maharashtra, India. Phone: +91 22 2648 4900 Website: <a href="http://www.primefocus.com">www.primefocus.com</a> ; email: <a href="mailto:ir.india@primefocus.com">ir.india@primefocus.com</a>
12	Dematerialization of Shares and liquidity	As on March 31, 2024, 29,98,48,634 equity shares of the Company constituting 99.99% of the equity share capital are held in Dematerialized form. The equity shares of the Company are traded only in dematerialized form in the stock exchanges.
13	Electronic Clearing Services (ECS)	Members are requested to update their bank account details with their respective Depository Participants for shares held in the electronic form or write to the Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited for the shares held in physical form.
14	Investor Complaints to be addressed to	Registrar and Share Transfer Agent - M/s Link Intime India Private Limited at <a href="mailto:helpdesk@linkintime.co.in">helpdesk@linkintime.co.in</a> or to Ms. Parina Shah, Company Secretary and Compliance Officer at <a href="mailto:ir.india@primefocus.com">ir.india@primefocus.com</a> .
15	SCORES	A centralised web-based complaints redressal system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned company and online viewing by the investors of actions taken on the complaints and its current status.
16	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.	Not Applicable
17	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	During the Financial year, no credit ratings were obtained by the Company.

### 19 b. Market Price Data

The price of the Company's Share-High, Low during each month in the Financial Year 2023-24 on the Stock Exchanges is given below in a tabular form:

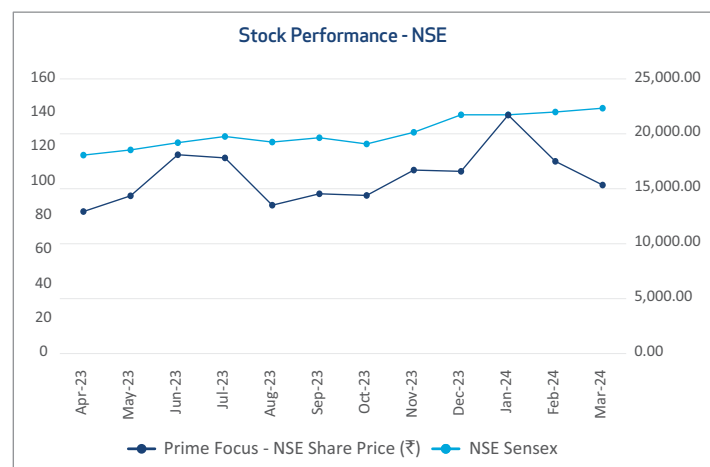
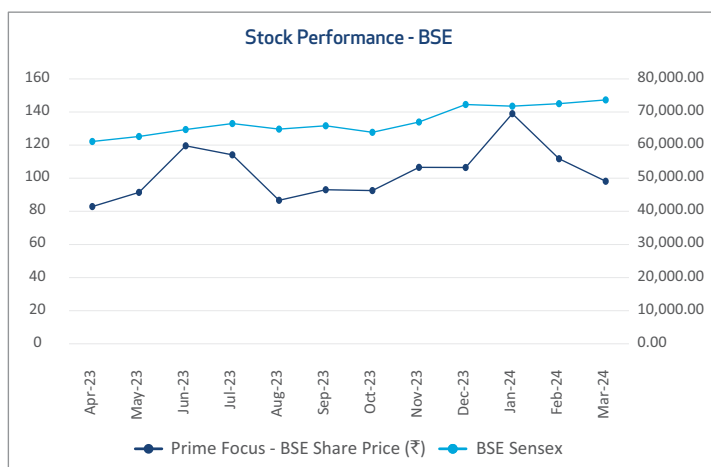
Month	BSE Limited			National Stock Exchange of India Limited		
	High Price (₹)	Low Price (₹)	Volume (No. of Shares)	High Price (₹)	Low Price (₹)	Volume (No. of Shares)
April, 2023	114.25	75.00	21,23,569	114.00	74.50	98,68,000
May, 2023	104.05	76.30	4,22,868	104.00	76.35	53,34,000
June, 2023	123.05	92.62	11,85,932	123.00	92.70	1,19,91,000
July, 2023	130.95	109.90	7,71,235	131.00	109.50	50,90,000
August, 2023	115.35	85.50	3,04,566	115.75	85.30	39,37,000
September, 2023	101.70	79.45	5,33,562	101.75	79.20	71,88,000
October, 2023	100.60	80.00	3,98,916	101.05	82.90	27,87,000
November, 2023	115.60	90.35	3,19,752	115.80	90.30	65,49,000
December, 2023	123.45	101.00	3,78,740	124.05	99.55	54,35,000
January, 2024	147.90	104.10	13,06,203	147.95	103.95	1,34,77,000
February, 2024	143.90	102.60	7,16,388	144.05	102.30	5,88,50,000
March, 2024	122.60	91.00	4,26,945	123.00	90.20	3,35,30,000



### 19 c. Performance of share price of the Company in comparison with the broad based indices

Prime Focus Share Price compared with BSE Sensex & NSE Nifty (Month-end closing):

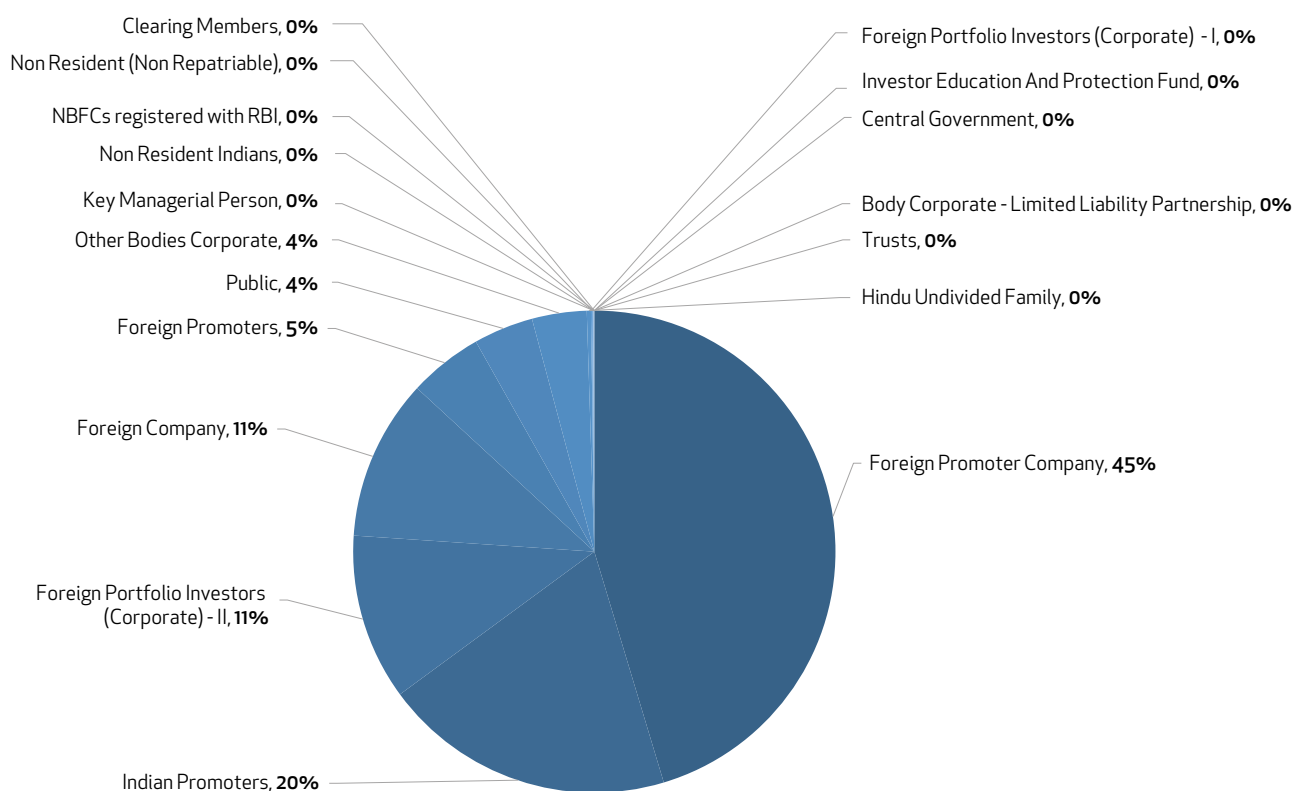
Month	BSE Share Price (₹)	Sensex (₹)	NSE Share Price (₹)	NSE Nifty (₹)
April, 2023	82.87	61,112.44	82.70	18,065.00
May, 2023	91.49	62,622.24	91.90	18,534.40
June, 2023	119.59	64,718.56	115.85	19,189.05
July, 2023	114.10	66,527.67	114.00	19,753.80
August, 2023	86.70	64,831.41	86.40	19,253.80
September, 2023	93.07	65,828.41	93.10	19,638.30
October, 2023	92.58	63,874.93	92.10	19,079.60
November, 2023	106.58	66,988.44	106.85	20,133.15
December, 2023	106.45	72,240.26	106.15	21,731.40
January, 2024	139.00	71,752.11	138.95	21,725.70
February, 2024	111.80	72,500.30	112.00	21,982.80
March, 2024	98.20	73,651.35	98.20	22,326.90



**19 d. Distribution of Shareholding as on March 31, 2024.**

The broad shareholding distribution of the Company as on March 31, 2024 with respect to categories of investors was as follows:

Sr. No.	Category	No. of Equity Shares	Percentage %
1	Central Government	1,000	0.0003
2	Clearing Members	272	0.0001
3	Other Bodies Corporate	1,09,89,135	3.6649
4	Foreign Company	3,23,70,029	10.7955
5	Foreign Promoter Company	13,59,72,232	45.3470
6	Foreign Promoters	1,49,00,000	4.9692
7	Hindu Undivided Family	8,30,807	0.2771
8	Non Resident Indians	1,20,333	0.0401
9	Non Resident (Non Repatriable)	1,78,213	0.0594
10	Public	1,20,21,039	4.0091
11	Indian Promoters	5,86,75,296	19.5683
12	Trusts	100	0
13	Body Corporate - Limited Liability Partnership	53,502	0.0178
14	Foreign Portfolio Investors (Corporate) - I	1,95,242	0.0651
15	NBFCs registered with RBI	2,381	0.0008
16	Investor Education And Protection Fund	9,285	0.0031
17	Key Managerial Person	1,08,000	0.0360
18	Foreign Portfolio Investors (Corporate) - II	3,34,21,778	11.1462
	<b>TOTAL</b>	<b>29,98,48,644</b>	<b>100</b>





19 e. The broad shareholding distribution of the Company as on March 31, 2024 with respect to/ holdings was as follows:

Range	No. of Holders	Percentage %	Total Shares	Percentage %
1-500	11,944	82.5660	14,24,245	0.4750
501-1000	1,110	7.6732	9,09,258	0.3032
1001-2000	583	4.0301	9,12,020	0.3042
2001-3000	214	1.4793	5,59,284	0.1865
3001-4000	110	0.7604	4,04,696	0.1350
4001-5000	109	0.7535	5,18,754	0.1730
5001-10000	141	0.9747	10,89,526	0.3634
10001 and above	255	1.7628	29,40,30,861	98.0598
<b>TOTAL</b>	<b>14,466</b>	<b>100</b>	<b>29,98,48,644</b>	<b>100</b>

19 f. Dematerialization of shares as on March 31, 2024:

As per the directions of SEBI, the Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2024, 29,98,48,634 equity shares constituting nearly 100% of the total share capital of the Company were held in dematerialized form.

Status of Dematerialisation as on March 31, 2024

Particulars	Number of Shares of the face value of Re. 1/- each	% of Total
National Securities Depository Limited	7,47,49,245	24.93
Central Depository Services (India) Limited	22,50,99,389	75.07
Total Dematerialized	29,98,48,634	100.00
Physical form	10	0.00
<b>TOTAL</b>	<b>29,98,48,644</b>	<b>100</b>

## 20. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT'

The disclosure of loans and advances in the nature of loans to firms/companies in which directors are interested are stated in the Note no. 35 in the Notes to Accounts which forms part of this Annual Report.

## 21. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES.

Sr. No.	Name of the Material Subsidiaries	Place of Incorporation	Date of Incorporation	Name of Statutory Auditors.	Date of appointment of Statutory Auditors
1	Prime Focus World N.V.(merged with DNEG S.A.R.L. w.e.f March 29, 2024)	Amsterdam	August 16, 2011	Refer note below	Refer note below
2	PF Overseas Limited	Mauritius	June 20, 2011	Mr Gaetan Wong To Wing	March 01, 2013
3	DNEG North America Inc.	California, USA	March 25, 1992	Refer note below	Refer note below
4	DNEG India Media Services Limited	Mumbai, India	March 27, 2006	Deloitte Haskins & Sells, Chartered Accountants LLP	December 31, 2020
5	Double Negative Limited	United Kingdom	February 24, 1997	Evelyn Partners Limited	September 07, 2021
6	Double Negative Canada Productions Ltd.	British Columbia	June 30, 2014	Refer note below	Refer note below
7	Double Negative Films Limited	United Kingdom	October 23, 2012	Evelyn Partners Limited	September 07, 2021
8	Double Negative Montreal Productions Ltd.	Quebec	June 22, 2017	Refer note below	Refer note below
9	Prime Focus International Services UK Limited	United Kingdom	March 23, 2011	PBG Associates Ltd.	July 05, 2016

Sr. No.	Name of the Material Subsidiaries	Place of Incorporation	Date of Incorporation	Name of Statutory Auditors.	Date of appointment of Statutory Auditors
10	Prime Focus Technologies Limited	Mumbai, India	March 08, 2008	Deloitte Haskins & Sells Chartered Accountants LLP	September 30, 2022
11	Prime Focus Technologies, Inc.	Delaware, USA	February 22, 2013	Refer note below	Refer note below
12	PF World Limited	Mauritius	November 30, 2010	Mr Gaetan Wong To Wing	March 01, 2013
13	DNEG S.A R.L. (formerly known as "Prime Focus Luxembourg S.a.r.l")	Luxembourg	September 21, 2011	Refer note below	Refer note below
14	Prime Focus 3D Cooperatief U.A. (liquidated w.e.f February 13, 2024)	Amsterdam	July 29, 2011	Refer note below	Refer note below
15	Lowry Digital Imaging Services, Inc. (liquidated w.e.f April 12, 2024)	California, USA	September 06, 2001	Refer note below	Refer note below
16	PF Media Limited	Mauritius	March 20, 2008	Refer note below	Refer note below

Note: As Local Audit is not applicable, no statutory auditors are appointed. V. Shivkumar and Associates, Chartered Accountants (Registration No. 112781W) conducts audit under the Indian Accounting Standard (Ind AS).

## 22. DISCLOSURES REGARDING COMMODITY RISKS

The Company does not deal in commodities and hence, the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not required to be given.

## 23. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY

During the Financial Year under review, no agreements were entered as specified under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations which were binding upon the Company.

## ANNUAL DECLARATION PURSUANT TO THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As per the requirements of Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, Naresh Mahendranath Malhotra, Chairman and Whole-Time Director, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year ended March 31, 2024.

For and on behalf of the Board

Place : Mumbai  
Date : May 30, 2024

**Naresh Mahendranath Malhotra**  
Chairman and Whole-Time Director  
DIN : 00004597

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of,  
**PRIME FOCUS LIMITED**  
Prime Focus House, Opp. Citi Bank, Linking Road, Khar (West)  
Mumbai - 400 052.

I have examined the compliance of conditions of Corporate Governance by Prime Focus Limited ('the Company'), for the Financial Year ended 31 March 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of 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 financial statements of the Company.

I have examined the books of account 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.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the period ended 31 March 2024.

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

**For D. M. Zaveri & Co**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS.No.: 5418  
CP No.: 4363

Place: Mumbai  
Date: May 30, 2024  
ICSI UDIN: F005418F000447365  
Peer Review Certificate No.: 1187/2021

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of,  
**PRIME FOCUS LIMITED**  
Prime Focus House, Opp. Citi Bank, Linking Road, Khar (West)  
Mumbai - 400 052.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prime Focus Limited having CIN: L92100MH1997PLC108981 and having registered office at Prime Focus House, Opp. Citi Bank, Linking Road, Khar (West), Mumbai - 400 052 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Namit Naresh Malhotra	00004049	24/06/1997
2.	Mr. Naresh Mahendranath Malhotra	00004597	24/06/1997
3.	Mr. Srinivasan Kodi Raghavan	00012449	19/02/2004
4.	Dr. Hemalatha Thiagarajan	07144803	31/03/2015
5.	Mr. Devarajan Samu	00878956	14/12/2016
6.	Mr. Vibhav Niren Parikh	00848207	01/07/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For D. M. Zaveri & Co**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS.No.: 5418  
CP No.: 4363

Place: Mumbai  
Date: May 30, 2024  
ICSI UDIN: F005418F000447321

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details

1.	Corporate Identity Number (CIN) of the Company	L92100MH1997PLC108981
2.	Name of the Company	Prime Focus Limited (PFL)
3.	Year of Incorporation	1997
4.	Registered office address	Prime Focus House, Opp. Citi Bank, Linking Road, Khar (West), Mumbai - 400052
5.	Corporate office address	True North, Plot no. 63, Road no. 13, Opp. Hotel Tunga Paradise, MIDC, Andheri (East) Mumbai- 400093
6.	E-mail id	<a href="mailto:brr.india@primefocus.com">brr.india@primefocus.com</a>
7.	Telephone	+91-22-26484900
8.	Website	<a href="http://www.primefocus.com">www.primefocus.com</a>
9.	Financial year for which reporting is being done	April 1, 2023 to March 31, 2024 (FY 2023-24)
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>National Stock Exchange of India Limited (NSE) - PFOCUS (Stock Code)</li> <li>BSE Limited (BSE) - 532748 (Stock Code)</li> </ul>
11.	Paid-up capital	₹ 29,98,48,644
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Parina Shah Company Secretary <a href="mailto:brr.india@primefocus.com">brr.india@primefocus.com</a> +91-22-26484900
13.	Reporting boundary	Disclosures made in this report are on a standalone basis and pertain only to PFL.
14.	Name of assurance provider	Not applicable to Company for FY 2023-24
15.	Type of assurance obtained	Not applicable to Company for FY 2023-24

### II. Products/services

#### 16. Details of business activities

S. No.	Description of main activity	Description of business activity	% of turnover
1.	Information and communication	<ul style="list-style-type: none"> <li>Creative services like visual effects, stereo 3D conversion, animation, Production and Postproduction services like equipment rental, digital intermediate, picture post, shooting floors and sound stages.</li> <li>Tech/Tech-Enabled Services like Media ERP Suite and Cloud enabled media services.</li> <li>Leasing or Renting of properties and/or assets and allied services.</li> </ul>	100%

#### 17. Products/services sold by the entity

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Real estate activities with own or leased property	6810	61.79%
2.	Motion picture, video and television programme production activities	5911	0.02%
3.	Other business support service activities n.e.c.	8299	38.19%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of offices	Total
National	-	9	9
International*	-	-	-

\*The international operations are carried out by the Company through its subsidiary companies and are outside the reporting boundary of this report.

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	1
International (No. of countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil.

c. A brief on types of customers

Media and entertainment production & postproduction related customers.

#### IV. Employees

20. Details as on March 31, 2024

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	16	15	93.75%	1	6.25%
2.	Other than permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	<b>16</b>	<b>15</b>	<b>93.75%</b>	<b>1</b>	<b>6.25%</b>
<b>WORKERS#</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	<b>Total Workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# The Company does not have any workers as defined in guidance note on BRSR issued by SEBI.

b. Differently abled employees and workers

Currently company does not have differently abled employees and workers.

21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	6	1	16.67
Key Management Personnel	3	1	33.33

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	0.00%	0.00%	0.00%	17.14%	0.00%	17.14%	14.50%	3.44%	17.94%
Permanent Workers	-	-	-	-	-	-	-	-	-

## V. Holding, subsidiary and associate companies (including joint ventures)

### 23. (a) Names of holding / subsidiary / associate companies / joint ventures:

Sl. No.	Name of Holding/Subsidiary/Associate/Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of listed entity? (Yes/No)
1.	Prime Focus Technologies Limited	Subsidiary	73.21%	No
2.	Prime Focus Production Services Private Limited	Subsidiary	100%	No
3.	GVS Software Private Limited	Subsidiary	100%	No
4.	Prime Focus Motion Pictures Limited	Subsidiary	100%	No
5.	Apptarix Mobility Solutions Private Limited <sup>®</sup>	Subsidiary	100%	No
6.	DNEG India Media Services Limited <sup>#</sup>	Subsidiary	100%	No
7.	Prime Focus Academy of Media and Entertainment Studies Private Limited <sup>#</sup>	Subsidiary	100%	No
8.	JAM8 Prime Focus LLP	Subsidiary	51%	No
9.	PF World Limited	Subsidiary	100%	No
10.	PF Investments Limited	Subsidiary	100%	No
11.	Prime Focus Technologies UK Limited <sup>®</sup>	Subsidiary	100%	No
12.	Prime Focus Technologies Pte. Ltd <sup>®</sup>	Subsidiary	100%	No
13.	Prime Focus Technologies, Inc <sup>®</sup>	Subsidiary	100%	No
14.	Prime Post (Europe) Limited <sup>®</sup>	Subsidiary	100%	No
15.	DAX Cloud ULC <sup>®</sup>	Subsidiary	100%	No
16.	PF Media Limited	Subsidiary	100%	No
17.	Prime Focus Media UK Limited	Subsidiary	100%	No
18.	PF Overseas Ltd	Subsidiary	100%	No
19.	DNEG S.A.R.L. (Previously known as Prime Focus Luxembourg S.a.r.l.)	Subsidiary	58.76%	No
20.	Lowry Digital Imaging Services Inc.	Subsidiary	100%	No
21.	DNEG North America Inc. <sup>#</sup>	Subsidiary	100%	No
22.	Prime Focus International Services UK Limited <sup>#</sup>	Subsidiary	100%	No
23.	Double Negative Montréal Productions Ltd <sup>#</sup>	Subsidiary	100%	No
24.	DNEG PLC <sup>#</sup>	Subsidiary	100%	No
25.	DNEG Bulgaria EOOD <sup>#</sup>	Subsidiary	100%	No
26.	Double Negative Holdings Limited <sup>#</sup>	Subsidiary	100%	No
27.	Double Negative Toronto Productions Ltd <sup>#</sup>	Subsidiary	100%	No
28.	Double Negative Singapore Pte. Ltd <sup>#</sup>	Subsidiary	100%	No
29.	Double Negative Films Limited <sup>#</sup>	Subsidiary	100%	No
30.	Double Negative LA LLC <sup>#</sup>	Subsidiary	100%	No
31.	Double Negative Limited <sup>#</sup>	Subsidiary	100%	No
32.	Double Negative Canada Productions Ltd <sup>#</sup>	Subsidiary	100%	No
33.	Double Negative Hungary Limited <sup>#</sup>	Subsidiary	100%	No
34.	DNEG Australia PTY Ltd <sup>#</sup>	Subsidiary	100%	No
35.	DNEG Spain, S.L. <sup>#</sup>	Subsidiary	100%	No
36.	Double Negative Huntsman VFX Ltd <sup>#</sup>	Subsidiary	100%	No
37.	Vegas II VFX Ltd <sup>#</sup>	Subsidiary	100%	No
38.	DNEG Australia Productions PTY Ltd <sup>#</sup>	Subsidiary	100%	No

<sup>®</sup>Direct/Indirect Subsidiaries of Prime Focus Technologies Limited

<sup>#</sup>Direct/Indirect Subsidiaries of DNEG S.A.R.L.

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 334,475,355

(iii) Net worth: ₹ 15,688,692,862

## VII. Transparency and Disclosures Compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	YES	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)	YES	NIL	NIL	-	NIL	NIL	-
Shareholders	YES	3	NIL	-	NIL	NIL	-
Employees and workers	YES	NIL	NIL	-	NIL	NIL	-
Customers	YES	NIL	NIL	-	NIL	NIL	-
Value Chain Partners	YES	NIL	NIL	-	NIL	NIL	-
Other (please specify)	-	-	-	-	-	-	-

If Yes, then provide web-link for grievance redressal policy

[http://www.primefocus.com/sites/default/files/pdf/PFL\\_grievance\\_handling\\_policy\\_fy23.pdf](http://www.primefocus.com/sites/default/files/pdf/PFL_grievance_handling_policy_fy23.pdf)

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (positive/negative implications)
1.	Employee Engagement	Risk	The Company places great emphasis on maintaining its talent pool. Operational and financial performance of the business of the Company could be hindered if the Company is unable to identify, attract and retain qualified personnel or by the loss of key personnel.	Best practices in employee management, competitive pay and vigorous training across all levels of management help the Company maximise retention, a proactive HR policy helps attract, retain and develop a diverse range of skilled people. It also ensures that employees' personal ambitions are well integrated with organization's objectives.	<b>Negative:</b> Lower/reduced levels of employee engagement could lead to decreased productivity, missed deadlines, and a decline in the quality of content creation. <b>Positive:</b> A sufficiently engaged workforce is key to the success of the business of the Company. Positive employee engagement will lead to higher levels of motivation, innovation and creativity. This can lead to the development of high-quality and captivating content that resonates with audiences, potentially boosting viewership and advertising revenues.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (positive/negative implications)
2.	<b>Occupational Health &amp; Safety</b>	Risk/ Opportunity	Appropriate health & safety measures are necessary to attract and retain high quality talent. Additionally, workplace health and safety issues have a negative impact on the Company's image and can lead to negative publicity.	PFL works to safeguard the health and safety of all its stakeholders and makes sure that all workers, contractors, supply chain partners, customers, spectators, and visitors are given access to a safe and healthy workplace. It strives to offer the necessary safety precautions in order to handle any unforeseen circumstances and endeavors to lessen the negative effects of its company operations as much as feasible.	<b>Positive:-</b> <ul style="list-style-type: none"> <li>- Reduction in legal and insurance expenses;</li> <li>- Positive employee experience which in turn boosts productivity.</li> </ul>
3.	<b>Diversity &amp; Inclusion</b>	Opportunity	One of the company's top strategic priorities is diversity and inclusion, by expanding the organization's talent pool will boost production and enhance the caliber of the end service supplied by bringing in as many individuals from varied groups as is practical. PFL motivates their employees to stay with the company by consistently investing in their employees' growth and development, as well as their alignment with the company's growth strategy.	We have an egalitarianism, inclusiveness, and equal opportunity culture. We provide growth and development opportunities for employees.	<b>Positive:-</b> Productivity is increased by the retention of key talent through various human resources strategies. The diverse experiences of the personnel generally empower them to capitalize on a specialized skill set that can better serve audiences and consumers, generating higher and more long-lasting revenues. In contrast, failure to comply with anti-discrimination legislation obligations may result in expensive fines and diminished investor trust, both of which might lead to monetary losses.
4.	<b>Cybersecurity</b>	Risk	Creative media and broadcasting companies are the main targets of cyber breaches and fraud as they are content sensitive. Remote working and new technologies that have been adopted post Covid-19 have opened up avenues for newer hacking strategies to be adapted by the cyber criminals. Loss of sensitive data or information, legal and regulatory noncompliance, reputational damage as well as revenue loss may be caused by any security breach or disruption to IT infrastructure.	PFL has a proactive risk-mitigation program in place along with a response plan for faster adaptation in case of any incident. It assures that the network is routinely patched and backed up and the incident response plan is developed and updated at regular intervals. Employees are also made aware of cyber risks and common cyber security threats through phishing campaigns to reduce the risks associated with employee breaches. A fixed policy for using personal devices at work etc. has also been developed. The Company consistently engages in protecting its sensitive data and improving controls on a consistent basis.	<b>Negative:-</b> <ul style="list-style-type: none"> <li>• Reputation risks.</li> <li>• Violations of privacy and data security may result in litigation, financial risks, and losses in the form of compensation for aggrieved parties.</li> <li>• Regulatory risk in the form of fines, penalties, and so on.</li> </ul>
5.	<b>Climate Change</b>	Risk/ Opportunity	Climate change has created new material risks for businesses as well as increased reputational risks. Extreme weather events due to climate change pose a physical risk of disruption to the operation and the safety and wellbeing of its employees and other stakeholders.	The company continues to identify and act on opportunities to lessen the environmental effect.	While assessing our climate-related risks, we also consider significant opportunities that can have substantive financial or strategic impact because of the nature of our business operations. <b>Negative:</b> Physical and Transition risks. <b>Positive:</b> Drives better risk management and value creation



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)^	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	<a href="http://www.primefocus.com/investor-center#Corporate%20Governance">http://www.primefocus.com/investor-center#Corporate Governance</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	The organization is dedicated to giving all of its workers a secure, healthy, and harassment-free working environment. The business has implemented employee-focused policies in areas like Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the human rights policy in an effort to create a supportive atmosphere where employees may pursue their professional goals. The company's other rules, including the Code of Fair Disclosure and Conduct, the Code of Conduct and Business Ethics ("the code"), and general laws and regulations, good ethical practices, and generally accepted professional standards are all in accordance with national regulatory standards. A related party transaction policy, a risk management policy, and a whistleblower policy are all in place at the business. The whistleblower policy affirms to the standards set out in the Companies Act, 2013 and its rules, as well as the relevant securities laws and regulations. The business complies with laws that apply to its goods and services. The Customer Relations Policy declares that the fundamental rights of the consumers are fairness, transparency, appropriateness of goods and services, privacy, and methods for grievance resolution.								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals, targets set by the entity with defined timelines, if any.	<p>PFL is committed to managing the business of content in ways that allow the people and planet to flourish. Profits with Purpose is how PFL defines its sustainability vision. The Company has always set high targets for the growth, profitability, customer satisfaction, safety and environmental performance and continues its commitment to high standards of corporate governance practices. We undertake several energy conservation initiatives by implementing energy efficient measures and replacing old equipment with new energy efficient equipment wherever feasible. Continuous efforts are also exerted to conserve energy in our postproduction facilities and studio offices.</p> <p>The broad Sustainability Goals of the Company include:</p> <ul style="list-style-type: none"> <li>Working towards the reduction of carbon footprints.</li> <li>Reduction and management of waste and helping towards reduction of pollution and global warming by various methods stated in the policies.</li> <li>Increase productivity and profit through water, energy and resources conservation.</li> <li>Developing culture with PFL employees to get actively involved in sustainability initiatives.</li> <li>Enabling customers to contribute to sustainability by using our products i.e., AI, digitization services, data centers.</li> <li>Create a healthy, collaborative, and uplifting environment.</li> <li>Diversity, inclusion and equality.</li> <li>Ensuring the health and safety of our people.</li> </ul>								
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case same are not met.									

- PFL has the following policies covering the nine principles: Code of Conduct for Directors and Senior Management, Vigil Mechanism / Whistle-Blower Policy, Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Human Resource Policies, Anti-Sexual Harassment Policy, Corporate Social Responsibility (CSR) Policy, Policy on Related Parties, Policy on Material Subsidiaries, Sustainability Policy, Stakeholder Engagement Policy, ESG Policy, Policy for Determining materiality of event and Policy for Preservation of Documents & Archival Policy.

## GOVERNANCE, LEADERSHIP AND OVERSIGHT

### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

PFL is committed to managing its business in ways that allow the people and planet to flourish. PFL drives sustainability in everything we do, Environmental (issues around climate change & pollution), social & Economical (issues around workplace practices and human capital), and Governances (issues such as executive pay, accounting & ethics). Sustainability is not an afterthought at PFL- it is deeply embedded in our thinking the way we work and the products and services we deliver.

We feel that no sustainability initiative could self- sustain if it's not linked to the organization's business projects. Our leadership and employees are committed to rethinking traditional systems and shifting towards more sustainable models. PFL has the talent and resources to navigate a fresh set of opportunities, challenges, and risks that define organizations of the future.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy	Name: Mr. Naresh Mahendranath Malhotra Designation: Whole-time Director DIN: 00004597
9. Does the entity have a specified committee of the board/ director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	The CSR Committee monitors community and social-related projects as well as sustainability-related actions of the Company. Details of the composition of the CSR Committee are given in the Corporate Governance Reports.

**10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC)**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Policies are periodically reviewed in accordance with the regularity specified in the relevant policies or on a need-to-know basis, whichever comes first, and any necessary revisions are made.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Policies wherever stated have been approved by Board/ Committees of Board/Senior Management of the Company. The Company has necessary procedures in place to ensure the compliance with all relevant regulations.									The Company ensures compliance with all the relevant laws.								

**11.**

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, however internal audits and evaluations of the company's rules and procedures are occasionally conducted. Internal auditors, when necessary, may examine the procedures and compliances. Policies are routinely reviewed and updated by different department heads and business leaders, and then approved by the management and/or board from both a best practices and a risk viewpoint.								

**12. If answer to question (1) above is "No" i.e., not all principles are covered by a policy, reason to be stated:**

Not Applicable.

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### Principle 1

#### BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

##### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programs held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors (BoD)	2*	The Company strives to provide its Board Members and Management Team access to training and skill enhancement programs and learning opportunities that help them excel in their leadership roles and also provide the opportunity to advance their knowledge of the industry.  We invest in many programs to establish a climate that is favorable to their growth since we recognize that our employees are the most important factor in our sustained progress. By giving rigorous training across leadership levels to promote organizational performance and a secure working environment, we give them numerous learning chances to improve their skill sets. We put this into practice for all of our employees and train all newly employed staff members on our code of conduct and business ethics during induction.	100%
Key Managerial Personnel (KMP)	1		
Employees other than BoDs/ KMP	1		
Workers	-	-	-

\*Refer to Familiarization Programmes imparted to Independent Directors available on our website [Investor Center | Prime Focus Limited \(PFL\)](#)

##### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2023-24 (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Case brief	Has an appeal been preferred? (Yes/No)
Penalty/Fine			NIL		
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions		Case brief	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
NIL	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes
-----

Name of Policy	Policy Description	Web-link/URL
Anti-bribery & Anti-Corruption Policy	The policy comprises a set of rules and principles implemented by the Company to prevent bribery and corrupt practices. It prohibits offering, soliciting, or accepting bribes and establishes guidelines for gifts & hospitality amongst others. This policy applies to all individuals worldwide working for all affiliates and subsidiaries of the Company at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with the Company.	<a href="http://www.primefocus.com/sites/default/files/pdf/Anti-bribery_and_Anti-corruption_Policy.pdf">http://www.primefocus.com/sites/default/files/pdf/Anti-bribery_and_Anti-corruption_Policy.pdf</a>
Vigil Mechanism/ Whistle Blower Policy	The Policy covers malpractices and events which have taken place / suspected to have taken place, is being taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company's rules and policies, manipulations, negligence, causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and to report the same in accordance with the Policy.	<a href="http://www.primefocus.com/sites/default/files/pdf/Whistle_Blower_29.08.2022.pdf">http://www.primefocus.com/sites/default/files/pdf/Whistle_Blower_29.08.2022.pdf</a>
Code of Conduct policy	The purpose of this Code of Conduct (the "Code") is to conduct the business of the Company in accordance with the applicable laws, regulations, rules and with the highest standard of ethics and values. The matters covered in this Code are of utmost importance to the Company, shareholders, business partners and customers.	<a href="http://www.primefocus.com/sites/default/files/pdf/pfl_code_of_conduct.pdf">http://www.primefocus.com/sites/default/files/pdf/pfl_code_of_conduct.pdf</a>
Ethics Management Policy	The "Ethics Management Policy" outlines a protocol for factual and righteous display of information and truthful disclosure on our services to clients.	<a href="http://www.primefocus.com/sites/default/files/pdf/Prime_Focus_Annual_Report_2022.pdf">http://www.primefocus.com/sites/default/files/pdf/Prime_Focus_Annual_Report_2022.pdf</a>
Code of Fair Disclosure and Conduct	The purpose of the Code of Conduct is to ensure that the Company operates in compliance with all relevant laws, regulations, and rules, while adhering to the highest ethical and moral standards. The topics discussed in the Code are crucial to the Company's success and are valued by shareholders, business partners, and customers alike.	<a href="http://www.primefocus.com/sites/default/files/pdf/Code_of_Fair_Disclosure_and_Conduct.pdf">http://www.primefocus.com/sites/default/files/pdf/Code_of_Fair_Disclosure_and_Conduct.pdf</a>

5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Segment	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

**6. Details of complaints with regard conflict of interest**

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Complaints received with respect to conflicts of interest of the Directors	-	-	-	-
Complaints received with respect to conflicts of interest of the KMPs	-	-	-	-

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Fine/Penalty/Action taken on Conflicts of Interest and Corruption	Corrective Action Taken
NIL	

**8. Number of days of accounts payables (Accounts Payable\*365/ cost of goods/ services procured):**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	131 Days	122 Days

**9. Open-ness of Business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Concentration of Purchases</b>	a. Purchases from trading houses % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
<b>Concentration from Sales</b>	a. Sales to dealers/ distributors as % of total sales	Nil	Nil
	b. Number of dealers/ distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	Nil	Nil
<b>Share in RPTs in</b>	a. Purchases (Purchases with related parties/ Total purchases)	0.43%	8.25%
	b. Sales (Sales to related parties/ Total Sales)	98.74%	73.18%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	99.44%	98.76%
	d. Investment (Investments in related parties/ Total Investments made)	100%	100%

**Leadership Indicators****2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If yes, provide details of the same.**

Yes
Board Members provide annual declarations of adherence to the Code of Conduct of the Company and confirmation that there have been no instances of conflict of interest. In accordance with the Companies Act, 2013, the Directors do not take part in the discussions and voting on Board agenda matters in which they have a personal interest.

Process/Policy Name	Process/Policy Description	Web-link/URL
Code of Conduct	The purpose of this Code of Conduct (the "Code") is to conduct the business of the Company in accordance with the applicable laws, regulations, rules and with the highest standard of ethics and values. The matters covered in this Code are of utmost importance to the Company, shareholders, business partners and customers.	<a href="http://www.primefocus.com/sites/default/files/pdf/pfl_code_of_conduct.pdf">http://www.primefocus.com/sites/default/files/pdf/pfl_code_of_conduct.pdf</a>

## Principle 2

### BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

#### Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Considering the type of business conducted by the Company, the majority of its capital expenditures were allocated toward information technology. Consequently, investments were added to capital assets through the procurement of IT infrastructure, such as equipment and software, to accelerate the Company's digital efforts.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Our primary focus is on operational activities, and therefore, we only utilize resources for those purposes. The sourcing of inputs is not considered a significant aspect of our core activities.

- b. **If yes, what percentage of inputs were sourced sustainably?**

Not Applicable.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life**

Due to the nature of our business, the potential for reusing or recycling products is limited. However, we have established specific practices to manage different waste categories

- a) For plastics (including packaging), we use 100% biodegradable plastic garbage bags across our facilities to collect and dispose of dry and wet waste. At our corporate office, we partner with a vendor who disposes of our waste in an eco-friendly manner by composting or recycling.
- b) Our e-waste encompasses computers, servers, scanners, Personal Computers, batteries, air conditioners, and other electronic equipment, which we dispose of through registered e-waste vendors.
- c) We do not generate or dispose of hazardous waste in the course of our operations.
- d) Aside from the waste categories listed above, we do not generate any other types of waste in our office.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No		
EPR Applicable/Not Applicable	EPR & Waste Collection Plan Description & Alignment (if applicable)	Addressal of EPR & Waste Collection Plan Alignment (if not achieved)
Not Applicable	Not Applicable	Not Applicable

**Principle 3****BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS****Essential Indicators**

## 1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	15	15	100%	15	100%	-	-	15	100%	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
<b>Total</b>	<b>16</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>100%</b>	<b>1</b>	<b>6.25%</b>	<b>15</b>	<b>93.75%</b>	<b>-</b>	<b>-</b>
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT WORKERS</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER THAN PERMANENT WORKERS</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

Cost incurred on well-being measures as a % of total revenue of the company	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
		Not Applicable

## 2. Details of retirement benefits for the current and previous financial year

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A.)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	68.75%	-	Yes	75%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	6.25%	-	Yes	6.25%	-	Yes
Others	-	-	-	-	-	-



### 3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In compliance with the Rights of Persons with Disabilities Act, 2016, the majority of our offices are accessible to differently abled employees. The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All of our corporate offices feature such as wheelchair ramps, braille signage and wheelchair inclusive elevators that are accessible from the parking lot, facilitating friendly access to our differently abled employees and visitors. Also, our registered and corporate offices have restrooms that are designated for that purpose.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

PFL strives to provide and enhance possibilities for many socio-cultural groups and is an equal opportunity employer. The Code of Conduct approved by the group explicitly indicates that "harassment, of any sort, and discrimination based on age, physical appearance or handicap, marital status, religion, caste, sex, sexual orientation, or gender identity are banned". The organization seeks to develop and foster an accepting workplace atmosphere through its inclusive business practices.

### 5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	-	-
Female	-	-
<b>Total</b>	-	-

Note: No parental leave availed during the year.

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)	Brief Description of Mechanisms (if yes)
Permanent Employees	Yes	Description mentioned in Whistle Blower Policy and Sexual harassment Policy
Other than Permanent Employees	Yes	Description mentioned in Whistle Blower Policy and Sexual harassment Policy
Permanent Workers	-	-
Other than Permanent Workers	-	-

### 7. Membership of employees and workers in association(s) or unions recognised by the Company

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/ workers (A)	No. of employees/ workers who are part of Association(s) or Union (B)	% employees/ workers (B / A)	Total employees/ workers (C)	No. of employees/ workers who are part of Association(s) or Union (D)	% employees/ workers (D/C)
<b>EMPLOYEES</b>						
Male	15	-	-	15	-	-
Female	1	-	-	1	-	-
<b>Total</b>	<b>16</b>	-	-	<b>16</b>	-	-
<b>WORKERS</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

**8. Details of training given to employees and workers**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On health & safety measures		On skill upgradation		Total (A)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. C	% (C/A)
<b>EMPLOYEES</b>										
Male	15	15	100%	15	100%	15	15	100%	15	100%
Female	1	1	100%	1	100%	1	1	100%	1	100%
<b>Total</b>	<b>16</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>100%</b>
<b>WORKERS</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**9. Details of performance and career development reviews of employees and workers**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES</b>						
Male	15	15	100%	15	15	100%
Female	1	1	100%	1	1	100%
<b>Total</b>	<b>16</b>	<b>16</b>	<b>100%</b>	<b>16</b>	<b>16</b>	<b>100%</b>
<b>WORKERS</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Owing to the nature of the business, there are no inherent occupational health and safety risks. The Company's facilities are all protected by adequate OHS measures. Training programs on the safety of employees at the workplace is mandatory for all employees. During the year, there were no accidents of any employee of the Company whilst on duty.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Since the business entity operates in the media-based services, and also as per the company's business operations there is minimal work-related hazards. However, the Company has taken a lot of medical safety for running their operations smoothly and efficiently. The Company also followed all guidelines issued by the government pertaining to work related hazards and safety.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Given the nature of business, this is not directly applicable.

**d. Do the employees have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. All employees of the Company are covered under the company's health insurance and personal accident insurance.

**11. Details of safety related incidents**

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities (safety incident)	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

PFL places a strong emphasis on maintaining a safe, healthy, and environmentally conscious workplace throughout all of its business operations. To achieve this, we regularly evaluate our health, safety, and environmental performance. We are committed to providing our employees with a productive work environment that is conducive to their well-being and development. To support this, we offer a range of initiatives, including performance and appraisal evaluations, learning and talent management programs, and both internal and external training opportunities. Our workshops provide employees with valuable learning experiences that enhance their skill sets while also promoting safety in the workplace. We believe that it is our responsibility to educate and train our employees on matters that improve safety and well-being in the workplace.

The Company is committed to maintaining a workplace free of sexual harassment and has established a comprehensive mechanism to prevent, prohibit, and address such behavior. This includes an Anti-Sexual Harassment Policy that complies with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and its associated rules. Additionally, the Company has established an Internal Complaints Committee (ICC) specifically tasked with addressing any complaints received regarding sexual harassment in the workplace.

**13. Number of complaints on working conditions and health and safety made by employees and workers**

NIL

**14. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or 3 <sup>rd</sup> parties)
Health and safety practices	No external assessments were undertaken.
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Not Applicable.

**Principle 4****BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company thinks that building strong stakeholder relationships is essential to generate long-term worth for which it has established a stakeholder relationship committee that operates with the aim of addressing and resolving any grievances raised by our shareholders and investors. Additionally, the Company seeks to identify key stakeholders through a combined mechanism by considering impact, influence, interest and diversity.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors & Shareholders	No	Email, Meetings, Calls, Partner events	Annually/As and when required	Understanding clients, Decision on investments, Ethical behavior, Strong partnership, to enhance business practices.
Employee				
Suppliers and Vendors				
Govt authorities				
Customers/ Business Partners				
Media				
Academic and Research Institutions				
Communities				

**Principle 5****BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS****Essential Indicator****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent	16	16	100	16	16	100
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>16</b>	<b>16</b>	<b>100</b>	<b>16</b>	<b>16</b>	<b>100</b>
<b>WORKERS</b>						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
<b>Total Workers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2. Details of minimum wages paid to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	Equal to minimum wage (B)	% (B/A)	More than minimum wage (C)	% (C/A)	Total (D)	Equal to minimum wage (E)	% (E/D)	More than minimum wage (F)	% (F/D)
<b>EMPLOYEES</b>										
<b>Permanent</b>										
Male	15	0	0	15	100	15	0	0	15	100
Female	1	0	0	1	100	1	0	0	1	100
<b>Non-permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>WORKERS</b>										
<b>Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Non-permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)*	1	15,00,000	-	-
KMP (other than BoD)	1	5,00,000	1	3,00,000
Employees other than BOD & KMP	13	49,465	-	-
Workers	-	-	-	-

\*Note: Only remuneration paid to Whole-Time Director considered.

b. Gross wages paid to females as % of total wages paid by entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	8.70%	8.82%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Our company places a high priority on safeguarding human rights, and we've put in place a strong governance structure to make sure that all of our activities adhere to the necessary procedures, guidelines, and monitoring systems. We also don't discriminate against anyone based on their race, caste, gender, religion, color, nationality, disability, or any other characteristic. Instead, we employ a merit-based strategy to hiring and give everyone the same opportunities based on their skills and abilities.

**6. Number of complaints on the following made by employees**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

**7. Complaints filed under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total complaints reported under Sexual Harassment on of Women (Prevention, Prohibition and Redressal) Act, 2013, (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

Our company places a strong emphasis on human rights protection and operates under strict governance policies and monitoring systems to ensure compliance. Our Code of Conduct establishes procedures to guarantee adherence to human rights, and our Whistle Blower Policy/Vigil Mechanism creates an avenue for reporting human rights violations within our organization. Additionally, we have developed and put into effect an anti-sexual harassment policy and have a strict stance against any form of sexual harassment in the workplace. The Company's policies protect employees against unfair practices like retaliation, threat or intimidation.

**9. Do human rights requirements form part of your business agreements and contracts?**

Yes - Human Rights requirements form part of Business contracts, where applicable.

**10. Assessments for the year:**

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced/ involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

NA

## Leadership Indicators

### 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All of our corporate offices feature such as wheelchair ramps, braille signage and wheelchair inclusive elevators that are accessible from the parking lot, facilitating friendly access to our differently abled employees and visitors. Also, our registered and corporate offices have restrooms that are designated for that purpose.

## Principle 6

### BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

#### Essential Indicators

#### 1. Details of total energy consumption (in Terajoules) and energy intensity in the following format:

Parameter	FY 2023-24 (Current Financial Year) KWH	FY 2022-23 (Previous Financial Year) KWH
<b>From Renewable sources</b>		
Total electricity consumption (A)	-	-
Total Fuel Consumption (B)	-	-
Energy consumption through other sources (C)	8,71,388	-
<b>Total energy consumption from renewable sources ( A+B+C)</b>	8,71,388	-
<b>From non- renewable sources</b>		
Total electricity consumption (D)	27,30,366	32,68,584
Total Fuel consumption (E)	12,355	-
Energy consumption through other sources (F)	-	-
<b>Total energy consumption from non- renewable sources ( D+E+F)</b>	27,42,721	32,68,584
<b>Total energy consumed (A+B+C+D+E+F)</b>	36,14,109	32,68,584
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ Revenue from operations)	0.0108053073	0.0080226154
<b>*Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/ Revenue from operations adjusted for PPP)	0.24203888	0.179706584
<b>Energy intensity in terms of physical output</b>	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

\*Purchasing Power Parity (PPP) factor is the PPP rate of 22.4 for India which is published by the International Monetary Fund (IMF) as per the 2024 update.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	9,188	7,664
(ii) Ground Water	-	-
(iii) Third Party Water	15,913	45
(iv) Seawater/Desalinated Water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)</b>	<b>25,101</b>	<b>7,709</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>-</b>	<b>-</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption/ Revenue from operations)		
<b>Water intensity per rupee of turnover adjusted from Purchasing Power Parity (PPP)</b> (Total water consumption /Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical output</b>		
<b>Water intensity ratio (optional)</b> – the relevant matric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharged by destination and level of treatment (in Kiloliters)</b>		
(i) To surface water		
– No treatment	-	-
– With Treatment – please specify level of treatment	-	-
(ii) To groundwater		
– No treatment	-	-
– With Treatment – please specify level of treatment	-	-
(iii) To seawater		
– No treatment	-	-
– With Treatment – please specify level of treatment	-	-
(iv) Sent to third- parties		
– No treatment	-	-
– With Treatment – please specify level of treatment	-	-
(v) Others		
– No treatment	-	-
– With Treatment – please specify level of treatment	-	-
<b>Total water discharged (in Kiloliters)</b>	<b>-</b>	<b>-</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency



5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

NA

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	-	-*	-*
SOx	-	-*	-*
Particulate matter (PM)	-	-*	-*
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)	-	-*	-*
Hazardous air pollutants (HAP)	-	-*	-*
Others – please specify	-	-*	-*

\*The company does not emit any of the above-mentioned gases during the operations

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-*	-*
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	22,76,897	20,26,535
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total scope 1 and scope 2 GHG emissions/ Revenue from operations)		0.0068073685	0.0049740533
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted</b>		-	-
<b>For Purchasing Power Parity (PPP)</b> (Total scope 1 and scope 2 GHG emissions/ Revenue from operations adjusted for PPP)		-	-
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> -The relevant matrix may be selected by the entity		-	-

\*The company does not have any data related to Scope 1, as spending is done from DNEG India Media Services Limited (subsidiary of Prime Focus Limited).

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No

## 9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total waste generated (in metric tonnes) *</b>		
Plastic waste (A)	-	-
E-Waste (B)	-	-
Bio-Medical Waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery Waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by material relevant to the sector)	-	-
<b>Total (A+B+C+D+E+F+G+H)</b>	-	-
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	-	-
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	-	-
<b>Waste intensity in terms of physical outputs</b>	-	-
Waste intensity (optional)- the relevant metric may be selected by entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	-	-
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	-	-

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency

\* We employ efficient waste management techniques to handle the waste produced at our facilities. Our waste disposal system is comprehensive and involves partnering with authorized e-waste dealers to recycle all electronic waste. We also ensure that paper waste generated in our offices is sent to approved recycling organizations. Moreover, we actively participate in initiatives aimed at managing biodegradable waste effectively.

## 10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

NA

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

NA

### Principle 7

#### **BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

##### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Yes, Prime Focus is a member of 4 associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1	Service Export Promotion Council for Software	National
2	Indian Motion Picture Producers Association	National
3	Industrial Entrepreneurs Memorandum (IEM)	National
4	Association of Motion Picture Studios	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

None

##### Leadership Indicators

1. Details of public policy positions advocated by the Company

Being a part of these associations, we actively participate in advancing and expanding the broadcasting industry worldwide by generating, coordinating, and distributing knowledge and information. This encompasses activities such as technology briefings, networking events, frequent news bulletins, and provision of market intelligence.

### Principle 8

#### **BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

##### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

NA

### 3. Describe the mechanisms to receive and redress grievances of the community.

To receive and redress grievances of the community, we have a designated person, "Parina Shah" who is the Company Secretary and Compliance Officer, and all complaints are received over the email id [ir.india@primefocus.com](mailto:ir.india@primefocus.com) and all the received grievances are resolved anonymously and internally.

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

Not applicable. Input material is not relevant as the Company is into media-based sector.

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	-	-

(place to be categorized as per RBI Classification System- rural/ semi-urban/urban/metropolitan)

## Principle 9

### BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

#### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Although we do not have a formal system in place for conducting consumer surveys, we do make a concerted effort to solicit feedback from our clients after each engagement. Our endeavors have resulted in several instances of informal but positive feedback.

#### 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable to our products and services
Safe and responsible usage	
Recycling and/or safe disposal	

#### 3. Number of consumer complaints:

No formal complaints were received by the Company.

#### 4. Details of instances of product recalls on accounts of safety issues

NA

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

PFL has implemented a proactive risk-mitigation program as well as a response plan to ensure quick adaptation in case of any incidents. This program guarantees that the network undergoes regular patching and backup procedures, and the incident response plan is developed and updated at frequent intervals. In addition, the company conducts phishing campaigns to educate employees on cyber risks and common security threats, in order to decrease the likelihood of employee breaches. A comprehensive policy for the use of personal devices at work has also been established. The Company remains committed to safeguarding its sensitive data and enhancing controls on a continual basis [http://www.primefocus.com/sites/default/files/pdf/2021\\_22/PFL\\_Risk\\_Management\\_Policy.pdf](http://www.primefocus.com/sites/default/files/pdf/2021_22/PFL_Risk_Management_Policy.pdf)

#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

We are aware that ethical business practices assure responsible advertising and marketing. We make sure that our advertisements are not misleading. No penalties or regulatory actions have been received with regard to the parameters mentioned above.

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches: Nil
- b. Percentage of data breaches involving personally identified information of customers: Nil
- c. Impact, if any, of the data breached: Nil

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the Company can be accessed**

<http://www.primefocus.com/>

**4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of the entity or the entity as a whole? (Yes / No)**

Yes, the "Ethics Management Policy" sets forth a procedure for presenting information factually and honestly disclosing our services to clients. The "Fair Business Practices" section of this policy provides a clear framework for our ethical approach to advertising, promotions, fair competition, and earning customers through the quality of our services.

While we do not possess a formal consumer survey system, we do gather feedback from our clients upon completion of engagements. Our services have resulted in several instances of informal, favorable feedback from clients. We have been recommended and reappointed for multiple assignments by our existing clients, which we consider to be a testament to their satisfaction with our work.

# STANDALONE FINANCIAL STATEMENTS

# Independent Auditor's Report

To the Members of Prime Focus Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **Prime Focus Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 standalone financial statements, including material accounting policy information 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements 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 ("ICAI") 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone 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 that there are no key audit matters to communicate in our report.

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report and Management Discussion and Analysis 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 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 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 statement 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### Other Matter

The standalone financial statements of the Company for the year ended March 31, 2023, were audited by predecessor auditor whose report dated May 30, 2023, expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(g)(vi) below on reporting under Rule 11(g).

- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.



- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level throughout the year ended March 31, 2024, to log any direct data changes.

Further to above, and in the absence of application security logs within the accounting software, we are unable to comment whether the audit trail feature has been operated throughout the year for all relevant transactions recorded in the accounting software during the year ended March 31, 2024.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

- 3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **MSK A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Nitin Tiwari**  
Partner  
Membership No.: 118894  
UDIN: 24118894BKGQHP5906

Place: Mumbai  
Date: May 30, 2024

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRIME FOCUS LIMITED

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director'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.

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 for the year ended March 31, 2024, 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.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Nitin Tiwari**  
Partner  
Membership No.: 118894  
UDIN: 24118894BKGQHP5906

Place: Mumbai  
Date: May 30, 2024

**ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRIME FOCUS LIMITED FOR THE YEAR ENDED MARCH 31, 2024.**

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.

- iii. (a) According to the information explanation provided to us, the Company has provided loans, stood guarantee, and provided securities to other entities.
- (A) The details of such loans, guarantee and securities to subsidiaries are as follows:

Amounts in crores

	Guarantees*	Securities*	Loans
Aggregate amount granted/ provided during the year			
- Subsidiaries	-	-	15.38
Balance Outstanding (including interest accrued thereon) as at balance sheet date in respect of above cases	34.97	34.97	393.60
- Subsidiaries			

\* Restricted to borrowings of subsidiaries remained outstanding as at March 31, 2024.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.
- (c) The loans and advances in the nature of loan are repayable on demand. During the year, the Company has not demanded such loans or interest. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans are repayable on demand and the Company has not demanded such loans.
- (e) According to the information explanation provided to us, the loans granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information explanation provided to us, the Company has granted loans repayable on demand. The details of the same are as follows:

Amount in crores

	Related Parties
Aggregate amount of loans	
- Repayable on demand (A)	15.38
- Agreement does not specify any terms or period of repayment (B)	-
Total (A+B)	15.38
Percentage of loans to the total loans	3.91

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employee's state insurance, income-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases. The Company's operations did not give rise to any liability for sales tax, service tax, duty of excise and value added tax.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employee's state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2024, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (Amount in crores)	Amount Paid Rs.	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax Dues (including Interest and Penalty)	5.24	-	AY 2017-18	Commissioner of Income-tax (Appeals)	-

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender except in the following cases, details of which are as follows:

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date (Amount in crores)	Whether principal or interest	No. of Days delay or unpaid	Remarks, if any
Term Loans	Others – One party	20	Interest	1,095	Remained unpaid till audit report date
		20	Interest	730	
		20	Interest	365	

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.

- (d) According to the information and explanation provided to us, there are no funds raised on short term basis or there are no funds raised during the year. Accordingly, the provision stated under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistleblower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditors.

- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 39 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Nitin Tiwari**  
Partner

Place: Mumbai  
Date: May 30, 2024

Membership No.: 118894  
UDIN: 24118894BKGQHP5906

## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRIME FOCUS LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Prime Focus Limited on the Financial Statements for the year ended March 31, 2024]

### 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 with reference to standalone financial statements of Prime Focus Limited ("the Company") in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Opinion

In our opinion, the Company, in all material respects, has an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI).

#### Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with 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. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial

controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 standalone financial statements.

#### Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Nitin Tiwari**  
Partner

Membership No.: 118894  
UDIN: 24118894BKGQHP5906

Place: Mumbai  
Date: May 30, 2024

# Standalone Balance Sheet

as at March 31, 2024

	Notes	As at March 31, 2024	As at March 31, 2023
₹ Crores			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4 (a)	114.51	118.16
Capital work in progress	4 (b)	-	10.56
Intangible assets	5	0.04	0.11
Right to use assets	6	166.28	181.67
Financial assets			
(i) Investments	7	1,040.06	1,035.92
(ii) Other financial assets	8	1.66	1.86
Income tax assets (net)		32.68	37.67
Other non-current assets	9	0.11	0.01
<b>Total non-current assets</b>		<b>1,355.34</b>	<b>1,385.96</b>
<b>Current assets</b>			
Financial assets			
(i) Investments	10	150.64	130.73
(ii) Trade receivables	11	5.42	1.07
(iii) Cash and cash equivalents	12 (a)	0.39	1.19
(iv) Other bank balances	12 (b)	0.08	0.06
(v) Loans	13	393.60	355.65
(vi) Other financial assets	14	1.41	4.30
Other current assets	15	2.37	2.00
<b>Total current assets</b>		<b>553.91</b>	<b>495.00</b>
<b>Total assets</b>		<b>1,909.25</b>	<b>1,880.96</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	16	29.98	29.95
Other equity	17	1,538.89	1,537.61
<b>Total equity</b>		<b>1,568.87</b>	<b>1,567.56</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	18	200.00	200.00
(ii) Lease liabilities		0.90	0.44
(iii) Other financial liabilities	19	25.54	30.51
Deferred tax liabilities (net)	31 (e)	10.29	10.55
Provisions	20	0.68	1.06
<b>Total non-current liabilities</b>		<b>237.41</b>	<b>242.56</b>



	Notes	As at March 31, 2024	As at March 31, 2023
₹ Crores			
<b>Current liabilities</b>			
Financial liabilities			
(i) Lease liabilities		0.51	0.66
(ii) Trade payables			
Due to micro enterprises and small enterprises *	21	0.00	-
Due to others	21	20.77	8.83
(iii) Other financial liabilities	22	80.11	59.92
Provisions	23	0.32	0.31
Other current liabilities	24	1.26	1.12
<b>Total current liabilities</b>		<b>102.97</b>	<b>70.84</b>
<b>Total liabilities</b>		<b>340.38</b>	<b>313.40</b>
<b>Total equity and liabilities</b>		<b>1,909.25</b>	<b>1,880.96</b>
See accompanying notes to the standalone financial statements	1 to 44		

\* The value 0.00 means amounts is below ₹ 50,000/-

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

Place : Mumbai

Date : May 30, 2024

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Nishant Avinash Fadia**

Chief Financial Officer

Place : Mumbai

Date : May 30, 2024

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Parina Nirav Shah**

Company Secretary

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
₹ Crores			
<b>Income</b>			
Revenue from operations	25	33.45	40.74
Other income	26	50.26	40.63
<b>Total income</b>		<b>83.71</b>	<b>81.37</b>
<b>Expenses</b>			
Employee benefits expense	27	4.04	4.20
Employee stock option expense	34	-	9.38
Technical service cost		0.01	6.44
Finance cost	28	23.37	23.95
Depreciation and amortisation expense	4 to 6	30.49	32.64
Other expenses	29	26.40	18.57
Exchange loss (net)		-	0.11
<b>Total expenses</b>		<b>84.31</b>	<b>95.29</b>
<b>Loss before tax</b>		<b>(0.60)</b>	<b>(13.92)</b>
<b>Tax expense</b>	30		
Current tax		-	-
Deferred tax		(0.27)	10.55
<b>Total tax expense</b>		<b>(0.27)</b>	<b>10.55</b>
<b>Loss for the year</b>		<b>(0.33)</b>	<b>(24.47)</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans		0.03	0.14
Income tax relating to the above		(0.01)	-
<b>Total Other Comprehensive Income</b>		<b>0.02</b>	<b>0.14</b>
<b>Total Comprehensive Loss for the year</b>		<b>(0.31)</b>	<b>(24.33)</b>

		₹ Crores	
	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Earnings per equity share	31		
[Nominal value per share: ₹1]			
Basic (₹)		(0.01)	(0.82)
Diluted (₹)		(0.01)	(0.82)
See accompanying notes to the standalone financial statements	1 to 44		

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

Place : Mumbai

Date : May 30, 2024

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Nishant Avinash Fadia**

Chief Financial Officer

Place : Mumbai

Date : May 30, 2024

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Parina Nirav Shah**

Company Secretary

# Standalone Statement of Changes in Equity

 for the year ended March 31, 2024

## A. Equity Share Capital

	₹ Crores
	Total
<b>As at March 31, 2022</b>	<b>29.95</b>
Changes in Equity Share Capital during the year	-
<b>As at March 31, 2023</b>	<b>29.95</b>
Changes in Equity Share Capital during the year (Refer note 34) *	0.03
<b>As at March 31, 2024</b>	<b>29.98</b>

\* Issued, Subscribed and Paid up as at March 31, 2024 is amounting to ₹ 29,98,48,644 (March 31, 2023 ₹ 29,95,36,644) after addition of ₹ 3,12,000 during the year.

## B. Other Equity

	Reserves and Surplus					₹ Crores
	Capital Reserve	General Reserve	Securities Premium	Share Options Outstanding Account	Retained Earnings	Total
<b>Balance as at March 31, 2022</b>	<b>134.27</b>	<b>61.09</b>	<b>768.04</b>	<b>71.06</b>	<b>518.10</b>	<b>1,552.56</b>
Loss for the year (net of tax)	-	-	-	-	(24.47)	<b>(24.47)</b>
Movement during the year	-	-	-	9.38	-	<b>9.38</b>
Other comprehensive income for the year (net of tax)	-	-	-	-	0.14	<b>0.14</b>
<b>Balance as at March 31, 2023</b>	<b>134.27</b>	<b>61.09</b>	<b>768.04</b>	<b>80.44</b>	<b>493.77</b>	<b>1,537.61</b>
Loss for the year (net of tax)	-	-	-	-	(0.33)	<b>(0.33)</b>
Exercise of stock options (Refer no 34)	-	-	1.59	(1.71)	1.71	<b>1.59</b>
Other comprehensive income for the year (net of tax)	-	-	-	-	0.02	<b>0.02</b>
<b>Balance as at March 31, 2024</b>	<b>134.27</b>	<b>61.09</b>	<b>769.63</b>	<b>78.73</b>	<b>495.17</b>	<b>1,538.89</b>

See accompanying notes to the financial statements

1 to 44

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Standalone Cash Flow Statement for the year ended March 31, 2024

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(0.60)	(13.92)
Adjustments to reconcile profits for the year to net Cash generated from Operating Activities:		
Depreciation and amortisation expense	30.49	32.64
Employee stock option expense	-	9.38
Loss on sale of Property, Plant and Equipment (net)*	0.00	-
Property, Plant and Equipment written-off	0.03	-
Gain on investment (net)	(9.91)	(1.85)
Provision for doubtful debts/ advances (net)	1.88	0.27
Liabilities no longer payable written-back	(0.77)	(0.33)
Interest income	(39.37)	(38.44)
Finance cost	23.37	23.95
<b>Operating profit before working capital changes</b>	<b>5.12</b>	<b>11.70</b>
<b>Changes in working capital:</b>		
(Increase)/ Decrease in trade receivables	(4.35)	1.98
(Increase)/ Decrease in financial assets	1.23	(0.72)
(Increase)/ Decrease in other assets	(0.39)	93.47
Increase in trade payables	6.93	0.76
(Decrease)/ Increase in provisions	(0.35)	0.05
Increase / (Decrease) in financial liabilities and other liabilities	0.01	(97.23)
<b>Cash Generated from Operations</b>	<b>8.20</b>	<b>10.01</b>
Direct taxes refund / (paid) (net)	6.01	(8.12)
<b>Net cash flow generated from operating activities (A)</b>	<b>14.20</b>	<b>1.89</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment and other intangible assets (including capital work in progress)	(0.12)	(0.55)
Proceeds from sale of Property, Plant and Equipment	0.31	-
Consideration received towards sale of business	-	474.40
Purchase of non-current investments	(4.15)	(399.88)
Purchase of mutual funds (net)	(10.00)	(129.21)
Proceeds from sale of non-current investments	0.01	46.10
Loans to subsidiaries (given) / repaid (net)	(1.88)	33.75
Investments in bank deposits (net)	(0.02)	-
Dividends received*	-	0.00
Interest received	2.21	6.35
<b>Net cash flow (used in) / generated from investing activities (B)</b>	<b>(13.64)</b>	<b>30.97</b>

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	-	(30.95)
Proceeds from fresh issue of equity share capital	1.62	-
Principal repayment of lease liabilities	(0.83)	(4.25)
Interest payment on lease liabilities	(0.15)	(0.36)
Finance costs paid	(2.01)	(2.82)
<b>Net cash (used in) financing activities (C)</b>	<b>(1.37)</b>	<b>(38.38)</b>
<b>Net (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.80)</b>	<b>(5.52)</b>
Cash and cash equivalents at the beginning of the year	1.19	6.70
<b>Cash and cash equivalent at end of year (Refer note 12 (a))</b>	<b>0.39</b>	<b>1.19</b>

\*The value 0.00 means amounts is below ₹ 50,000/-

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".
- Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital work-in-progress of property, plant and equipment.
- Disclosure as required by Ind AS 7 - "Cash Flow Statements" - Changes in liabilities arising from financing activities:

	₹ Crores			
	Year ended March 31, 2023	Cash flow	Non Cash movement	Year ended March 31, 2024
Borrowing (Refer note 18)	200.00	-	-	200.00
See accompanying notes to the financial statements		1 to 44		

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Notes to the Financial Statements for the year ended March 31, 2024

## 1. General information

Prime Focus Limited (the 'Company') is a public limited company incorporated and domiciled in India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is Prime Focus House, Linking Road, Khar (West) – Mumbai – 400 052, Maharashtra, India.

The Company is engaged in the business of post-production activities including digital intermediate and other technical & creative services to the Media and Entertainment industry.

## 2. Material accounting policies

### 2.1 Statement of compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') including the Rules notified under the relevant provisions of Companies Act, 2013.

### 2.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

The Company's standalone financial statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest crore.

### 2.3 Use of Estimates:

The preparation of standalone financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

### 2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

The Company derives revenues from fixed price contracts, property rental income and management service. The revenue recognised on these contracts is recognised on completion of delivery of the services.

Dividend and interest Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there is billing in excess of revenue.

# Notes to the Financial Statements for the year ended March 31, 2024

## 2.5 Other income

Dividend income from investments is recognised when accounted for in the shareholder's period in which the right to receive payment has been the same is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 2.6 Leasing

### 2.6.1 The Company as lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the right-to-use asset arising from the head-lease.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

### 2.6.2 The Company as lessee

The Company enters into an arrangement for lease of buildings, plant and machinery including computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) Control the use of an identified asset,
- b) Obtain substantially all the economic benefits from use of the identified asset, and
- c) Direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-to-Use asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether a right-to-use asset is impaired and accounts for any identified impairment loss.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.



# Notes to the Financial Statements for the year ended March 31, 2024

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the cash flow statement.

## 2.7 Foreign currencies

In preparing the standalone financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

## 2.8 Employee benefits

### 2.8.1 Retirement benefit costs and termination benefits

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

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit

or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

A liability for termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

### 2.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## 2.9 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in refer note 34.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any,

## Notes to the Financial Statements for the year ended March 31, 2024

is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### 2.10 Taxation

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### 2.10.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### 2.10.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates (and tax laws) that have

been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### 2.11 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. PPE not ready for intended use on the date of balance sheet are disclosed as "capital work-in-progress".

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost of Leasehold improvements and Leasehold building is amortised over a period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

# Notes to the Financial Statements for the year ended March 31, 2024

## 2.12 Intangible assets

### 2.12.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately are carried at cost less accumulated impairment losses.

### 2.12.2 Useful lives of intangible assets

Software is amortised on straight line basis over the estimated useful life of up to six years.

### 2.12.3 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

## 2.13 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal 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 market assessments of the time value of

money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## 2.13 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

## 2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value

# Notes to the Financial Statements for the year ended March 31, 2024

through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 2.15 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### 2.15.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### 2.15.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### 2.15.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to

# Notes to the Financial Statements for the year ended March 31, 2024

improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

## 2.15.5 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss on disposal of that financial asset.

## 2.15.6 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period and the exchange differences are recognised in profit or loss.

## 2.15.7 Investments in subsidiaries

The Company has elected to recognise its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statement'.

## 2.16 Financial liabilities and equity instruments

### 2.16.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

### 2.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 2.16.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

#### 2.16.3.1 Financial liabilities subsequently measured at amortised cost

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

# Notes to the Financial Statements for the year ended March 31, 2024

## 2.16.3.2 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## 2.16.3.3 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

## 2.16.3.4 De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## 2.17 Offsetting

Financial assets and financial liabilities are off set and the net amount is presented when and only when, the Company has legally enforceable right to set off the amount it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## 2.18 Cash and Cash equivalents

The Company's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current financial liabilities.

## 2.19 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

## 2.20 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effect of all dilutive potential ordinary shares, which includes all stock options granted to employees.

## 2.21 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

# Notes to the Financial Statements for the year ended March 31, 2024

## 2.22 Recent accounting standards pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3.1 Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent best estimate of the tax charge that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit and Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit, including for transactions expected to be consummated during the current year. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

The Company has losses and other timing differences for which no deferred tax asset has been recognised in these standalone financial statements. This situation can arise where the future economic benefit of these timing differences is estimated to be not probable. It can also arise where the timing differences are of such a nature that their value is dependent on only certain types of profit being earned, such as capital profits. If trading or other appropriate profits are earned in future, these losses and other timing differences may yield benefit to the Company in the form of a reduced tax charge.

### 3.2 Depreciation and useful lives of property, plant and equipment and intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortized over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortization for future periods is adjusted if there are significant changes from previous estimates.

### 3.3 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

### 3.4 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

## Notes to the Financial Statements for the year ended March 31, 2024

### 3.5 Fair value measurements and valuation process

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Further, the Company has used valuation experts for the purpose of ascertaining fair value for certain assets and liabilities. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent that it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

### 3.6 Defined benefit obligations

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 "Employee benefits" over the period during which benefits is derived from the employees' services and is determined based on valuation carried out by independent actuary. The costs are

determined based on assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to change in these assumptions.

### 3.7 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right-to-use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.



# Notes to the Financial Statements for the year ended March 31, 2024

## 4 (a) Property, Plant and Equipments

							₹ Crores
Description of assets	Buildings	Plant and equipment	Furniture and fixtures	Leasehold improvement	Office equipments	Vehicles	Total
<b>Gross block</b>							
Balance as at March 31, 2022	131.64	2.44	4.34	1.00	1.77	0.95	142.14
Additions	-	-	-	-	0.01	-	0.01
Deduction	-	-	-	-	-	-	-
Adjustment #	-	5.57	-	-	-	1.96	7.53
<b>As at March 31, 2023</b>	<b>131.64</b>	<b>8.01</b>	<b>4.34</b>	<b>1.00</b>	<b>1.78</b>	<b>2.91</b>	<b>149.68</b>
<b>Accumulated depreciation</b>							
Balance as at March 31, 2022	15.64	1.56	2.53	0.69	0.77	0.58	21.77
Depreciation for the year	2.34	0.53	0.90	0.24	0.25	0.11	4.37
Deduction	-	-	-	-	-	-	-
Adjustment #	-	4.06	-	-	-	1.32	5.38
<b>As at March 31, 2023</b>	<b>17.98</b>	<b>6.15</b>	<b>3.43</b>	<b>0.93</b>	<b>1.02</b>	<b>2.01</b>	<b>31.52</b>
<b>Net block (I-II)</b>							
<b>As at March 31, 2023</b>	<b>113.66</b>	<b>1.86</b>	<b>0.91</b>	<b>0.07</b>	<b>0.76</b>	<b>0.90</b>	<b>118.16</b>
							₹ Crores
Description of assets	Buildings	Plant and equipment	Furniture and fixtures	Leasehold improvement	Office equipments	Vehicles	Total
<b>Gross block</b>							
Balance as at March 31, 2023	131.64	8.01	4.34	1.00	1.78	2.91	149.68
Additions	-	0.01	1.03	-	0.08	-	1.12
Deduction	-	(1.26)	-	-	(0.34)	(1.80)	(3.40)
Adjustment #	-	0.10	-	-	-	-	0.10
<b>As at March 31, 2024</b>	<b>131.64</b>	<b>6.86</b>	<b>5.37</b>	<b>1.00</b>	<b>1.52</b>	<b>1.11</b>	<b>147.50</b>
<b>Accumulated depreciation</b>							
Balance as at March 31, 2023	17.98	6.15	3.43	0.93	1.02	2.01	31.52
Depreciation for the year	2.34	1.27	0.27	0.02	0.22	0.31	4.43
Deduction	-	(1.26)	-	-	(0.33)	(1.47)	(3.06)
Adjustment #	-	0.10	-	-	-	-	0.10
<b>As at March 31, 2024</b>	<b>20.32</b>	<b>6.26</b>	<b>3.70</b>	<b>0.95</b>	<b>0.91</b>	<b>0.83</b>	<b>32.99</b>
<b>Net block (I-II)</b>							
<b>As at March 31, 2024</b>	<b>111.32</b>	<b>0.60</b>	<b>1.67</b>	<b>0.05</b>	<b>0.61</b>	<b>0.28</b>	<b>114.51</b>

Notes:

- The Company holds all the title deeds of immovable property and there are no immovable property which are not being held in the name of the Company during current year and previous year.
  - Immovable properties of the Company are collateralised against the borrowings availed by the subsidiary.
- # Adjustment is on account of completion of lease term and assets getting transferred as owned assets.

## 4 (b). Capital work in progress (CWIP) ageing schedule:

					₹ Crores
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2024	-	-	-	-	-
As at March 31, 2023	-	0.12	-	10.44	10.56

## Notes to the Financial Statements for the year ended March 31, 2024

### 5. Intangible Assets

				₹ Crores
Description of assets	Goodwill	Film rights	Computer software	Total
<b>Gross block</b>				
Balance as at March 31, 2022	0.53	3.00	3.01	6.54
Additions	-	-	-	-
Deduction	-	-	-	-
Adjustment #	-	-	0.60	0.60
<b>As at March 31, 2023</b>	<b>0.53</b>	<b>3.00</b>	<b>3.61</b>	<b>7.14</b>
<b>Accumulated amortisation</b>				
Balance as at March 31, 2022	0.53	3.00	2.93	6.46
Amortisation for the year	-	-	0.04	0.04
Deduction	-	-	-	-
Adjustment #	-	-	0.53	0.53
<b>As at March 31, 2023</b>	<b>0.53</b>	<b>3.00</b>	<b>3.50</b>	<b>7.03</b>
<b>Net block (I-II)</b>				
<b>As at March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>0.11</b>	<b>0.11</b>
Description of assets	Goodwill	Film rights	Computer software	Total
<b>Gross block</b>				
Balance as at March 31, 2023	0.53	3.00	3.61	7.14
Additions	-	-	-	-
Deduction	(0.53)	(3.00)	(2.16)	(5.69)
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>1.45</b>	<b>1.45</b>
<b>Accumulated amortisation</b>				
Balance as at March 31, 2023	0.53	3.00	3.50	7.03
Amortisation for the year	-	-	0.07	0.07
Deduction	(0.53)	(3.00)	(2.16)	(5.69)
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>1.40</b>	<b>1.40</b>
<b>Net block (I-II)</b>				
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>0.04</b>	<b>0.04</b>

# Adjustment is on account of completion of lease term and assets getting transferred as owned assets.

# Notes to the Financial Statements for the year ended March 31, 2024

## 6. Right to Use Assets

	₹ Crores						
Description of assets	Studio	Premises	Building	Plant and equipment	Vehicles	Software	Total
<b>Gross block</b>							
Balance as at March 31, 2022	185.45	7.78	112.20	7.32	1.96	0.60	315.31
Additions	-	0.46	-	-	0.07	-	0.53
Deduction	-	-	-	-	-	-	-
Adjustment #	-	-	-	(5.57)	(1.96)	(0.60)	(8.13)
<b>As at March 31, 2023</b>	<b>185.45</b>	<b>8.24</b>	<b>112.20</b>	<b>1.75</b>	<b>0.07</b>	<b>-</b>	<b>307.71</b>
<b>Accumulated depreciation / amortisation</b>							
Balance as at March 31, 2022	67.92	6.30	24.07	3.92	1.08	0.43	103.72
Depreciation / amortisation for the year	21.60	1.46	3.44	1.38	0.25	0.10	28.23
Deduction	-	-	-	-	-	-	-
Adjustment #	-	-	-	(4.06)	(1.32)	(0.53)	(5.91)
<b>As at March 31, 2023</b>	<b>89.52</b>	<b>7.76</b>	<b>27.51</b>	<b>1.24</b>	<b>0.01</b>	<b>-</b>	<b>126.04</b>
<b>Net block (I-II)</b>							
<b>As at March 31, 2023</b>	<b>95.93</b>	<b>0.48</b>	<b>84.69</b>	<b>0.51</b>	<b>0.06</b>	<b>-</b>	<b>181.67</b>
Description of assets	Studio	Premises	Building	Plant and equipment	Vehicles	Software	Total
<b>Gross block</b>							
Balance as at March 31, 2023	185.45	8.24	112.20	1.75	0.07	-	307.71
Additions	-	9.47	1.04	-	0.10	-	10.61
Deduction	-	-	(7.78)	-	-	-	(7.78)
Adjustment #	-	-	-	(0.10)	-	-	(0.10)
<b>As at March 31, 2024</b>	<b>185.45</b>	<b>17.71</b>	<b>105.46</b>	<b>1.65</b>	<b>0.17</b>	<b>-</b>	<b>310.44</b>
<b>Accumulated depreciation / amortisation</b>							
Balance as at March 31, 2023	89.52	7.76	27.51	1.24	0.01	-	126.04
Depreciation / amortisation for the year	21.61	3.66	0.37	0.32	0.03	-	25.99
Deduction	-	-	(7.78)	-	-	-	(7.78)
Adjustment #	-	-	-	(0.09)	-	-	(0.09)
<b>As at March 31, 2024</b>	<b>111.13</b>	<b>11.42</b>	<b>20.10</b>	<b>1.47</b>	<b>0.04</b>	<b>-</b>	<b>144.16</b>
<b>Net block (I-II)</b>							
<b>As at March 31, 2024</b>	<b>74.33</b>	<b>6.29</b>	<b>85.35</b>	<b>0.18</b>	<b>0.13</b>	<b>-</b>	<b>166.28</b>

# Adjustment is on account of completion of lease term and assets getting transferred as owned assets.

# Notes to the Financial Statements for the year ended March 31, 2024

## 7. Investments

₹ Crores

	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
<b>Non Current</b>				
<b>In Equity Shares of Subsidiary Companies</b>				
<b>Unquoted, fully paid up (at cost)</b>				
Prime Focus Technologies Limited of ₹ 10/- each (Refer note (c) below)	16,01,466	33.46	16,01,466	33.46
Prime Focus Production Services Private Limited of ₹ 10/- each	9,999	0.01	9,999	0.01
Prime Focus Motion Pictures Limited of ₹ 10/- each	50,000	0.05	50,000	0.05
GVS Software Private Limited of ₹ 10/- each	10,000	0.01	10,000	0.01
PF Investments Limited of \$ 1/- each	43,000	0.22	43,000	0.22
PF World Limited of \$ 1/- each (Refer note (c) below)	1,06,000	209.00	1,06,000	209.00
PF Overseas Limited of \$ 1/- each	13	8.26	13	8.26
Lowry Digital Imaging Services Inc. of \$ 1/- each (Refer note (a) below)	100	-	100	-
<b>In Preference Shares of Subsidiary Companies</b>				
<b>Unquoted, fully paid up (at cost)</b>				
GVS Software Private Limited	2,65,000	26.50	2,65,000	26.50
Redeemable Convertible Preference Shares of ₹ 10/- each				
PF World Limited	6,15,51,973	412.54	6,15,51,973	412.54
12% Optionally Convertible Preference Shares of \$ 1/- each				
PF Overseas Limited	4,24,39,384	350.00	4,19,39,384	345.85
12% Optionally Convertible Preference Shares of \$ 1/- each				
<b>In Membership Share in LLP, Unquoted (at cost)</b>				
Jam8 Prime Focus LLP	-	0.01	-	0.01
		<b>1,040.06</b>		<b>1,035.91</b>
<b>Unquoted equity instruments - fully paid up (at FVTPL)</b>				
<b>Other Investment:</b>				
The Shamrao Vithal Co-operative Bank of ₹ 25/- each #	-	-	4,000	0.01
Mainframe Premises Co-Operative Society of ₹ 10/- each *	350	0.00	350	0.00
		<b>0.00</b>		<b>0.01</b>
		<b>1,040.06</b>		<b>1,035.92</b>
Aggregate amount of unquoted Investments		1,040.06		1,035.92

Notes:-

- These investments form part of net assets acquired on slump sale basis vide business transfer agreement dated November 19, 2014, recorded at fair value ₹ Nil based on the valuation report obtained then.
- The list of investment in subsidiaries, along with proportion of ownership held and country of incorporation are disclosed in note 1.1 of Consolidated Financial Statements.
- Shares are pledged against the borrowings availed by the subsidiary.

# Investment sold during the year for ₹ 100,000/-

\*The value 0.00 means amount is below ₹ 50,000/-

# Notes to the Financial Statements for the year ended March 31, 2024

## 8. Other financial assets (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Security deposits	0.36	0.90
Bank deposits (Refer note (a) below)	1.30	0.96
	<b>1.66</b>	<b>1.86</b>

Note:

- a) Fixed deposits are provided as security against fund -based and non -fund based credit facilities and have maturity period of more than 12 months from balance sheet date.

## 9. Other assets (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Capital advances *	0.00	0.00
Prepaid expenses	0.11	0.01
	<b>0.11</b>	<b>0.01</b>

\* The value 0.00 means amount is below ₹ 50,000/-

## 10. Investments (Current)

	₹ Crores			
	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
<b>Quoted Mutual Funds</b>				
<b>At Fair Value through Profit or Loss</b>				
ICICI Prudential Liquid Mutual Fund - Growth	13,54,117	47.99	19,77,010	65.37
ICICI Prudential Equity Arbitrage Fund - Growth	86,94,767	27.34	-	-
HDFC Liquid Mutual Fund - Regular Plan - Growth	1,02,111	47.97	1,49,098	65.36
HDFC Arbitrage - Wholesale Plan - Growth	97,35,129	27.34	-	-
		<b>150.64</b>		<b>130.73</b>

# Notes to the Financial Statements for the year ended March 31, 2024

## 11. Trade Receivables

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Trade receivables (Refer note 35)	6.11	1.76
Less: Allowance for expected credit loss	(0.69)	(0.69)
<b>Total</b>	<b>5.42</b>	<b>1.07</b>
<b>The movement in allowance for bad and doubtful debts is as follows:</b>		
<b>Balance as at the beginning of the year</b>	0.69	1.02
Allowance no longer required written back	-	(0.33)
<b>Balance as at the end of the year</b>	<b>0.69</b>	<b>0.69</b>

### Trade receivables - ageing and other details

March 31, 2024	Undisputed trade receivables			Disputed trade receivables			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	5.17	-	-	-	-	-	5.17
6 months - 1 year	0.19	-	-	-	-	-	0.19
1 - 2 year	0.06	-	-	-	-	-	0.06
2 - 3 year	-	-	-	-	-	-	-
More than 3 years *	0.00	-	0.69	-	-	-	0.69
	5.42	-	0.69	-	-	-	6.11

\* The value 0.00 means amount is below ₹ 50,000/-

March 31, 2023	Undisputed trade receivables			Disputed trade receivables			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	0.73	-	-	-	-	-	0.73
6 months - 1 year	-	-	-	-	-	-	-
1 - 2 year	-	-	-	-	-	-	-
2 - 3 year	-	-	-	-	-	-	-
More than 3 years	0.34	-	0.69	-	-	-	1.03
	1.07	-	0.69	-	-	-	1.76

Note:

- The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

# Notes to the Financial Statements for the year ended March 31, 2024

## 12. Cash and Bank Balances

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>a. Cash and cash equivalents</b>		
Cash on hand*	0.00	-
Bank balances		
In current accounts	0.39	1.19
	<b>0.39</b>	<b>1.19</b>
<b>b. Other Bank balances</b>		
Deposits with original maturity of less than three months (Refer note (a) below)	0.08	0.06
	<b>0.08</b>	<b>0.06</b>

Note:

a) Fixed deposits with bank are provided as security against fund-based and non-fund based credit facilities.

\*The value 0.00 means amount is below ₹ 50,000/-

## 13. Loans (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Loans to subsidiaries (Refer note 35 (d)(i))	393.60	355.65
	<b>393.60</b>	<b>355.65</b>

### a. Amount of loan or advance in the nature of loan to subsidiary

	₹ Crores		
Name of the Company	As at March 31, 2024	Maximum outstanding balance during the year	% to the total
Prime Focus Technologies Limited	375.92	375.92	95.51%
Jam8 Prime Focus LLP	7.89	8.26	2.00%
Prime Focus Motion Pictures Limited	9.79	9.87	2.49%
	<b>393.60</b>		

	₹ Crores		
Name of the Company	As at March 31, 2023	Maximum outstanding balance during the year	% to the total
Prime Focus Technologies Limited	341.00	374.52	95.88%
Jam8 Prime Focus LLP	8.00	8.99	2.25%
Prime Focus Motion Pictures Limited	6.65	15.35	1.87%
	<b>355.65</b>		

Notes:

- Loans given to subsidiaries are considered as current as they are repayable on demand and management intends to receive the loan within the operating cycle.
- All the above loans carry interest in the range of @10.00% to 12.40% per annum (previous year @ 10.00% to 11.65% per annum)
- All loans are given for general corporate purpose.

## Notes to the Financial Statements for the year ended March 31, 2024

### 14. Other financial assets (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Advances to subsidiaries (Refer note 35 D (i) & (ii))	0.59	0.86
Interest accrued on bank deposits*	0.01	0.00
Unbilled revenue (Refer note 35 D (i) & (ii))	0.26	0.80
Security deposits		
Considered good	0.55	1.11
Doubtful	0.50	0.15
	1.05	1.26
Less: Allowance for doubtful receivables	(0.50)	(0.15)
	0.55	1.11
Inter corporate deposits		
Considered good	-	1.53
Doubtful	2.18	0.65
	2.18	2.18
Less: Allowance for doubtful deposits	(2.18)	(0.65)
	-	1.53
	1.41	4.30

\* The value 0.00 means amount is below ₹ 50,000/-

### 15. Other assets (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Other loans and advances (Refer note (a) below)	2.37	2.00
	2.37	2.00

Note:

- a. Other loans and advances includes prepaid expenses, loans and advances to employees and others, advances to suppliers and Goods and Services Tax (GST) receivable.



# Notes to the Financial Statements for the year ended March 31, 2024

## 16. Equity Share Capital

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Authorised:</b>		
85,00,00,000 Shares (Previous year 45,05,00,000 Shares) of ₹ 1/- each	85.00	45.05
<b>Issued, Subscribed and Paid up:</b>		
29,98,48,644 Shares (Previous year 29,95,36,644 Shares) of ₹ 1/- each	29.98	29.95
	<b>29.98</b>	<b>29.95</b>

### 16.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

#### Fully paid equity shares:

	₹ Crores			
	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Issued as at the beginning of the year	29,95,36,644	29.95	29,95,36,644	29.95
Additions during the year (Refer note 34)	3,12,000	0.03	-	-
<b>Issued as at the end of the year</b>	<b>29,98,48,644</b>	<b>29.98</b>	<b>29,95,36,644</b>	<b>29.95</b>

### 16.2 Shares reserved for issue under options

	As at March 31, 2024	As at March 31, 2023
Shares reserved for issue under options (Refer note 34) (nos)	1,69,63,068	1,72,75,068

### 16.3 Rights, preferences and restrictions attached to shares:

The Company has one class of equity shares having a par value of ₹ 1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

### 16.4 (a) Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2024

Promoter name	No of shares	% of total shares	% change during the year
A2R Holdings	13,59,72,232	45.35%	1.13%
Naresh Malhotra	5,86,75,296	19.57%	1.12%
Namit Malhotra	1,49,00,000	4.97%	-

### 16.4 (b) Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2023

Promoter name	No of shares	% of total shares	% change during the year
A2R Holdings	13,24,45,882	44.22%	-
Naresh Malhotra	6,22,01,646	20.77%	-
Namit Malhotra	1,49,00,000	4.97%	-

## Notes to the Financial Statements for the year ended March 31, 2024

### 16.4 (c) Details of shares held by each shareholder holding more than 5%

	As at March 31, 2024		As at March 31, 2023	
	Numbers	% of holding	Numbers	% of holding
A2R Holdings	13,59,72,232	45.35%	13,24,45,882	44.22%
Naresh Malhotra	5,86,75,296	19.57%	6,22,01,646	20.77%
Marina IV (Singapore) Pte. Limited	2,33,90,875	7.80%	2,33,90,875	7.81%
Augusta Investments I Pte. Limited	2,92,41,897	9.75%	2,92,41,817	9.76%

### 16.5 In the period of five years immediately preceding March 31, 2024 :

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil (previous year: Nil)

Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil (previous year: Nil)

Aggregate number and class of shares bought back - Nil (previous year: Nil)

## 17. Other Equity

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Securities premium reserve</b>		
As per last balance sheet	768.04	768.04
Add: Movement during the year	1.59	-
	<b>769.63</b>	<b>768.04</b>
<b>Capital reserve</b>		
As per last balance sheet	134.27	134.27
	<b>134.27</b>	<b>134.27</b>
<b>General reserve</b>		
As per last balance sheet	61.09	61.09
	<b>61.09</b>	<b>61.09</b>
<b>Retained earnings</b>		
As per last balance sheet	493.77	518.10
Add: Total Comprehensive Loss during the year	(0.31)	(24.33)
Add: Transfer from share option outstanding account	1.71	-
	<b>495.17</b>	<b>493.77</b>
<b>Share options outstanding account</b>		
As per last balance sheet	80.44	71.06
Add: Charge during the year (Refer note 34)	-	9.38
Less: Transfer to retained earnings on exercise of shares	(1.71)	-
	<b>78.73</b>	<b>80.44</b>
	<b>1,538.89</b>	<b>1,537.61</b>

**17.1** Security premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

**17.2** Capital reserve represents reserve created on acquisition of business and warrants application money forfeited.

# Notes to the Financial Statements for the year ended March 31, 2024

- 17.3** General reserve is created from time to time by transferring profits from retained earnings and can be utilised for the purposes such as dividend pay-out, bonus issue etc.
- 17.4** Retained earnings represents profit that the Company earned till date, less any transfers to general reserve and other distributions paid to the shareholders.
- 17.5** Share options outstanding account relates to the stock option granted by the Company to employees under the Employee Stock Option Plan (Refer note 34)

## 18. Borrowings (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Loans (unsecured)</b>		
From others (Refer note 38 (iv))	200.00	200.00
	<b>200.00</b>	<b>200.00</b>

## 19. Other financial Liabilities (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings (Refer note 38 (iv))	25.14	22.24
Deposit received (Refer note 35 D (ii))	-	7.87
Deposit from others	0.40	0.40
	<b>25.54</b>	<b>30.51</b>

## 20. Provisions (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits:</b>		
Provision for gratuity (Refer note 32)	0.64	0.57
Provision for compensated absences	0.04	0.49
	<b>0.68</b>	<b>1.06</b>

## 21. Trade Payables

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Due to micro enterprises and small enterprises *	0.00	-
Due to others		
Group companies (Refer note 35 D (i) & (ii))	6.48	1.12
Others	14.29	7.71
	<b>20.77</b>	<b>8.83</b>

\* The value 0.00 means amount is below ₹ 50,000/-

## Notes to the Financial Statements for the year ended March 31, 2024

Disclosure relating to vendors registered under MSMED Act based on the information available with the Company:

Particulars	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any vendor at the end of each accounting year:		
Principal*	0.00	-
Interest	-	-
	<b>0.00</b>	<b>-</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the vendor beyond the appointed day during each accounting year.	-	-
(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 MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(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 MSMED Act.	-	-

\* The value 0.00 means amount is below ₹ 50,000/-

### Trade payables - ageing and other details

As at March 31, 2024	₹ Crores				
	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions*	0.00	7.31	-	-	7.31
Not due	-	-	-	-	-
less than 1 year*	0.00	7.49	-	1.34	8.83
1 to 2 years	-	0.01	-	1.03	1.04
2 to 3 years	-	-	-	0.82	0.82
more than 3 years	-	0.06	-	2.71	2.77
	<b>0.00</b>	<b>14.87</b>	<b>-</b>	<b>5.90</b>	<b>20.77</b>

As at March 31, 2023	₹ Crores				
	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	1.76	-	0.20	1.96
Not due	-	-	-	-	-
less than 1 year	-	3.51	-	-	3.51
1 to 2 years	-	1.09	-	-	1.09
2 to 3 years	-	0.96	-	-	0.96
more than 3 years	-	1.31	-	-	1.31
	<b>-</b>	<b>8.63</b>	<b>-</b>	<b>0.20</b>	<b>8.83</b>

\* The value 0.00 means amount is below ₹ 50,000/-

# Notes to the Financial Statements for the year ended March 31, 2024

## 22. Other Financial Liabilities (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings (Refer note 38 (iv))	72.00	59.44
Accrued salaries and benefits	0.24	0.37
Capital creditors	0.01	0.11
Deposit received (Refer note 35 D (ii))	7.87	-
	<b>80.11</b>	<b>59.92</b>

Note:- There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2024 (March 31, 2023: Nil).

## 23. Provisions (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer note 32)	0.32	0.31
	<b>0.32</b>	<b>0.31</b>

## 24. Other liabilities (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Other payables (a)	1.26	1.12
	<b>1.26</b>	<b>1.12</b>

Note:

(a) Other payables include withholding taxes, goods and service tax payable and employer and employee contribution to provident and other funds.

## 25. Revenue From Operations

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Sale of services</b>		
Property rentals (includes rentals from subsidiaries) (Refer note 35 D (i) & (ii))	20.67	20.43
Management fee income (Refer note 35 D (i) & (ii))	12.77	9.39
Income from services	0.01	10.92
	<b>33.45</b>	<b>40.74</b>

## Notes to the Financial Statements for the year ended March 31, 2024

### 26. Other Income

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest income:		
Bank deposits	0.11	0.37
Others (includes interest on loan to subsidiaries) (Refer note 35 D (i))	38.24	38.07
Income tax refund	1.02	-
Dividend income on equity securities *	-	0.00
Gain on mutual fund investments	9.91	1.53
Gain on redemption of preference shares	-	0.32
Insurance claim received	0.20	-
Provisions / allowances no longer required written back	0.77	0.33
Miscellaneous income	0.01	0.01
	<b>50.26</b>	<b>40.63</b>

\* The value 0.00 means amount is below ₹ 50,000/-

### 27. Employee Benefits Expenses

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	3.85	4.00
Contribution to provident and other funds (Refer note 32)	0.07	0.07
Gratuity (Refer note 32)	0.11	0.12
Staff welfare expenses	0.02	0.01
	<b>4.04</b>	<b>4.20</b>

### 28. Finance Costs

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest on term loan *	23.12	23.34
Interest on lease liability	0.15	0.37
Interest on others	0.09	0.24
	<b>23.37</b>	<b>23.95</b>

\* net of recovery of ₹ Nil (previous year - ₹ 0.44 Crore)

# Notes to the Financial Statements for the year ended March 31, 2024

## 29. Other Expenses

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Rent	6.99	5.96
Rates and taxes	1.91	2.20
Communication cost	0.10	0.12
Power and fuel	4.01	4.83
Insurance	0.24	0.27
Repairs to buildings	1.15	1.03
Repairs to plant and machinery	0.03	0.17
Legal and professional fees	8.84	2.21
Travelling and conveyance	0.26	0.30
Allowance for doubtful deposits	1.88	0.27
Directors sitting fees and commission	0.04	0.04
Loss on sale of Property, Plant and Equipment (net) *	0.00	-
Property, Plant and Equipment written-off	0.03	-
Miscellaneous expenses	0.39	0.73
Payment to auditors:		
Audit fees	0.28	0.28
In other matters (certification, limited review, etc.)	0.24	0.11
Other services including certification work	0.01	0.05
	<b>26.40</b>	<b>18.57</b>

\* The value 0.00 means amount is below ₹ 50,000/-

## 30. Income Tax Expenses

### A. Income tax recognised in Profit and Loss

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax	-	-
Deferred Tax	(0.27)	10.55
<b>Total Income tax expenses</b>	<b>(0.27)</b>	<b>10.55</b>

### B. Income tax recognised in other comprehensive income

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
- Re-measurement of defined benefit obligation	(0.01)	-
<b>Tax charge / (credit)</b>	<b>(0.01)</b>	<b>-</b>

## Notes to the Financial Statements for the year ended March 31, 2024

### C. Reconciliation of tax expense and the accounting profit/(loss) for the year is as under

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
Loss before tax (before exceptional item)	(0.60)	(13.92)
Applicable tax rate	25.17%	25.17%
Computed tax expense	(0.15)	(3.50)
Tax effect of:		
Effect of expenses that are not deductible	(0.05)	-
Deferred tax asset on unutilised losses reversed	-	14.05
Utilisation of previously unrecognised losses	(0.07)	-
<b>Income tax expense recognised in profit or loss</b>	<b>(0.27)</b>	<b>10.55</b>

The tax rate used for reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax laws.

### E. Movement in temporary differences

₹ Crores

	Balance as at March 31, 2024	Recognised in Profit / Loss during 2023-24	Recognised in OCI during 2023-24	Balance as at March 31, 2023	Recognised in Profit / Loss during 2022-23	Recognised in OCI during 2022-23	Balance as at March 31, 2022
<b>Deferred tax liability</b>							
Difference between tax books and written down value of PPE and other intangible assets	47.91	(2.63)	-	50.54	(0.77)	-	51.31
Unrealised gain on investments	1.99	1.99	-	-	-	-	-
Lease Deposit discounting and equalisation	-	(0.02)	-	0.02	-	-	0.02
Fair value reserve of investement in subsidiaries	42.96	-	-	42.96	-	-	42.96
	92.86	(0.66)	-	93.52	(0.77)	-	94.29
<b>Deferred tax assets</b>							
Unabsorbed loss / depreciation carried forward	79.70	(2.58)	-	82.28	(6.55)	-	88.83
Provision for doubtful debts / advances	0.85	0.51	-	0.34	(0.05)	-	0.39
Lease liability	0.34	0.22	-	0.12	(4.70)	-	4.82
Provision for employee benefits	0.24	0.01	(0.01)	0.23	(0.02)	-	0.25
Provision for expenses	1.45	1.45	-	-	-	-	-
	82.57	(0.39)	(0.01)	82.97	(11.32)	-	94.29
<b>Net deferred tax liability</b>	<b>10.29</b>	<b>(0.27)</b>	<b>0.01</b>	<b>10.55</b>	<b>10.55</b>	<b>-</b>	<b>-</b>



# Notes to the Financial Statements for the year ended March 31, 2024

## F. Deferred tax assets / (liabilities) in relation to

	As at March 2024			As at March 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, Plant and Equipments and Intangible Assets	-	47.91	(47.91)	-	50.54	(50.54)
Unrealised gain on investments	-	1.99	(1.99)	-	-	-
Lease Deposit discounting and equalisation	-	-	-	-	0.02	(0.02)
Fair value reserve of investment in subsidiaries	-	42.96	(42.96)	-	42.96	(42.96)
Unabsorbed loss carried forward	79.70	-	79.70	82.28	-	82.28
Provision for doubtful debts & advances	0.85	-	0.85	0.34	-	0.34
Provision for employee benefits	0.24	-	0.24	0.23	-	0.23
Lease liabilities	0.34	-	0.34	0.12	-	0.12
Provision for expenses	1.45	-	1.45	-	-	-
	<b>82.57</b>	<b>92.86</b>	<b>(10.29)</b>	<b>82.97</b>	<b>93.52</b>	<b>(10.55)</b>

## F. Unrecognised deferred tax assets

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Unabsorbed business loss, depreciation and capital losses	27.76	53.99
	<b>27.76</b>	<b>53.99</b>

## G. Tax losses carried forward

	As at March 31, 2024 (₹ Crores)	Will expire in FY	As at March 31, 2023 (₹ Crores)	Will expire in FY
Unabsorbed business loss FY 2017-18 (AY 2018-19)	32.68	2026-27	39.70	2026-27
Unabsorbed business loss FY 2018-19 (AY 2019-20)	87.37	2027-28	87.37	2027-28
Unabsorbed capital loss FY 2021-22 (AY 2022-23)	235.98	2030-31	235.98	2030-31
Unabsorbed depreciation FY 2020-21 (AY 2021-22)	18.99	Indefinite life	21.98	Indefinite life
Unabsorbed depreciation FY 2022-23 (AY 2023-24)	7.19	Indefinite life	7.41	Indefinite life

## 31. Earnings Per Equity Share (EPS)

Basic EPS amounts are calculated by dividing the net (loss) / profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the net (loss) / profit attributable to equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

## Notes to the Financial Statements for the year ended March 31, 2024

The following reflects the income and share data used in the basic and diluted EPS computations:

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Basic EPS</b>		
Loss after tax	(0.33)	(24.47)
Number of shares considered as basic weighted average shares outstanding	29,95,81,554	29,95,36,644
Add: Effect of dilutive issue of stock options	83,87,886	52,42,930
Number of shares considered as basic weighted average shares and potential shares outstanding	<b>30,79,69,439</b>	<b>30,47,79,574</b>
<b>Earnings per share</b>		
Basic earnings per share (₹)	(0.01)	(0.82)
Diluted earnings per share (₹) (Refer note below)	(0.01)	(0.82)
Nominal value of shares (₹)	<b>1.00</b>	<b>1.00</b>

Note: Potential equity shares are anti-dilutive in nature and hence diluted earnings per share is same as basic earnings per share.

### 32. Employee Benefit Plans

#### 32.1 Defined contribution plans

The Company makes provident fund, Employee State Insurance and employees' pension scheme contribution to the relevant authorities, which are defined contribution plans for the qualifying employees.

Contribution to defined contribution plans, recognised as expense for the year is as under :

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
Employer's contribution to provident fund and other funds	0.07	0.07

#### 32.2 Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded) for qualifying employees. The defined benefit plans are administered by the Company. Under this plan, the employee is entitled to a lump-sum payment upon retirement from the services of the Company. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

These plans typically expose the Company to actuarial risks such as; longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the said plan, the most recent actuarial valuation and the present value of the defined benefit obligation were carried out by an external expert, who is a duly registered actuary. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

# Notes to the Financial Statements for the year ended March 31, 2024

## (i) Expense recognised in Statement of Profit and Loss:

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>In income statement</b>		
Current service cost	0.04	0.05
Interest cost	0.07	0.07
<b>Net cost</b>	<b>0.11</b>	<b>0.12</b>
<b>In other comprehensive income (OCI)</b>		
Actuarial loss / (gain)	(0.03)	(0.14)
<b>Net (expenses) / income for the year recognised in OCI</b>	<b>(0.03)</b>	<b>(0.14)</b>

## (ii) Reconciliation of opening and closing balances of defined benefit obligation :

	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	0.88	0.95
Current service cost	0.04	0.05
Interest cost	0.07	0.07
Actuarial (gain) / loss on obligation - due to change in financial assumptions	0.01	(0.01)
Actuarial (gain) / loss on obligation - due to experience	(0.04)	(0.13)
Benefits paid	-	(0.05)
<b>Defined benefit obligation at year end</b>	<b>0.96</b>	<b>0.88</b>

## (iii) Actuarial assumptions

	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate (p.a.)	7.19%	7.44%
Rate of escalation in salary (p.a.)	5.00%	5.00%
Attrition rate	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service period 4 years and below 10% p.a. and for service period of above 4 years 2.00% p.a.
Mortality table *	IALM 2012-14 (Urban)	IALM 2012-14 (Urban)

\* IALM - Indian Assured Lives Mortality

The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market. The above information is certified by the actuary.

## (iv) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

## Notes to the Financial Statements for the year ended March 31, 2024

	2023-24		2022-23	
	Increase in assumptions	Decrease in assumptions	Increase in assumptions	Decrease in assumptions
Discount rate (1% movement)	(0.05)	0.05	(0.04)	0.05
Future salary appreciation (1% movement)	0.04	(0.04)	0.04	(0.04)
Attrition rate (1% movement)	0.01	(0.01)	0.01	(0.01)

### 33. Financial Instruments

#### 33.1 Capital risk management

The objectives when managing capital are to safeguard the ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The management sets the amounts of capital required in proportion to risk. The Company manages its capital structure and adjusts it in light of changes in economic conditions and risk characteristics of the underlying assets.

The capital structure consists of borrowings, offset by cash and bank balances, equity (comprising issued capital, reserves and retained earnings as detailed in statement of changes in shareholders' equity). The debt equity ratio for current year is 0.19 as on March 31, 2024 (March 31, 2023: 0.18)

During the year, the Company's strategy was to monitor and manage the use of funds whilst developing business strategies and marketing.

#### 33.2 Financial risk management objectives

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

#### 33.3 Market risk

The Company is primarily exposed to the following market risks.

##### 33.3.1 Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company's foreign currency exposure as at year end is as follows:

Particulars	Foreign Currency Denomination	As at March 31, 2024		As at March 31, 2023	
		Foreign Currency	₹ Crores	Foreign Currency	₹ Crores
Financial assets	GBP	(7)	(0.00)	23,074	0.23
	AED	27	0.00	-	-
	USD	5,78,565	4.82	2,682	0.02
<b>Total</b>			<b>4.82</b>		<b>0.25</b>

The Company's sensitivity to a 5% appreciation/depreciation of above mentioned foreign currencies with respect to Rupee would result in decrease/increase in the Company's net (loss)/profit before tax by approximately ₹ 0.24 Crore for the year ended March 31, 2024 (March 31, 2023: ₹ 0.01 Crore). This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

##### 33.3.2 Credit risk management

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

## Notes to the Financial Statements for the year ended March 31, 2024

The Company has a low credit risk in respect of its trade receivables as its principal customers are subsidiaries of the Company. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks, mutual funds and others.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 153.37 crores and ₹ 136.77 crores as at March 31, 2024 and March 31, 2023 respectively, being the total of the carrying amount of the balances with banks, bank deposits, investments (excluding equity and preference investments in subsidiaries), trade receivables, unbilled revenue and other financial assets (excluding group company receivables).

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowance is recognised where considered appropriate by the management.

### 33.4 Liquidity risk management

Liquidity risk refers to the risk that the Company may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash, cash equivalents and mutual funds. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date.

₹ Crores			
As at March 31, 2024	Due within one year	Due after one year	Total
Long term and short term borrowings	-	200.00	200.00
Lease liabilities	0.51	0.90	1.41
Interest accrued	72.00	25.14	97.14
Trade payables	20.77	-	20.77
Deposit received	7.87	0.40	8.27
Others	0.25	-	0.25
	<b>101.39</b>	<b>226.44</b>	<b>327.83</b>

₹ Crores			
As at March 31, 2023	Due within one year	Due after one year	Total
Long term and short term borrowings	-	200.00	200.00
Lease liabilities	0.66	0.44	1.10
Interest accrued	59.44	22.25	81.69
Trade payables	8.83	-	8.83
Deposit received	-	8.26	8.26
Others	0.48	-	0.48
	<b>69.41</b>	<b>230.95</b>	<b>300.36</b>

## Notes to the Financial Statements for the year ended March 31, 2024

### 33.5 FAIR VALUE INSTRUMENTS

₹ Crores

Financial Assets	Carrying Value		Fair Value		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	Fair Value hierarchy
<b>FVTPL</b>					
Investments (Refer note 33.5.a)*	0.00	0.01	0.00	0.01	Level 3
Investments	150.64	130.73	150.64	130.73	Level 1
<b>Amortised cost</b>					
Investments	1,040.06	1,035.91	-	-	
Loans	393.60	355.65	-	-	
Trade receivables	5.42	1.07	-	-	
Cash and cash equivalents	0.39	1.19	-	-	
Other bank balances	0.08	0.06	-	-	
Other financial assets	3.06	6.16	-	-	
	<b>1,593.25</b>	<b>1,530.79</b>	<b>150.64</b>	<b>130.74</b>	

Financial Liabilities	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	Fair Value hierarchy
<b>Amortised cost</b>					
Borrowings (including interest payable)	297.14	281.69	-	-	
Lease liabilities	1.41	1.10	-	-	
Trade payables	20.77	8.83	-	-	
Deposits received	8.27	8.26	-	-	
Other financial liabilities	0.25	0.48	-	-	
	<b>327.83</b>	<b>300.36</b>	<b>-</b>	<b>-</b>	

\*The value 0.00 means amount is below ₹ 50,000/-

#### a. Accounting classification and fair value

The following table disclose the fair values of financial assets and financial liabilities, including their levels in fair value hierarchy.

₹ Crores

Financial Assets / Liabilities	As at March 31, 2024	As at March 31, 2023	Fair Value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
<b>Financial Assets</b>						
Investment *	0.00	0.01	Level 3	Discounted cash flows	Discount rate and probable cash flows	Higher the discount rate, lower the fair value

\*The value 0.00 means amount is below ₹ 50,000/-

# Notes to the Financial Statements for the year ended March 31, 2024

## 34. Share Based Payments

- a. During the financial year 2014-15, the Board of Directors of the Company and its Shareholders' approved a share option plan and reserved 17,932,738 common shares for issuance thereunder. During the financial year 2016-17, options totalling to 17,932,738 ordinary shares were granted to certain identified eligible employees.
- b. Reconciliation of outstanding share options:

	March 31, 2024		March 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at 01, April	1,72,75,068	52.00	1,72,75,068	52.00
Exercised during the year	3,12,000	-	-	-
Outstanding at 31, March	1,69,63,068	52.00	1,72,75,068	52.00
Exercisable at 31, March	1,69,63,068	52.00	1,72,75,068	52.00

Fair value of options vested during the year is ₹ Nil (March 31, 2023: Nil options vested)

Money realised by exercise of option during the year is ₹ 1.62 Crores (March 31, 2023: ₹ Nil).

The options outstanding at March 31, 2024 have an exercise price of ₹ 52/- (March 31, 2023: ₹ 52/-) and a weighted average remaining contractual life of 40 months (March 31, 2023: 52 months)

Weighted average share price at the date of the exercise of share options exercised in 2023-24 is ₹ 124.84 (March 31, 2023: ₹ Nil).

- c. Expense recognised in Statement of Profit and Loss

The Company has followed the fair value method to account for the modification of stock options exercise period and accordingly recorded a charge for the year ended March 31, 2024 of ₹ Nil (March 31, 2023: ₹ 9.38 Crore).

## 35. Related Party Transactions

### A. List of parties where control exists, irrespective of transactions:

#### i) Subsidiary companies

Prime Focus Technologies Limited  
 Prime Focus Production Services Private Limited  
 GVS Software Private Limited  
 Prime Focus Motion Pictures Limited  
 PF World Limited, (Mauritius)  
 PF Investments Limited (Mauritius)  
 Jam8 Prime Focus LLP

#### ii) Step-down subsidiary companies

##### Subsidiary companies of PF World Limited (Mauritius)

PF Media Limited  
 PF Overseas Limited (Mauritius)  
 Prime Focus Media UK Limited  
 DNEG S.a.r.l  
 Prime Focus 3D Cooperatief U.A. (Subsidiary of Dneg S.a.r.l) (Dissolved on February 13, 2024)  
 Prime Focus World N.V. (Subsidiary of Prime Focus 3D Cooperatief U.A.) (Merged with DNEG S.a.r.l w.e.f March 29, 2024)

## Notes to the Financial Statements for the year ended March 31, 2024

### **Subsidiary companies of Dneg S.a.r.l**

DNEG Plc

Prime Focus International Services UK Limited

DNEG North America Inc.

DNEG Bulgaria EOOD

Double Negative Montreal Productions Limited

DNEG India Media Services Limited

Double Negative Holdings Limited

### **Subsidiary company of Double Negative Montreal Productions Limited**

Double Negative Toronto Productions Limited

### **Subsidiary companies of Double Negative Holdings Limited**

Double Negative Limited

Double Negative Singapore Pte Limited

Double Negative Film Limited

Double Negative LA LLC

Incamera Limited (Joint venture) (till February 14, 2024)

### **Subsidiary companies of Double Negative Limited**

Double Negative Canada Productions Limited

Double Negative Hungary Limited

DNEG Australia PTY Limited

DNEG Australia Productions PTY Limited (w.e.f. from February 07, 2024)

DNEG Spain S.L.

### **Subsidiary companies of Double Negative Canada Productions Limited**

Double Negative Huntsman VFX Limited (Merged with parent w.e.f April 01, 2024)

Vegas II VFX Limited (Merged with parent w.e.f April 01, 2024)

### **Subsidiary company of DNEG India Media Services Limited**

Prime Focus Academy of Media & Entertainment Studies Private Limited

### **Subsidiary companies of Prime Focus Technologies Limited**

Prime Focus Technologies UK Limited

Prime Focus Technologies, Inc.

Apptarix Mobility Solutions Private Limited

Prime Focus Technologies PTE Limited

### **Subsidiary companies of Prime Focus Technologies UK Limited**

Prime Post Europe Limited

Prime Focus MEAD FZ LLC (Dissolved on June 16, 2023)

### **Subsidiary company of Prime Focus Technologies, Inc.**

DAX Cloud ULC

### **Subsidiary company of PF Media Limited**

Lowry Digital Imaging Service Inc



# Notes to the Financial Statements for the year ended March 31, 2024

## B. Key management personnel (KMP)

Mr. Namit Malhotra – Non Executive Director  
 Mr. Naresh Malhotra – Chairman and Whole-time Director  
 Mr. Nishant Fadia – Chief Financial Officer  
 Ms. Parina Shah – Company Secretary

## C. Enterprises owned or significantly influenced by Key Management Personnel or their relatives and where Company had transactions during the reporting period.

Blooming Buds Coaching Private Limited  
 A2R Holdings

## D. List of related parties with whom transactions have taken place during the year

### (i) Subsidiary companies

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue from operations - Rent income</b>		
Jam8 Prime Focus LLP	0.07	0.86
<b>Technical service cost</b>		
Jam8 Prime Focus LLP	-	0.15
<b>Revenue from operations - Management fee income</b>		
Prime Focus Technologies Limited	0.48	0.33
PF World Limited, (Mauritius)	4.78	-
<b>Reimbursement of expenses incurred by</b>		
Prime Focus Technologies Limited	0.10	0.06
<b>Reimbursement of expenses incurred on behalf of</b>		
Prime Focus Technologies Limited	0.81	0.94
Prime Focus Motion Pictures Limited	0.00	
GVS Software Private Limited*	0.01	0.00
Prime Focus Production Services Private Limited*	0.00	0.00
Jam8 Prime Focus LLP*	0.00	0.00
<b>Insurance claim received on behalf of</b>		
PF World Limited, (Mauritius)	4.54	-
<b>Investments (Equity Shares)</b>		
PF Overseas Limited (Mauritius)	-	8.26
<b>Investments (Optionally Convertible Preference Shares)</b>		
PF Overseas Limited (Mauritius)	4.15	391.62
<b>Redemption of Investments (including premium on redemption)</b>		
PF Overseas Limited (Mauritius)	-	46.10
<b>Loans given to</b>		
Prime Focus Technologies Limited	11.20	115.00
Prime Focus Motion Pictures Limited	2.57	6.08
Jam8 Prime Focus LLP	1.56	1.59
<b>Loans repaid by (including interest, where applicable)</b>		
Prime Focus Technologies Limited	12.70	142.85
Prime Focus Motion Pictures Limited	0.15	11.47
Jam8 Prime Focus LLP	0.59	2.10
<b>Interest on loans given</b>		
Prime Focus Technologies Limited	36.70	36.19
Prime Focus Motion Pictures Limited	0.74	1.20
Jam8 Prime Focus LLP	0.73	0.68

## Notes to the Financial Statements for the year ended March 31, 2024

	As at March 31, 2024	As at March 31, 2023
<b>Balance outstanding</b>		
<b>Trade receivables</b>		
Prime Focus Motion Pictures Limited	-	0.32
Prime Focus Technologies Limited	0.55	-
PF World Limited, (Mauritius)	4.78	-
PF Overseas Limited (Mauritius)	0.02	0.02
<b>Trade payables</b>		
Prime Focus Motion Pictures Limited	0.17	0.17
PF World Limited, (Mauritius)	4.54	-
Prime Focus Technologies Limited	0.10	-
Prime Focus Production Services Private Limited	(0.00)	-
<b>Other receivable</b>		
Prime Focus Production Services Private Limited	0.01	0.01
GVS Software Private Limited	0.03	0.02
Prime Focus Motion Pictures Limited	0.06	0.06
Prime Focus Technologies Limited	0.43	0.77
Jam8 Prime Focus LLP*	0.00	0.00
<b>Unbilled revenue</b>		
Prime Focus Technologies Limited	0.01	-
<b>Loans receivable (including interest, where applicable)</b>		
Prime Focus Technologies Limited	375.92	341.00
Prime Focus Motion Pictures Limited	9.79	6.65
Jam8 Prime Focus LLP	7.89	8.00

### (ii) Step-down Subsidiaries

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Revenue from operations - Rent income</b>		
DNEG India Media Services Limited	20.18	19.57
<b>Revenue from operations - Management fee income</b>		
DNEG India Media Services Limited	7.51	9.06
<b>Interest expense recharged</b>		
DNEG India Media Services Limited	-	1.12
<b>Technical service cost</b>		
DNEG India Media Services Limited	0.01	1.83
<b>Reimbursement of expenses incurred on behalf of</b>		
DNEG India Media Services Limited	3.26	1.19
<b>Receipt towards business slump sale consideration</b>		
DNEG India Media Services Limited	-	473.41
<b>Amount received from customers on behalf of</b>		
DNEG India Media Services Limited	3.12	25.92

## Notes to the Financial Statements for the year ended March 31, 2024

	As at March 31, 2024	As at March 31, 2023
<b>Balance outstanding</b>		
<b>Trade receivables</b>		
DNEG India Media Services Limited	-	0.44
<b>Advances to subsidiaries</b>		
DNEG India Media Services Limited *	0.06	0.00
<b>Trade Payables</b>		
DNEG India Media Services Limited	1.67	0.95
<b>Unbilled revenue</b>		
DNEG India Media Services Limited	0.25	0.80
<b>Security deposit payable</b>		
DNEG India Media Services Limited	7.87	7.87

(iii) **Key Management Personnel #**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Remuneration</b>		
Mr. Naresh Malhotra	1.80	1.80
Mr. Nishant Fadia	0.60	0.60
Ms. Parina Shah	0.36	0.36

	As at March 31, 2024	As at March 31, 2023
<b>Balance Outstanding – Remuneration Payable</b>		
Mr. Naresh Malhotra	0.10	0.09
Mr. Nishant Fadia	0.03	0.04
Ms. Parina Shah	0.02	0.02

(iv) **The Company has given guarantee on behalf of subsidiaries and step-down subsidiaries as described below:**

	Year ended March 31, 2024	Year ended March 31, 2023
		₹ Crores
Prime Focus Technologies Limited	34.97	39.00
DNEG India Media Services Limited	-	60.00
	<b>34.97</b>	<b>99.00</b>

\*The value 0.00 means amount is below ₹50,000/-.

(v) The promoters of the Company had pledged 2.00 % of shares of the Company and given personal guarantee as at March 31, 2024 towards various borrowings / commitments, including borrowings by the Company. During the year the pledge and personal guarantee was released on settlement of the borrowings.

(vi) # The figures of Key management personnel do not include provisions for gratuity / other employee benefit as separate actuarial valuation not available.

Under ESOP Scheme 2014, 27,80,000 options were granted to Key management personnel. The stock options outstanding for KMP's as at March 31, 2024 is 27,70,000 (March 31, 2023: 27,70,000) and employee stock option expense for the year March 31, 2024 is ₹ Nil (March 31, 2023: ₹ 1.50 crores).

# Notes to the Financial Statements for the year ended March 31, 2024

## 36. Leases

### a. Maturity profile of lease liabilities

₹ Crores

	As at March 31, 2024		
	Carrying Amount	Interest	Undiscounted Cash flow
within one year	0.51	0.16	0.67
later than one year and not later than five years	0.90	0.13	1.03
later than five years	-	-	-
	<b>1.41</b>	<b>0.29</b>	<b>1.70</b>

₹ Crores

	As at March 31, 2023		
	Carrying Amount	Interest	Undiscounted Cash flow
within one year	0.66	0.09	0.75
later than one year and not later than five years	0.44	0.08	0.52
later than five years	-	-	-
	<b>1.10</b>	<b>0.17</b>	<b>1.27</b>

## 37. Capital and Other Commitments

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances), and not provided for:	-	-

## 38. Contingent Liabilities

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>I. Income Tax matters</b>		
Income tax liability (including penalty) that may arise in respect of which the Company is in appeal.	5.24	-
<b>II. Octroi duty:</b>		
Octroi liability that may arise, including those in respect of matters in appeal/challenged by the Company.	-	1.74
<b>III. Guarantees given on behalf of subsidiaries and step-down subsidiaries</b>	<b>34.97</b>	<b>99.00</b>

## Notes to the Financial Statements for the year ended March 31, 2024

- IV. The Company acquired the Film and Media Services business ("FMS") from Reliance MediaWorks Limited ("RMW"), in July 2014, by way of a Business Transfer Agreement dated November 19, 2014 for a total consideration of ₹ 550 Crores of which the Company paid a consideration of ₹ 350 Crores to RMW by way of an allotment of equity shares of a commensurate value, on April 7, 2015. The remaining consideration of ₹ 200 Crores was structured as debt to be paid by the Company to Reliance Alpha Services Private Limited ("RASPL") over the course of a few years under a Loan Agreement dated February 25, 2019.

On July 26, 2023, the Company and a promoter filed a suit before the Honourable High Court of Bombay, against RASPL and others, inter alia with respect to: (a) the notices received from RASPL demanding a sum of ₹ 353.79 Crore and to invoke the personal guarantee issued by the promoter in the event of non-payment by the Company; and (b) the non-completion and breach of the business transfer agreement dated November 19, 2014 by Reliance Mediaworks Limited and Reliance Land Private Limited, pursuant to which, the aforesaid loan agreement of February 25, 2019 was executed. Further on August 29, 2023, the Company has received a notice that a petition has been filed before National Company Law Tribunal, Mumbai Bench (NCLT), Mumbai by RASPL to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 (as amended) with respect to alleged breach of the loan agreement of February 25, 2019, by the Company and demanding a sum of ₹ 353.79 Crore. The matter is currently sub judice with NCLT, Mumbai.

Notes:

- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (I) to (IV) above pending resolution of the arbitration/appellate proceedings. Further, the liability mentioned in (I) to (II) above excludes interest and penalty except in cases where the Group has determined that the possibility of such levy is remote.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- The Company has reviewed its proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

### 39. Additional Regulatory Informations:

#### i. Key financial ratios

Ratios	As at March 31, 2024	As at March 31, 2023	Variation %	Reason for variation
Current ratio	5.38	6.99	(23.01)	Note-1
Debt-Equity ratio	0.19	0.18	5.49	
Debt service coverage ratio	2.20	0.72	205.11	Note-2
Return on equity ratio	(0.00)	(0.02)	(98.62)	Note-2
Debtors (trade receivable) turnover ratio	10.31	21.50	(52.06)	Note-3
Trade payables turnover ratio	1.79	2.97	(39.57)	Note-4
Net capital turnover ratio	0.08	0.07	11.86	Note-2
Net profit ratio	(0.01)	(0.60)	(98.33)	Note-2
Return on capital employed	0.01	0.01	126.77	Note-2
Return on investment	0.07	0.01	613.00	Note-2

Reasons for variation:

- Current ratio: decreased on account of increase in current liabilities during the year.
- Return on equity/ investments/capital employed/net profit ratio/debt service coverage/net capital turn over ratio:- improved due to reduction in loss during the year.
- Debtors turnover ratio decreased on account of increase in trade receivables at year end.
- Trade payables turnover ratio decreased on account of increase in trade payables at year end.

## Notes to the Financial Statements for the year ended March 31, 2024

### Formula for computation of aforesaid ratios

- 1) Current ratio:  $\text{Current asset} / \text{Current liability}$
- 2) Debt equity ratio:  $\text{Total debt (including interest payable \& lease liabilities)} / \text{Total equity}$
- 3) Debt service coverage ratio:  $\text{Earning before interest, depreciation and tax} / \text{Interest + principal repayment of long term borrowings and Leases}$
- 4) Return on equity:  $\text{Profit after Tax} / \text{Average equity}$
- 5) Debtors (trade receivable) turnover ratio:  $\text{Revenue from operations} / \text{Average account receivable}$
- 6) Trade payables turnover ratio:  $\text{Total expenses excluding employee cost, interest and depreciation} / \text{Average trade payables}$
- 7) Net capital turnover ratio:  $\text{Revenue from operations} / \text{Average working capital}$
- 8) Net profit ratio:  $\text{Profit after tax} / \text{Revenue from operations}$
- 9) Return on capital employed:  $\text{Net profit before interest and tax} / \text{Capital Employed (Shareholders Fund + long term borrowings)}$
- 10) Return on investment:  $\text{Income generated from invested funds} / \text{Average invested funds in treasury investments}$

### ii. Other informations:-

- a. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- c. The Company has no transactions with other companies that are struck off under Section 248 of the Company's Act, 2013 or Section 560 of the Company's Act, 1956.
- d. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- e. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- f. The Company has not traded or invested in crypto currency or virtual currency during the year.
- g. Utilisation of borrowed funds and share premium :
  - (i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - (ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- h. The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

# Notes to the Financial Statements for the year ended March 31, 2024

## 40. Corporate Social Responsibility

In view of the average net loss in past three immediately preceding financial years, the Company was not required to and did not incur any expenditure towards the Corporate Social Responsibility activities during FY 2023-24 is ₹ Nil (previous year ₹ Nil).

## 41. Segment Reporting

As per Ind AS 108 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

## 42. Event After Reporting Period

There were no events after the reporting period requiring adjustments or disclosures in these standalone financial statements.

**43.** The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The company will assess the impact of the Code and will give appropriate impact in the financial statements in the year in which, the Code becomes effective and the related rules to determine the financial impact are published.

## 44. Approval of Financial Statements

The standalone financial statements were approved for issue by the Board of Directors on May 30, 2024.

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# CONSOLIDATED FINANCIAL STATEMENTS



# Independent Auditor's Report

## To the Members of Prime Focus Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Prime Focus 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, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information 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, and based on consideration of reports of other auditors on separate financial statements of subsidiaries, as were audited by other auditors, 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs 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 terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("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 and on consideration of audit reports of other auditors referred to in paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### 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 for the year ended March 31, 2024. 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:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue recognition in respect of fixed price contracts (including with variable consideration)</b></p> <p>Estimated effort and determination of the variable consideration are critical estimates to determine revenues and liability for onerous obligations. These estimates have an inherent uncertainty as it requires consideration of revenue generation potential, progress of the contract, efforts incurred till date and efforts required to complete the remaining performance obligations.</p>	<p><b>Principal Audit Procedures performed:</b></p> <ul style="list-style-type: none"> <li>❖ Understanding the processes and controls around <ul style="list-style-type: none"> <li>• identification of distinct elements,</li> <li>• estimation of fair value of each distinct element identified,</li> <li>• estimation of efforts required to complete the (balance) performance obligations.</li> </ul> </li> <li>❖ We selected a sample contracts with customers and performed following: <ul style="list-style-type: none"> <li>• Obtained and read contract for each selection including other relevant documents that were part of the agreement.</li> <li>• Performing a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract.</li> <li>• Tested the estimate for consistency with status of delivery of milestones.</li> <li>• Tested reasonableness of incurred and estimated efforts.</li> </ul> </li> </ul>

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Management Discussion and Analysis 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 preparation and presentation of these consolidated financial statements in term of the requirements of the Act 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 Management and 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 for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and 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 Group or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### Other Matters

- a. We did not audit the financial statements of 42 subsidiaries, whose financial statements, before giving effect to the consolidation adjustments, reflect total assets of Rs. 11,086.56 crores as at March 31, 2024, total revenues of Rs. 5,817.14 crores, and net cash inflows amounting to Rs. 30.48 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in

respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated financial statements of the Company for the year ended March 31, 2023, were audited by predecessor auditor whose report dated May 30, 2023, expressed an unmodified opinion on those statements.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - 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 Statement of Cash Flow 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.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on March 31, 2024 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 44 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.
    - iv. (1) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (2) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. Based on our verification and on consideration of the reports of the statutory auditors of subsidiaries that are Indian companies under the Act, we report that, neither the company or its subsidiaries have declared nor paid any dividend during the year.
- vi. Based on our examination, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level throughout the year ended March 31, 2024 to log any direct data changes and for of one of the subsidiary the audit trail feature was not enabled for changes made by certain privileged / administrative users.
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

Further, as per information and explanation given to us by the Holding Company, the following companies included in the consolidated financial statements for the year ended March 31, 2024, and covered under that Act but for which the respective reports under Section 143(11) of the Act have not yet issued by the respective statutory auditors:

Sr. No	Name of the Company	CIN
1	DNEG India Media Services Limited	U70100MH2006PLC160748

For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

**Nitin Tiwari**

Partner

Membership No.: 118894

UDIN: 24118894BKGQH6555

Place: Mumbai

Date: May 30, 2024

# Annexure “A” to the Independent Auditor’s Report

## ANNEXURE A TO THE INDEPENDENT AUDITOR’S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIME FOCUS LIMITED

### Auditor’s Responsibilities for the Audit of the 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 Holding Company has adequate internal financial controls with reference to consolidated financial statements 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 the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors 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 financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024, 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.

### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No.105047W

### Nitin Tiwari

Partner  
Membership No.: 118894  
UDIN: 24118894BKGQHQ6555

Place: Mumbai  
Date: May 30, 2024

# Annexure “B” to the Independent Auditor’s Report

## ANNEXURE B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIME FOCUS LIMITED

[Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditors’ Report of even date to the Members of Prime Focus Limited on the consolidated Financial Statements for the year ended March 31, 2024]

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

#### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Prime Focus Limited (hereinafter referred to as “the Holding Company”) which includes the internal financial controls over financial reporting of the Holding Company/s and its subsidiary companies (the Holding Company and its subsidiaries together referred to as “the Group”), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”).

#### Management and Board of Director’s Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and

errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements 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 issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India.

#### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company’s internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 authorizations 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 With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 8 subsidiary companies, which are companies incorporated in India, is based on the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

#### **For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

#### **Nitin Tiwari**

Partner

Membership No.: 118894

UDIN: 24118894BKGQH6555

Place: Mumbai

Date: May 30, 2024

# Consolidated Balance Sheet

as at March 31, 2024

	Notes	As at March 31, 2024	As at March 31, 2023
₹ Crores			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	499.47	483.98
Capital work-in-progress	7 a	29.19	63.27
Goodwill	8	1,186.78	1,172.65
Other intangible assets	5	449.98	434.64
Right to use assets	6	853.43	975.94
Intangible assets under development	7 b	230.33	88.60
<b>Financial assets</b>			
(i) Investments	9	2.15	0.26
(ii) Other financial assets	10	482.72	1,075.25
Deferred tax assets (net)	34 d	162.54	57.13
Income tax assets (net)		70.31	65.22
Other assets	11	44.79	35.46
<b>Total non-current assets</b>		<b>4,011.68</b>	<b>4,452.40</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	12	150.64	130.74
(ii) Trade receivables	13	395.14	624.51
(iii) Cash and cash equivalents	14 a	138.54	153.22
(iv) Other bank balances	14 b	2.99	3.65
(v) Other financial assets	15	2,241.55	1,278.39
Other assets	16	186.21	141.56
<b>Total current assets</b>		<b>3,115.07</b>	<b>2,332.07</b>
<b>Total assets</b>		<b>7,126.75</b>	<b>6,784.47</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	29.98	29.95
Other equity	18	486.04	(4.77)
<b>Total equity attributable to equity holders of the Company</b>		<b>516.02</b>	<b>25.18</b>
Non-controlling interest		260.22	131.88
<b>Total equity</b>		<b>776.24</b>	<b>157.06</b>



	Notes	As at March 31, 2024	As at March 31, 2023
₹ Crores			
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	19	3,152.25	3,472.00
(ii) Lease liabilities	42	696.81	817.73
(iii) Other financial liabilities	20	105.74	599.96
Provisions	21	50.97	42.04
Deferred tax liabilities (net)	34 d	7.17	41.85
Other liabilities	22	0.20	0.37
<b>Total non-current liabilities</b>		<b>4,013.14</b>	<b>4,973.95</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	23	777.80	413.73
(ii) Lease liabilities	42	232.62	188.05
(iii) Trade payables			
Due to micro enterprises and small enterprises	24	1.10	0.12
Due to others	24	248.55	225.04
(iv) Other financial liabilities	25	476.39	365.16
Provisions	26	115.00	89.74
Current tax liabilities (net)		26.69	25.32
Other liabilities	27	459.21	346.30
<b>Total current liabilities</b>		<b>2,337.36</b>	<b>1,653.46</b>
<b>Total liabilities</b>		<b>6,350.50</b>	<b>6,627.41</b>
<b>Total equity and liabilities</b>		<b>7,126.75</b>	<b>6,784.47</b>
See accompanying notes to the consolidated financial statements 4-51	1 to 51		

\* The value 0.00 means amounts is below ₹ 50,000/-

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ Crores

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	28	3,950.54	4,644.26
Other income	29	108.05	20.54
Exchange gain (net)		108.86	258.95
<b>Total Income</b>		<b>4,167.45</b>	<b>4,923.75</b>
<b>Expenses</b>			
Employee benefits expense	30	2,885.22	2,870.39
Employee stock option expense		8.97	27.36
Technician fees		73.28	102.17
Technical service cost		277.34	227.60
Finance costs	31	557.90	420.72
Depreciation and amortisation expense	4, 5 & 6	498.35	466.66
Other expense	32	453.09	442.67
<b>Total expenses</b>		<b>4,754.15</b>	<b>4,557.57</b>
<b>(Loss) / Profit before exceptional item and tax</b>		<b>(586.70)</b>	<b>366.18</b>
Exceptional items	33	-	60.04
<b>(Loss) / Profit before tax</b>		<b>(586.70)</b>	<b>306.14</b>
<b>Tax expense</b>	34		
Current tax		21.83	49.97
Deferred tax		(120.04)	61.68
		<b>(98.21)</b>	<b>111.65</b>
<b>(Loss) / Profit for the year</b>		<b>(488.49)</b>	<b>194.49</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Re-measurements of defined benefit obligation		(0.10)	(3.40)
Fair value of film investments through other comprehensive income		-	(18.20)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.04	0.89
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements of foreign operations		(153.08)	(265.17)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	6.07
<b>Total other comprehensive income</b>		<b>(153.14)</b>	<b>(279.81)</b>
<b>Total comprehensive income for the year</b>		<b>(641.63)</b>	<b>(85.32)</b>

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
₹ Crores			
<b>(Loss) / Profit attributable to</b>			
Owners of the Company		(404.54)	147.29
Non-controlling interest		(83.95)	47.20
<b>Other comprehensive income attributable to</b>			
Owners of the Company		(91.09)	(258.94)
Non-controlling interest		(62.05)	(20.87)
<b>Total comprehensive income attributable to</b>			
Owners of the Company		(495.63)	(111.65)
Non-controlling interest		(146.00)	26.33
<b>Earnings per equity share of face value of ₹ 1 each</b>	36		
<b>Before exceptional items (net of tax)</b>			
Basic earnings per share (₹)		(16.31)	8.50
Diluted earnings per share (₹)		(16.31)	8.35
<b>After exceptional items (net of tax)</b>			
Basic earnings per share (₹)		(16.31)	6.49
Diluted earnings per share (₹)		(16.31)	6.38
See accompanying notes to the consolidated financial statements		1 to 51	

\* The value 0.00 means amounts is below ₹ 50,000/-

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Consolidated Statement of Changes in Equity for the year ended March 31, 2024

## A. Equity share capital

	₹ Crores
	Amount
<b>Balance as at March 31, 2022</b>	29.95
Change in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>29.95</b>
Issue of equity shares under employee stock option plan (refer note 40)*	0.03
<b>Balance as at March 31, 2024</b>	<b>29.98</b>

\* Issued, Subscribed and Paid up as at March 31, 2024 is amounting to ₹ 29,98,48,644 (March 31, 2023 ₹ 29,95,36,644) after addition of ₹ 3,12,000 during the year.

## B. Other equity

	Reserves and Surplus					Other Comprehensive Income		Total attributable to owners of the company	Attributable to non-controlling interests	Total
	Capital reserve	General reserve	Securities premium	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Fair value of film investments			
<b>Balance as at March 31, 2022</b>	134.27	79.80	918.41	265.76	(1,040.15)	(273.74)	-	84.35	77.43	161.78
Contribution from / distribution to minority interest (net)	-	-	-	-	(2.06)	-	-	(2.06)	28.12	26.06
Profit for the year	-	-	-	-	147.29	-	-	147.29	47.20	194.49
Other comprehensive loss for the year (net of tax)	-	-	-	-	(2.91)	(246.22)	(9.81)	(258.94)	(20.87)	(279.81)
Stock compensation expense (Refer note 40)	-	-	-	24.59	-	-	-	24.59	-	24.59
<b>Balance as at March 31, 2023</b>	<b>134.27</b>	<b>79.80</b>	<b>918.41</b>	<b>290.35</b>	<b>(897.83)</b>	<b>(519.96)</b>	<b>(9.81)</b>	<b>(4.77)</b>	<b>131.88</b>	<b>127.11</b>
Exercise of stock options	-	-	1.59	(1.71)	1.71	-	-	1.59	-	1.59
Stock compensation expense (Refer note 40)	-	-	-	6.17	-	-	-	6.17	-	6.17
Movement in Share option outstanding account (Refer note 40)	-	-	64.91	(110.47)	-	-	-	(45.56)	45.56	-
Contribution from minority interest (net) (Refer note 46)	-	-	137.55	-	685.36	201.32	-	1,024.23	274.45	1,298.68
Minority reversal on disinvestment of JV (Refer note 47)	-	-	-	-	-	-	-	-	(45.67)	(45.67)
Loss for the year	-	-	-	-	(404.54)	-	-	(404.54)	(83.95)	(488.49)
Other comprehensive loss for the year (net of tax)	-	-	-	-	(0.03)	(91.06)	-	(91.09)	(62.05)	(153.14)
<b>Balance as at March 31, 2024</b>	<b>134.27</b>	<b>79.80</b>	<b>1,122.46</b>	<b>184.35</b>	<b>(615.32)</b>	<b>(409.70)</b>	<b>(9.81)</b>	<b>486.04</b>	<b>260.22</b>	<b>746.26</b>
Material accounting policies				1 to 3						
See accompanying notes to the financial statements				1-51						

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors**

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Consolidated Cash Flow Statement

for the year ended March 31, 2024

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from operating activities</b>		
(Loss)/Profit before tax	(586.70)	306.14
Adjusted for:		
Depreciation and amortisation expense	498.35	466.66
Loss on sale of Property, Plant and Equipment (net)	0.43	0.57
Profit on sale of investments (net) / (including fair valuation)	(9.91)	(1.53)
Unrealised foreign exchange loss / (gain) (net)	3.73	(113.35)
Bad debts / advances written off	2.47	5.40
Provision for doubtful debts/ advances (net)	47.17	9.26
Employee stock option expense	8.43	27.36
Liabilities no longer required written back	(3.27)	5.89
Government reliefs received	-	(6.16)
Interest income	(6.28)	(4.37)
Dividend income *	-	(0.00)
Finance costs	557.90	420.72
<b>Operating profit before working capital changes</b>	<b>512.32</b>	<b>1,116.59</b>
Changes in working capital:		
Decrease / (increase) in trade receivables	179.74	(188.44)
(Increase) in financial assets	(886.72)	(743.99)
(Increase) / decrease in other assets	(38.62)	98.05
Increase / (decrease) in trade and other payables	25.29	(1.10)
Increase in provisions	34.20	35.22
Increase in financial liabilities	68.74	20.61
Increase / (decrease) in other liabilities	112.10	(11.91)
<b>Cash generated from operations</b>	<b>7.05</b>	<b>325.03</b>
Direct taxes (paid) (net)	(39.71)	(70.99)
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>(32.67)</b>	<b>254.04</b>
<b>Cash flow from investing activities</b>		
Purchase / development of Property, Plant and Equipment and other intangible assets (including capital work in progress)	(305.16)	(360.34)
Proceeds from sale of Property, Plant and Equipment	0.53	2.88
Purchase of mutual funds (net)	(10.00)	(129.21)
Purchase of non-current investments	(1.89)	-
Payment of deferred consideration	(1.25)	(2.86)
Investments in bank deposits (net)	0.66	(1.81)
Interest received	0.50	0.89
Dividends received *	-	0.00
<b>Net cash (used in) from investing activities (B)</b>	<b>(316.61)</b>	<b>(490.45)</b>

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from financing activities</b>		
Proceeds from long term borrowings	729.34	260.24
Repayment of long term borrowings	(94.33)	(111.24)
Principal repayment of lease liabilities	(189.92)	(255.52)
Net proceeds from short term borrowings	295.56	452.26
Contribution from minority interest	-	25.92
Proceeds from fresh issue of share capital	1.62	-
Interest payment on lease liabilities	(67.23)	(61.84)
Finance costs paid	(340.45)	(157.65)
<b>Net cash generated financing activities (C)</b>	<b>334.59</b>	<b>152.17</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(14.69)</b>	<b>(84.24)</b>
Cash and cash equivalents at the beginning of the year (refer note 14. a)	153.22	237.46
<b>Cash and cash equivalents at the end of the year (refer note 14. a)</b>	<b>138.54</b>	<b>153.22</b>

\*The value 0.00 means amounts is below ₹ 50,000/-

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".
- Purchase of Property, Plant and Equipment and other intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital creditors and capital advances of (a) property, plant and equipment and (b) intangible assets.
- Disclosure as required by Ind AS 7 - "Cash Flow Statements" - Changes in liabilities arising from financing activities:

₹ Crores

	Year ended March 31, 2023	Cash flow	Non cash movement *	Year ended March 31, 2024
Non-current borrowing (Refer note 19)	3,472.00	635.01	(954.76)	3,152.25
Current borrowing (Refer note 23)	413.73	295.56	68.51	777.80

\*Refer note 46 for non cash settlement of borrowing by issuance of equity shares of subsidiary to non-controlling interest holder.

See accompanying notes to the financial statements

1 to 51

In terms of our report attached.

**For M S K A & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

**Nitin Tiwari**

Partner

Membership No. 118894

**For and on behalf of the Board of Directors****Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 1. Corporate information

Prime Focus Limited (the 'Company / Parent') is a public limited company domiciled in India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company and its subsidiaries (collectively referred as "Group") are engaged in the business of post-production activities including digital intermediate, visual effects, 2D to 3D conversion and providing complete solutions in terms of other technical and creative services to the Media and Entertainment industry. The address of the Company's registered office is Prime Focus House, Linking Road Khar (West), Mumbai- 400052, India.

### 1.1 Subsidiaries of the Group

The consolidated financial statements relate to Prime Focus Limited and its subsidiaries as listed below:

Name of subsidiaries	Principal activity	Country of incorporation	As at March 31, 2024	As at March 31, 2023
<b>Subsidiary companies of Prime Focus Limited</b>				
Prime Focus Technologies Limited (PFT)*	Digital Asset Management	India	73.21%	73.75%
Prime Focus Production Services Private Limited	Dormant	India	100%	100%
GVS Software Private Limited	Dormant	India	100%	100%
Prime Focus Motion Pictures Limited	Post Production Services	India	100%	100%
PF World Limited	Investments	Mauritius	100%	100%
PF Investments Limited	Investments	Mauritius	100%	100%
Jam8 Prime Focus LLP	Music production services	India	51%	51%
*0.18% (Previous year – 0.18%) held by Prime Focus Motion Pictures Limited				
<b>Subsidiary companies of PF World Limited</b>				
PF Media Limited	Investments	Mauritius	100%	100%
Prime Focus Media UK Limited	Investments	England & Wales	100%	100%
PF Overseas Limited*	Investments	Mauritius	88.50%	100%
DNEG S.a.r.l (erstwhile Prime Focus Luxembourg Sarl)#	Investments	Luxembourg	52.31%	100%
* 11.50% is held by Prime Focus Limited.				
# On March 29, 2024 Prime Focus World N.V. merged into DNEG S.a.r.l. PF Overseas Limited (Mauritius) holds 6.45% in DNEG S.a.r.l.				
<b>Subsidiary company of PF Media Limited</b>				
Lowry Digital Imaging Services Inc *	Restoration of content	USA	90%	90%
* 10.00% is held by Prime Focus Limited.				

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

Name of subsidiaries	Principal activity	Country of incorporation	As at March 31, 2024	As at March 31, 2023
<b>Subsidiary company of DNEG S.a.r.l</b>				
Prime Focus 3D Cooperatief U.A.# (liquidated on February 13, 2024)	Investments	Netherlands	-	99.99%#
# Previous year 0.01% is held by PF Investments Limited				
<b>Subsidiary company of Prime Focus 3D Cooperatief U.A.</b>				
Prime Focus World N.V. (PFWNV)	Investments	Netherlands	-	87.15%
# During the year, merged into DNEG S.a.r.l, Previous year – 6.90% was held by PF Overseas Limited (Mauritius)				
<b>Subsidiary companies of DNEG S.a.r.l (erstwhile Prime Focus World N.V.)</b>				
DNEG North America Inc.	Post Production Services	USA	100%	100%
Prime Focus International Services UK Limited	Post Production Services	England & Wales	100%	100%
DNEG India Media Services Limited	Post Production Services	India	100%	100%
Double Negative Holdings Limited	Investments	England & Wales	100%	100%
DNEG Bulgaria EOOD	Post Production Services	Bulgaria	100%	100%
DNEG Plc	Investments	England & Wales	100%	100%
Double Negative Montreal Production Limited	Post Production Services	Montreal	100%	100%
<b>Subsidiary company of Double Negative Montreal Productions Limited</b>				
Double Negative Toronto Productions Limited	Post Production Services	Canada	100%	100%
<b>Subsidiary companies of Double Negative Holdings Limited</b>				
Double Negative Singapore Pte Limited	Dormant	Singapore	100%	100%
Double Negative Films Limited	Film Investments	England & Wales	100%	100%
Double Negative LA LLC	Post Production Services	USA	100%	100%
Incamera Limited (till February 14, 2024)	Post Production Services	England & Wales	-	50%
Double Negative Limited*	Post Production Services	England & Wales	74.30%	74.30%

\* 25.70 % (previous year - 25.70%) is held by Double Negative Films Limited



# Consolidated Notes

to the financial statements for the year ended March 31, 2024

Name of subsidiaries	Principal activity	Country of incorporation	As at March 31, 2024	As at March 31, 2023
<b>Subsidiary companies of Double Negative Limited</b>				
Double Negative Canada Productions Limited	Post Production Services	Canada	100%	100%
Double Negative Hungary Limited	Post Production Services	Hungary	100%	100%
DNEG Australia PTY Limited	Post Production Services	Australia	100%	100%
DNEG Australia Productions PTY Limited (w.e.f. from February 07, 2024)	Post Production Services	Australia	100%	-
DNEG Spain S.L.	Post Production Services	Spain	100%	100%
<b>Subsidiary companies of Double Negative Canada Productions Limited</b>				
Double Negative Huntsman VFX Limited	Post Production Services	Canada	100%	100%
Vegas II VFX Limited	Post Production Services	Canada	100%	100%
<b>Subsidiary company of DNEG India Media Services Limited</b>				
Prime Focus Academy of Media and Entertainment Studies Private Limited	Training Institute	India	100%	100%
<b>Subsidiary companies of Prime Focus Technologies Limited</b>				
Prime Focus Technologies PTE Limited	Technology and Software Services	England & Wales	100%	100%
Prime Focus Technologies UK Limited	Digital Asset Management	England & Wales	100%	100%
Prime Focus Technologies Inc.	Post Production Services	USA	100%	100%
Apptarix Mobility Solutions Private Limited	Technology and Software Services	India	100%	100%
<b>Subsidiary company of Prime Focus Technologies Inc.</b>				
DAX Cloud ULC	Digital Asset Management	Canada	100%	100%
<b>Subsidiary companies of Prime Focus Technologies UK Limited</b>				
Prime Post (Europe) Limited	Post Production Services	England & Wales	100%	100%
Prime Focus MEAD FZ LLC (Dissolved on 16 June 2023)	Post Production Services	Abu Dhabi	-	100%

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 2. Significant accounting policies

### 2.1 Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') including the Rules notified under the relevant provisions of Companies Act, 2013.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IND AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Group's financial statements are presented in Indian Rupees (₹) which is functional currency of the Company.

### 2.2 Use of Estimates

The preparation of consolidated financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

### 2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company, for like transactions and other events in similar circumstances. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its investment with the investee; and
- has the ability to use its power to affect its returns.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

The Company reassesses whether or not it controls, an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give its power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/ period are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if the results in the non-controlling interests have a deficit balance.

## Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair-value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable IND AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary.

## 2.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

# Consolidated Notes

## to the financial statements for the year ended March 31, 2024

### 2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

#### 2.5.1 Rendering of services

The Group provides a variety of post-production services including digital intermediate, visual special effects (VFX), two dimensions to three-dimension (2D to 3D) conversion and other technical services to its clients in the film, broadcast and commercial sectors.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in "other current liabilities".

#### 2.5.2 Contracts with contingent revenue terms

Some customer contracts for the provision of services are structured so that the economic benefits that flow to the Group are contingent on a future event, such as the performance of the film at the box office. In such cases, the Group estimates the transaction price at contract inception, including any variable consideration, and updates the estimate each reporting date for any changes in circumstances. The Group estimates the amount of variable consideration using the expected value method and determines the portion, if any, of that amount for which it is highly probable that a significant reversal will not subsequently occur. When the determination to recognise revenue is reached, the Group calculates revenue in accordance with the fixed price contract policy.

#### 2.5.3 Other income

Dividend income is accounted for in the period in which the right to receive the same is established.

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 2.5.4 Tax credits

The Group's operations based in British Columbia (BC), United Kingdom and Canada are eligible to earn tax credits on labour and related costs for the work performed. The Group's operations based in India are eligible to earn custom duty credits on realisation of export proceeds. These credits are not recognised until there is reasonable assurance that the Group will comply with the local compliance regulations attaching to them and that the credits will be received.

Tax credits are recognised in Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs which the credits are intended to compensate.

### 2.6 Leasing

#### The Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the right-to-use asset arising from the head-lease.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

#### The Group as a lessee

The Group enters into an arrangement for lease of buildings, plant and equipment, office equipment, vehicle and computer software.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- control the use of an identified asset,
- obtain substantially all the economic benefits from use of the identified asset, and
- direct the use of the identified asset

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group at the commencement of the lease contract recognizes a Right-to-Use (RTU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment and intangible assets.

The Group applies Ind AS 36 to determine whether an RTU asset is impaired and accounts for any identified impairment loss (Refer Note 2.17).

For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

## 2.7 Foreign currencies

In preparing the financial statements of each Individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates for the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

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On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisitions of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

## 2.8 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic basis and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

## 2.9 Employee benefits

### a. Retirement benefit costs and termination benefits

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

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans.

A liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### b. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees' upto the reporting date.

## 2.10 Share-based payment arrangements

### a. Share-based payment transactions of the Group

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding reserve.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year. Details regarding the determination of the fair value of share-based transactions are set out in note 40.

## 2.11 Taxation

Income tax expense represents the sum of current tax and deferred tax.

### • Current tax

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Groups current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### • Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## 2.12 Property, plant and equipment (PPE) and depreciation

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for

# Consolidated Notes to the financial statements for the year ended March 31, 2024

its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

PPE not ready for intended use on the date of balance sheet are disclosed as “capital work-in-progress”.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation on tangible assets of the Company and its subsidiaries is provided using the straight line method (SLM) as per useful lives which are similar to the useful life prescribed under Schedule II of the Companies Act, 2013.

Cost of leasehold improvements and leasehold building is amortised over a period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## 2.13 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Intangible assets are amortised on a straight-line basis over the estimated useful economic lives.

The Group amortised intangible assets pertaining to the 2D to 3D conversion business over 20 years as the Group believes the benefits from the intangible asset will accrue over 20 years.

- **Film rights**

The Group amortises film costs using the Individual film forecast method. Under the Individual film forecast method, such costs are amortized for each film in the ratio that current year revenue for such films bears to management’s estimate of remaining unrecognised ultimate revenue as at the beginning of the financial year. Management regularly reviews and revises, where necessary, its total estimates on a film by film basis, which may result in a change in the rate of amortization and/or a write down of the intangible asset to fair value. The period of amortization only starts at the point at which the asset starts to produce economic returns.

- **Software**

Software is amortised on straight line basis over the estimated useful life of upto 8 years.

- **Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives based on license period. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounting for on a prospective basis. Intangible assets with Indefinite useful lives are acquired separately are carried at cost less accumulated impairment losses.

- **Internally-generated intangible assets – research and development expenditure**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following have been demonstrated:

- a. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b. the intention to complete the intangible asset and use it or sell it;
- c. the ability to use or sell the intangible asset;
- d. how the intangible asset will generate probable future economic benefits;
- e. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- f. the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.



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Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

The assets are amortised over the estimated useful lives of upto 8 years.

- **Intangible assets acquired in a business combination**

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Finite-lived intangible assets that were acquired in a business combination, such as trade names, customer relationships and developed technology are amortised on a straight-line basis over their estimated useful life as follows:

Trade names	-	Upto 8 years
Non-compete	-	Over the contractual period (5 years)
Customer relationships and contracts		Upto 8 years
Software	-	Upto 8 years
Brand	-	Indefinite life

Intangible assets with Indefinite useful lives are tested for impairment at least annually, and whenever there is an Indication that the asset may be impaired.

- **De recognition of intangible assets**

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

## 2.14 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any Indication that those assets have suffered an impairment loss. If any such Indication exists, the recoverable

amount of asset is estimated in order to determine the extent of the impairment loss (if any). When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to Individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with Indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an Indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal 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 market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## 2.15 Advances towards film projects

The Group recognizes its advances towards film projects as financial assets held at amortized cost except for investment in equity shares of entity which is recorded at fair value through OCI. The Group applies the expected credit loss model for recognizing impairment losses on the financial assets. In its assessment, the Group considers the entire production cycle of content development from initial concept to ultimate monetization, and the expected cash flows from green lit, or those advancing to production, projects. The Group estimates the cash inflows expected in excess of the investment amount using the expected value method, and records as variable consideration the portion, if any, of that amount for which

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it is probable that a significant reversal will not subsequently occur. This consideration is recognized as revenue from advances towards film projects. In certain cases, the Company has made advances to customers as an incentive to enter into production services contracts. These advances will be recognized as a reduction of contract consideration over the duration of the contract.

## 2.16 Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

### i. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

### ii. Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring, are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

## 2.17 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 2.18 Financial assets

All regular way purchases or sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 2.18.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### 2.18.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Income is recognised on an effective interest basis for debt instruments. Interest income is recognised in profit or loss and is included in the "Other income" line item.

## 2.18.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

## 2.18.4 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected

credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is Indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

## 2.18.5 De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay.

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

## 2.19 Financial liabilities and equity instruments

### 2.19.1 Classification as debt or equity

Debt and equity instruments issued by the Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

### 2.19.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

### 2.19.3 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest

method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

### 2.19.4 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### 2.19.4.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 2.19.4.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

## 2.19.4.3 De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Groups obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## 2.20 Offsetting

Financial assets and financial liabilities are off set and the net amount is presented when and only when, the Group has legally enforceable right to set off the amount it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## 2.21 Cash and Cash equivalents

The Group's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Group's cash management system. In the balance sheet, bank overdraft is presented under borrowings within "short-term borrowings".

## 2.22 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible

for allocating resources and assessing performances of the operating segments of the Group.

## 2.23 Earnings per share

The Parent presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Parent by weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effect of all dilutive potential ordinary shares, which includes all stock options granted to employees.

## 2.24 Exceptional items

Exceptional items refer to items of income or expenses within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their disclosure is considered necessary to explain the performance of the Group.

## 2.25 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## 2.26 Amendments to the existing accounting standards:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## 3.1 Revenue recognition

The Group derives its revenues from fixed price VFX and 2D to 3D content conversion contracts. The revenue recognised on these contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man days of work performed as a percentage of the estimated total man days to complete a contract. The actual man days and estimated man days to complete a contract are updated on a monthly basis.

The estimated hours / man days remaining to complete a project are judgemental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

The Group enters into contracts wherein the economic benefits that flow are contingent on a future event, such as performance of the film at box office. According to IND AS 115, variable consideration is estimated at contract inception and subsequently updated each reporting date. Variable consideration is only included in the transaction price if it is considered probable that a significant revenue reversal will not occur. Variable consideration is estimated based on available market information, production house involved, feature film is new or sequel, and customers correspondence.

## 3.2 Taxation

The Group makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent the best estimate of the tax charge that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit or Loss.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is

made of the future forecasts of taxable profit. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

The Group has losses and other timing differences for which no deferred tax asset has been recognised in these financial statements. This situation can arise in loss-making subsidiaries where the future economic benefit of these timing differences is estimated to be not probable. It can also arise where the timing differences are of such a nature that their value is dependent on only certain types of profit being earned, such as capital profits. If trading or other appropriate profits are earned in future in these companies, these losses and other timing differences may yield benefit to the Group in the form of a reduced tax charge.

## 3.3 Recoverability of internally generated intangible asset

The Group develops intangible assets internally to assist its business plans and outlook. The Group capitalises costs incurred in such development activities. Selection of the intangible asset eligible for capitalisation, identification of the expenses that are directly attributable and reasonably allocable to development of intangible assets involves significant management judgement. Further, the Group considers recoverability of the Group's internally generated intangible assets as at the end of each reporting period.

## 3.4 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

## 3.5 Depreciation and useful lives of property, plant and equipment and other intangible assets.

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. The Group reviews the estimated useful lives of all such assets at the end of each reporting period. There has been no requirement to revise the useful lives of any such assets as at the Balance Sheet date.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 3.6 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

## 3.7 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

## 3.8 Defined benefit obligation.

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 "Employee benefits" over the period during which benefits is derived from the employees' services and is determined based on valuation carried out by Independent actuary. The costs are determined based on assumptions selected by the management. These assumptions include salary escalation rate, discount rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to change in these assumptions.

## 3.9 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right-to-use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

# Consolidated Notes

 to the financial statements for the year ended March 31, 2024

## 4. Property, plant and equipment

	Buildings	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipments	Vehicles	Total
₹ Crores							
<b>Gross block</b>							
Balance as at March 31, 2022	132.31	895.67	60.27	239.72	109.22	1.59	<b>1,438.78</b>
Additions	-	175.78	7.38	3.58	9.04	1.07	<b>196.85</b>
Transfer from / to right to use (net)	-	25.00	-	-	-	1.96	<b>26.96</b>
Deductions / disposal	-	(3.28)	(0.15)	-	(0.12)	(0.05)	<b>(3.60)</b>
Translation adjustment	-	(41.10)	7.59	(0.50)	21.87	0.01	<b>(12.13)</b>
<b>Balance as at March 31, 2023</b>	<b>132.31</b>	<b>1,052.07</b>	<b>75.09</b>	<b>242.80</b>	<b>140.01</b>	<b>4.58</b>	<b>1,646.86</b>
<b>Accumulated depreciation</b>							
Balance as at March 31, 2022	16.30	690.92	51.86	209.42	96.50	1.00	<b>1,066.00</b>
For the year	2.34	65.21	5.45	7.02	5.32	0.23	<b>85.57</b>
Transfer from / to right to use (net)	-	21.02	-	-	-	1.32	<b>22.34</b>
Deductions / disposal	-	(1.66)	(0.01)	-	(0.10)	(0.03)	<b>(1.80)</b>
Translation adjustment	-	(28.18)	4.41	(1.51)	16.03	0.02	<b>(9.23)</b>
<b>Balance as at March 31, 2023</b>	<b>18.64</b>	<b>747.31</b>	<b>61.71</b>	<b>214.93</b>	<b>117.75</b>	<b>2.54</b>	<b>1,162.88</b>
<b>Net block</b>							
<b>Balance as at March 31, 2023</b>	<b>113.67</b>	<b>304.76</b>	<b>13.38</b>	<b>27.87</b>	<b>22.26</b>	<b>2.04</b>	<b>483.98</b>

	Buildings	Plant and equipment	Furniture and fixtures	Leasehold Improvements	Office equipments	Vehicles	Total
₹ Crores							
<b>Gross block</b>							
Balance as at March 31, 2023	132.31	1,052.07	75.09	242.80	140.01	4.58	<b>1,646.86</b>
Additions	-	143.84	2.84	9.02	7.83	5.96	<b>169.49</b>
Transfer from / to right to use (net)	-	94.58	-	1.90	0.04	1.61	<b>98.59</b>
Deductions / disposal	-	(58.60)	(3.19)	(1.70)	(0.41)	(1.80)	<b>(65.70)</b>
Sale of subsidiary	-	(28.90)	-	-	-	-	<b>(28.90)</b>
Translation adjustment	-	16.09	0.58	4.41	1.03	0.45 (positive value)	<b>22.10</b>
<b>Balance as at March 31, 2024</b>	<b>132.31</b>	<b>1,219.08</b>	<b>75.32</b>	<b>256.43</b>	<b>148.50</b>	<b>10.80</b>	<b>1,842.44</b>
<b>Accumulated depreciation</b>							
Balance as at March 31, 2023	18.64	747.31	61.71	214.93	117.75	2.54	<b>1,162.88</b>
For the year	2.34	95.02	5.08	8.31	9.10	0.76	<b>120.61</b>
Transfer from / to right to use (net)	-	112.84	-	0.19	0.03	0.31	<b>113.48</b>
Deductions / disposal	-	(56.53)	(3.17)	(0.87)	(0.38)	(1.48)	<b>(62.43)</b>
Sale of subsidiary	-	(9.35)	-	-	-	-	<b>(9.35)</b>
Translation adjustment	-	11.99	0.57	4.01	1.19	0.13	<b>17.78</b>
<b>Balance as at March 31, 2024</b>	<b>20.98</b>	<b>901.28</b>	<b>64.19</b>	<b>226.57</b>	<b>127.69</b>	<b>2.26</b>	<b>1,342.97</b>
<b>Net block</b>							
<b>Balance as at March 31, 2024</b>	<b>111.33</b>	<b>317.80</b>	<b>11.13</b>	<b>29.86</b>	<b>20.81</b>	<b>8.54</b>	<b>499.47</b>

Refer note 19 and 23 regarding details of borrowings where assets have been placed as security.

## 5. Other Intangible assets



# Consolidated Notes

to the financial statements for the year ended March 31, 2023

	Film / First look rights	Customer relationship and contracts	Trade names, Brand and Non-competes	Software	₹ Crores Total
<b>Gross block</b>					
Balance as at March 31, 2022	10.18	24.83	7.30	1,373.76	<b>1,416.07</b>
Additions	-	-	-	119.26	<b>119.26</b>
Deduction	-	-	-	-	-
Transfer from / to right to use (net)	-	-	-	19.60	<b>19.60</b>
Translation adjustment	0.41	2.18	0.20	33.98	<b>36.77</b>
<b>Balance as at March 31, 2023</b>	<b>10.59</b>	<b>27.01</b>	<b>7.50</b>	<b>1,546.60</b>	<b>1,591.70</b>
<b>Accumulated amortisation</b>					
Balance as at March 31, 2022	10.18	24.83	7.30	892.49	<b>934.80</b>
For the year	-	-	-	181.44	<b>181.44</b>
Deduction	-	-	-	-	-
Transfer from / to right to use (net)	-	-	-	10.67	<b>10.67</b>
Translation adjustment	0.41	2.18	0.20	27.36	<b>30.15</b>
<b>Balance as at March 31, 2023</b>	<b>10.59</b>	<b>27.01</b>	<b>7.50</b>	<b>1,111.96</b>	<b>1,157.06</b>
<b>Net block</b>					
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>434.64</b>	<b>434.64</b>

	Film / First look rights	Customer relationship and contracts	Trade names, Brand and Non-competes	Software	₹ Crores Total
<b>Gross block</b>					
Balance as at March 31, 2023	10.59	27.01	7.50	1,546.60	<b>1,591.70</b>
Additions	-	8.86	1.00	214.39	<b>224.25</b>
Deduction / discard	(8.13)	-	-	(109.66)	<b>(117.79)</b>
Transfer from / to right to use (net)	-	-	-	2.19	<b>2.19</b>
Translation adjustment	0.08	0.40	(2.17)	33.46	<b>31.77</b>
<b>Balance as at March 31, 2024</b>	<b>2.54</b>	<b>36.27</b>	<b>6.33</b>	<b>1,686.99</b>	<b>1,732.12</b>
<b>Accumulated amortisation</b>					
Balance as at March 31, 2023	10.59	27.01	7.50	1,111.96	<b>1,157.06</b>
For the year	-	3.40	0.01	185.01	<b>188.43</b>
Deduction / discard	(8.13)	-	-	(84.16)	<b>(92.29)</b>
Transfer from / to right to use (net)	-	-	-	2.11	<b>2.11</b>
Translation adjustment	0.08	0.65	(2.17)	28.28	<b>26.83</b>
<b>Balance as at March 31, 2024</b>	<b>2.54</b>	<b>31.06</b>	<b>5.34</b>	<b>1,243.21</b>	<b>1,282.14</b>
<b>Net block</b>					
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>5.21</b>	<b>0.99</b>	<b>443.78</b>	<b>449.98</b>

# Consolidated Notes

 to the financial statements for the year ended March 31, 2023

## 6. Right to use assets

	Studio lease	Buildings	Leased property	Plant and equipment	Vehicles	Software	Total
₹ Crores							
<b>Gross block</b>							
Balance as at March 31, 2022	185.45	112.20	724.79	512.92	2.39	168.15	<b>1,705.90</b>
Additions	-	-	114.41	103.13	1.71	20.44	<b>239.69</b>
Deductions / disposal	-	-	(3.60)	(4.39)	-	-	<b>(7.99)</b>
Transfer to / from PPE and Intangible assets (net)	-	-	-	(25.00)	(1.96)	(19.60)	<b>(46.56)</b>
Translation adjustment	-	-	13.26	6.09	(0.03)	3.30	<b>22.62</b>
<b>Balance as at March 31, 2023</b>	<b>185.45</b>	<b>112.20</b>	<b>848.86</b>	<b>592.75</b>	<b>2.11</b>	<b>172.29</b>	<b>1,913.66</b>
<b>Accumulated depreciation / amortisation</b>							
Balance as at March 31, 2022	67.92	24.07	197.74	330.09	1.15	145.28	<b>766.25</b>
For the year	21.60	3.44	90.17	70.69	0.44	13.31	<b>199.65</b>
Deductions / disposal	-	-	(4.72)	(2.88)	-	-	<b>(7.60)</b>
Transfer to / from PPE and Intangible assets (net)	-	-	-	(21.02)	(1.32)	(10.67)	<b>(33.01)</b>
Translation adjustment	-	-	3.07	5.65	-	3.71	<b>12.43</b>
<b>Balance as at March 31, 2023</b>	<b>89.52</b>	<b>27.51</b>	<b>286.26</b>	<b>382.53</b>	<b>0.27</b>	<b>151.63</b>	<b>937.72</b>
<b>Net block</b>							
<b>Balance as at March 31, 2023</b>	<b>95.93</b>	<b>84.69</b>	<b>562.60</b>	<b>210.22</b>	<b>1.84</b>	<b>20.66</b>	<b>975.94</b>

	Studio lease	Buildings	Leased property	Plant and equipment	Vehicles	Software	Total
₹ Crores							
<b>Gross block</b>							
Balance as at March 31, 2023	185.45	112.20	848.86	592.75	2.11	172.29	<b>1,913.66</b>
Additions	-	9.47	5.18	19.64	0.10	2.32	<b>36.71</b>
Deductions / disposal	-	-	(52.12)	(0.35)	-	-	<b>(52.47)</b>
Transfer to / from PPE and Intangible assets (net)	-	-	(1.90)	(94.61)	(1.61)	(2.19)	<b>(100.31)</b>
Translation adjustment	-	-	19.68	7.98	0.02	5.64	<b>33.32</b>
<b>Balance as at March 31, 2024</b>	<b>185.45</b>	<b>121.67</b>	<b>819.70</b>	<b>525.41</b>	<b>0.62</b>	<b>178.06</b>	<b>1,830.91</b>
<b>Accumulated depreciation / amortisation</b>							
Balance as at March 31, 2023	89.52	27.51	286.26	382.53	0.27	151.63	<b>937.72</b>
For the year	21.60	3.66	95.13	60.69	0.26	7.97	<b>189.31</b>
Deductions / disposal	-	-	(52.04)	(0.17)	-	-	<b>(52.21)</b>
Transfer to / from PPE and Intangible assets (net)	-	-	(0.19)	(112.88)	(0.31)	(2.11)	<b>(115.49)</b>
Translation adjustment	-	-	3.10	9.66	0.01	5.38	<b>18.15</b>
<b>Balance as at March 31, 2024</b>	<b>111.12</b>	<b>31.17</b>	<b>332.26</b>	<b>339.83</b>	<b>0.23</b>	<b>162.87</b>	<b>977.48</b>
<b>Net block</b>							
<b>Balance as at March 31, 2024</b>	<b>74.33</b>	<b>90.50</b>	<b>487.44</b>	<b>185.58</b>	<b>0.39</b>	<b>15.19</b>	<b>853.43</b>

# Consolidated Notes to the financial statements for the year ended March 31, 2023

## 7a. Capital work in progress (CWIP) ageing schedule:

₹ Crores

As at March 31, 2024	Amount for a period of				Total
	Less than 1 year	1-2 year	2-3 year	more than 3 years	
Project 1	19.39	1.64	-	-	21.03
Project 3	2.39	5.77	-	-	8.16
	21.78	7.42	-	-	29.19

₹ Crores

As at March 31, 2023	Amount for a period of				Total
	Less than 1 year	1-2 year	2-3 year	more than 3 years	
Project 1 *	1.64	0.12	-	10.44	12.20
Project 2	0.07	-	-	-	0.07
Project 3	51.00	-	-	-	51.00
	52.71	0.12	-	10.44	63.27

\* The above project 1 in progress is delayed and expected to be completed within next one year, however there are no cost overruns.

## 7b (i) . Intangible assets under development ageing schedule:

₹ Crores

As at March 31, 2024	Amount for a period of				Total
	Less than 1 year	1-2 year	2-3 year	more than 3 years	
Project 4	144.39	68.91	-	-	213.29
Project 7	1.32	-	-	-	1.32
Project 8	5.39	-	-	-	5.39
Project 9	1.08	-	-	-	1.08
Project 10	9.25	-	-	-	9.25
	161.43	68.91	-	-	230.33

₹ Crores

As at March 31, 2023	Amount for a period of				Total
	Less than 1 year	1-2 year	2-3 year	more than 3 years	
Project 3	7.77	2.93	-	-	10.70
Project 4	64.89	2.27	-	-	67.16
Project 5	10.74	-	-	-	10.74
	83.40	5.20	-	-	88.60

# Consolidated Notes

to the financial statements for the year ended March 31, 2023

7b (ii). During the year, the Group has capitalised the following expenses of revenue nature to the cost of intangible asset under development (software). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Particulars	₹ Crores	
	March 31, 2024	March 31, 2023
Opening balance	88.60	17.13
Add:		
Employee benefit expenses	180.57	98.81
Direct overheads	1.08	1.22
Exchange differences	1.72	2.78
	<b>183.36</b>	<b>102.81</b>
Less: transfer to intangible assets	41.62	31.34
<b>Closing balance</b>	<b>230.33</b>	<b>88.60</b>

## 8. Goodwill

Goodwill has been allocated for impairment testing purposes to the following cash-generating units.

- Creative services business
- Technology and technology enabled business
- Others

The carrying amount of goodwill was allocated to cash-generating units as follows:

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Creative services business	919.36	906.94
Technology and technology enabled business	210.77	209.06
Others	56.65	56.65
	<b>1,186.78</b>	<b>1,172.65</b>

The recoverable amount for these cash-generating units (CGU) is determined on a value in use calculation which uses cash flow projections based on financial budgets prepared by the management.

Following key assumptions were considered while performing Impairment testing

- Long term sustainable growth rates 2% to 5% (previous year: 2% to 5%)
- Weighted Average Cost of Capital % (WACC) after tax 14.90% to 19.10% (previous year: 13.40% to 19.10%)
- EBITDA margins 17.00% to 29.40% (previous year: 23.50% to 30.00%)

The projections cover a period of four to five years, as that is believed to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates used to estimate future performance are based on the conservative estimates from past performance. EBITDA margins are based on historical performance and Group's strategies.

The management has performed sensitivity analysis around the base assumptions and have concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGUs to be less than the carrying value.

Based on the value in use computations, no impairment provision was considered necessary.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 9. Investments (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Unquoted, valued at cost unless stated otherwise, investment in others		
The Shamrao Vithal Co-operative Bank Limited# (Previous year : 4,000 shares of ₹ 25/- each)	-	0.01
Mainframe Premises Co-Operative Society Limited 350 shares of ₹ 10/- each *	0.00	0.00
Baweja Studios Limited 1,04,800 shares of ₹ 10/- each (Previous year : Nil)	1.89	-
Next Gen Skills Limited Fixed rate convertible unsecured loan stock	0.26	0.25
	<b>2.15</b>	<b>0.26</b>

\*The value 0.00 means amount is below ₹ 50,000/-

# Investment sold during the year for ₹ 1,00,000/-

## 10. Other financial assets (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Security deposits	29.57	27.82
Bank deposits with remaining maturity of more than 12 months	1.30	0.96
Unbilled revenues (unsecured)		
Considered good	72.91	235.16
Considered doubtful	30.84	-
	<b>103.75</b>	<b>235.16</b>
Less: Loss allowances	(30.84)	-
	<b>72.91</b>	<b>235.16</b>
Advances towards film investments (unsecured)	248.78	714.92
Tax credits receivable from foreign governments	116.73	83.16
Other advances	13.43	13.23
	<b>482.72</b>	<b>1,075.25</b>

## 11. Other assets (Non-current) (unsecured, considered good)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Capital advances	44.01	35.40
Prepaid expenses	0.78	0.06
	<b>44.79</b>	<b>35.46</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## 12. Investments (Current)

₹ Crores

	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
<b>Quoted Mutual Funds</b>				
<b>At Fair Value through Profit or Loss</b>				
ICICI Prudential Liquid Mutual Fund - Growth	13,54,117	47.99	19,77,010	65.37
ICICI Prudential Equity Arbitrage Fund - Growth	86,94,767	27.34	-	-
HDFC Liquid Mutual Fund - Regular Plan - Growth	1,02,111	47.97	1,49,098	65.37
HDFC Arbitrage - Wholesale Plan - Growth	97,35,129	27.34	-	-
		<b>150.64</b>		<b>130.74</b>

## 13. Trade receivables (Current) (unsecured)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Trade receivables	443.33	669.05
Less: Loss allowances	(48.19)	(44.54)
	<b>395.14</b>	<b>624.51</b>

### 13.1 The movement in allowance for doubtful receivables is as follows:

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at the beginning of the year	44.54	37.78
Movement during the year	3.79	9.24
Bad debts written off against opening provision for doubtful debts	(0.14)	(2.48)
<b>Balance as at the end of the year</b>	<b>48.19</b>	<b>44.54</b>

### 13.2 Trade receivables - ageing and other details

₹ Crores

March 31, 2024	Undisputed trade receivables			Disputed trade receivables			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	211.42	2.45	-	-	-	-	<b>213.87</b>
6 months - 1 year	105.18	0.93	-	-	-	-	<b>106.11</b>
1 - 2 year	32.73	2.94	-	-	-	-	<b>35.67</b>
2 - 3 year	38.79	3.94	-	-	-	-	<b>42.73</b>
More than 3 years	7.02	19.10	18.83	-	-	-	<b>44.95</b>
	<b>395.14</b>	<b>29.36</b>	<b>18.83</b>	-	-	-	<b>443.33</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

Trade receivables - ageing and other details

₹ Crores

March 31, 2023	Undisputed trade receivables			Disputed trade receivables			Total
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired	
Less than 6 months	502.91	8.41	-	-	-	-	511.32
6 months - 1 year	67.02	8.40	-	-	-	-	75.42
1 - 2 year	36.66	12.09	-	-	-	-	48.75
2 - 3 year	2.49	0.43	-	-	-	-	2.92
More than 3 years	15.43	14.51	0.70	-	-	-	30.64
	<b>624.51</b>	<b>43.84</b>	<b>0.70</b>	-	-	-	<b>669.05</b>

13.3. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

## 14. Cash and cash equivalents

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
<b>a. Cash and cash equivalents</b>		
Cash on hand	5.23	0.11
<b>Bank balances</b>		
In current accounts	133.31	153.11
	<b>138.54</b>	<b>153.22</b>
<b>b. Other bank balances</b>		
Deposits with original maturity of less than three months*	2.99	3.65
	<b>2.99</b>	<b>3.65</b>

\*Fixed deposits are provided as security against fund-based and non-fund based credit facilities.

## 15. Other financial assets (Current)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Security deposits		
Considered good	49.30	6.81
Considered doubtful	0.50	0.15
	<b>49.80</b>	<b>6.96</b>
Less: Loss allowances	(0.50)	(0.15)
	<b>49.30</b>	<b>6.81</b>
Unbilled revenues	1,846.73	1,179.47
Export incentives receivable	4.75	8.01
Advances towards film investments (unsecured)		
Considered good	1.44	37.99
Considered doubtful	7.98	11.88
	<b>9.42</b>	<b>49.87</b>
Less: Loss allowances	(7.98)	(11.88)
	<b>1.44</b>	<b>37.99</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

	As at March 31, 2024	As at March 31, 2023
Others (unsecured)*		
Considered good	339.33	46.11
Considered doubtful	2.18	0.65
	<b>341.51</b>	<b>46.76</b>
Less: Loss allowances	(2.18)	(0.65)
	<b>339.33</b>	<b>46.11</b>
	<b>2,241.55</b>	<b>1,278.39</b>

\*Others includes customer recharges, staff advances and amounts recoverable from JV partner.

## 16. Other assets (Current) (unsecured, considered good)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Advances and other receivables*	70.63	83.92
Prepaid expenses	51.92	29.15
Tax credits receivable from foreign governments	63.66	28.49
	<b>186.21</b>	<b>141.56</b>

\* Includes loans and advances to employees and others, advances to suppliers, Goods and Services tax (GST) receivable and VAT receivables.

## 17. Equity share capital

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Authorised share capital:</b>		
85,00,00,000 Shares (Previous year 45,05,00,000 Shares) of ₹ 1/- each	<b>85.00</b>	<b>45.00</b>
<b>Issued, subscribed and paid-Up:</b>		
29,98,48,644 Shares (Previous year 29,95,36,644 Shares) of ₹ 1/- each	29.98	29.95
	<b>29.98</b>	<b>29.95</b>

### 17.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

#### Fully paid equity shares

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount in ₹ Crores	Number	Amount in ₹ Crores
Balance as at the beginning of the year	29,95,36,644	29.95	29,95,36,644	29.95
Additions during the year (Refer note 40 (a))	3,12,000	0.03	-	-
Balance as at the end of the year	29,98,48,644	29.98	29,95,36,644	29.95



# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 17.2 Shares reserved for issue under options

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Shares reserved for issue under options (Refer note 40 (a))	1,69,63,068	1,72,75,068

## 17.3 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 1 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

## 17.4 (a) Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2024

Promoter name	No of shares	% of total shares	% change during the year
A2R Holdings	13,59,72,232	45.35%	1.13%
Naresh Malhotra	5,86,75,296	19.57%	1.13%
Namit Malhotra	1,49,00,000	4.97%	0.00%

## 17.4 (b) Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2023

Promoter name	No of shares	% of total shares	% change during the year
A2R Holdings	13,24,45,882	44.22%	-
Naresh Malhotra	6,22,01,646	20.77%	-
Namit Malhotra	1,49,00,000	4.97%	-

## 17.5 Details of shares held by each shareholder holding more than 5%

	As at March 31, 2024		As at March 31, 2023	
	Numbers	% of holding	Numbers	% of holding
A2R Holdings	13,59,72,232	45.35%	13,24,45,882	44.22%
Naresh Malhotra	5,86,75,296	19.57%	6,22,01,646	20.77%
Augusta Investments I Pte. Limited	2,92,41,897	9.75%	2,92,41,817	9.76%
Marina IV (Singapore) Pte. Limited	2,33,90,875	7.80%	2,33,90,875	7.81%

In the period of five years immediately preceding March 31, 2024 :

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil (previous year: Nil)

Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil (previous year: Nil)

Aggregate number and class of shares bought back - Nil (previous year: Nil)

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## 18. Other equity excluding non-controlling interest

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Securities premium reserve</b>		
As per last balance sheet	918.41	918.41
Movement during the year	1.59	-
Contribution from minority interest (net) (Refer note 46)	137.55	-
Movement in Share option outstanding account (Refer note 40)	64.91	-
	<b>1,122.46</b>	<b>918.41</b>
<b>Capital reserve</b>		
As per last balance sheet	134.27	134.27
Movement during the year	-	-
	<b>134.27</b>	<b>134.27</b>
<b>General reserve</b>		
As per last balance sheet	79.80	79.80
Movement during the year	-	-
	<b>79.80</b>	<b>79.80</b>
<b>Retained earnings *</b>		
As per last balance sheet	(897.82)	(1,040.15)
Contribution from minority interest (net) (Refer note 46)	685.36	(2.06)
(Loss)/Profit for the year	(404.57)	144.38
Movement during the year from Share options outstanding account	1.71	-
	<b>(615.32)</b>	<b>(897.82)</b>
<b>Share options outstanding account</b>		
As per last balance sheet	290.35	265.76
Stock compensation expense (Refer note 40)	6.17	24.59
Movement in Share option outstanding account (Refer note 40)	(110.47)	-
Movement during the year to Retained earnings	(1.71)	-
	<b>184.35</b>	<b>290.35</b>
<b>Other comprehensive income (Fair value of film investments)</b>		
As per last balance sheet	(9.81)	-
Movement during the year	-	(9.81)
	<b>(9.81)</b>	<b>(9.81)</b>
<b>Other comprehensive income (Foreign currency translation reverse)</b>		
As per last balance sheet	(519.96)	(273.74)
Contribution from minority interest (net) (Refer note 46)	201.32	-
Movement during the year	(91.06)	(246.22)
	<b>(409.70)</b>	<b>(519.96)</b>
	<b>486.04</b>	<b>(4.77)</b>

\*Retained earnings includes Re-measurement of defined benefit obligation loss (net of tax) of ₹ 7.14 Crores (previous year ₹ 7.11 Crores)

# Consolidated Notes to the financial statements for the year ended March 31, 2024

- 18.1 Security premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the permissions of the Companies Act, 2013 for specified purposes.
- 18.2 Capital reserve represents reserve created on acquisition of business and warrants application money forfeited.
- 18.3 General reserve is created from time to time by transferring profits from retained earnings and can be utilised for the purposes such as dividend pay-out, bonus issue etc.
- 18.4 Retained earnings represents profit that the Company earned till date, less any transfers to general reserve and other distributions paid to the shareholders.
- 18.5 Share option outstanding account relates to the stock option granted by the Company to employees under the Employee Stock Option Plan (Refer note 40)
- 18.6 Foreign Currency Translation Reserve (FCTR) - Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e., Indian rupees) are recognised directly in the Other Comprehensive Income and accumulated in FCTR are reclassified to Profit or Loss on the disposal of the foreign operations.
- 18.7 Fair value of film investments - represents change in fair value of equity investment for which the Group has elected to account mark to market gain/ loss in Other comprehensive income.

## 19. Borrowings (Non-current)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Term loans (secured)</b>		
From banks (Refer note a, e, f, g, h and i)	2,946.02	2,248.78
From others (Refer note b)	-	1,014.50
<b>Term loans (unsecured)</b>		
From banks (Refer note d)	6.23	8.72
From others (Refer note 44 (iv))	200.00	200.00
	<b>3,152.25</b>	<b>3,472.00</b>

- a. During the previous year, the Company and one of the step down subsidiary obtained a working capital term loan from a bank for ₹ 54.94 Crores. This facility is 100% credit guaranteed by National Credit Guarantee Trust Company Limited under the Emergency Credit Line Guarantee Scheme. It carries second charge over present and future current assets, movable fixed assets and assets of the Company's India business (excluding specific assets charged against finance lease), second charge by way of pledge over 30% shares of Prime Focus Technologies Limited, Personal Guarantee of Namit Malhotra and pledge of Company shares held by Parent's promoters.

Tenor of the loan is 6 years from September 2021, repayable in 48 equal instalments after moratorium of 2 years. Interest rate applicable is 1% over 1 year MCLR subject to cap of 9.25%. The loan was repaid during the year and as at March 31, 2023, ₹ 23.02 Crores is disclosed as non-current borrowing and ₹ 2.50 Crores as current maturities of long term borrowing.

- b. PF World Limited, (Mauritius) entered into a convertible loan agreement for an amount of \$ 133 million with a financial institution with an interest of 20% per annum. Out of this, \$ 123.50 million was drawn till previous year. The loan is guaranteed by PF World Limited, (Mauritius) and Prime Focus 3D Cooperatief UA. Further, PF Investments Limited, PF Overseas Limited and DNEG S.a.r.l are additional guarantors to the loan. PF World Limited, (Mauritius) has pledged its shares in PF Overseas Limited. Additionally all bank accounts of PF World Limited (Mauritius) has been pledged in favour of the lender. Further, DNEG S.a.r.l and PF Investments Limited have pledged their membership interest and related rights in Prime Focus 3D Cooperatief UA.

During the previous year the lender and PF World Limited, (Mauritius) have agreed to convert this convertible loan into equity shares of DNEG S.a.r.l. Pending issuance of shares and necessary approvals, the outstanding amount of ₹ 1,014.50 Crores and interest accrued of ₹ 401.07 Crores has been classified as non-current borrowing and financial liabilities respectively as on March 31, 2023. (Refer note 23).

On September 20, 2023, PF World Limited ("PF World"), a subsidiary of the Company has entered into a share sale and purchase agreement with NaMa Capital Limited ("NaMa") for transfer of 23.25% shares (on a fully diluted basis taking into account the future implementation of an option scheme) held by PF World in its subsidiary DNEG S.a.r.l, ("DNEG") (formerly known as Prime Focus Luxembourg S.a.r.l), and identified assets to NaMa against full settlement of outstanding loans and interest accrued thereon from NaMa to PF World.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

- c. Unsecured term loans from others are availed at interest rate of 15.00% p.a. As at March 31, 2024 ₹ 1.00 Crores (March 31, 2023: ₹ 1.00 Crores) is disclosed under current maturities of long term borrowings.
- d. In the earlier year, Prime Focus Technologies Limited has been granted a Guaranteed Emergency Credit Line (GECL) facility of ₹ 9.97 Crores at an interest rate based on one year MCLR + 1 subject to cap of 9.25%. This facility is repayable in 48 instalments after completion of moratorium of 24 months. This facility is secured by exclusive charge over present and future current assets and movable fixed assets, personal guarantees of promoter of the company, pledge of 35% shares of Prime Focus Technologies Limited held by the holding company, corporate Guarantee of holding company, exclusive charge by way of mortgage of immovable properties, pledge of 30% shares of subsidiaries of Prime Focus Technologies Limited viz; Prime Focus Technologies Inc., DAX LLC, Prime Focus Technologies UK Limited, Prime Post Europe Limited. As at March 31, 2024, ₹ 6.23 Crores considered as long term borrowing and ₹ 2.49 Crores as current maturities of long term borrowing. As at March 31, 2023, ₹ 8.72 Crores considered as long term borrowing and ₹ 1.25 Crores as current maturities of long term borrowing.
- e. On November 17, 2022, DNEG S.a.r.l group has refinanced all its existing debt such that the new facility comprise of a Term loan of ₹ 1,691.52 Crores (\$ 206 Million) and ₹ 615.45 Crores (£ 60.60 Million) and a Revolving Credit Facility (RCF) of ₹ 697.96 Crores (\$ 85 Million). The term loan is secured by present and future assets and corporate guarantees of DNEG S.a.r.l. and the subsidiaries of the Group in UK and Canada including pledge over their shares.

The interest rate on loan is SOFR/SONIA plus margin ranging from 2.50% to 3.75% per annum plus a credit adjustment spread which is subject to leverage levels. The loan is repayable in full on termination of three years starting from November 17, 2022 and maturing on November 16, 2025, with an option of extension by 1 year subject to lender's consent.

As at March 31, 2024, ₹ 2,907.40 Crores considered as long term borrowings and ₹ 538.47 Crores under short-term demand loan.

As at March 31, 2023, ₹ 2,225.76 Crores considered as long term borrowings, ₹ 58.66 Crores as current maturities of long term borrowings and ₹ 279.06 Crores under short-term demand loan.

- f. During the year, DNEG S.a.r.l group availed financing towards purchase of equipment of ₹ 21.75 Crores (\$ 2.61 Million) in Australia. The facility is secured by a charge of over all the assets of the subsidiary company of DNEG S.a.r.l. The rate of interest on the loan is BBSY plus 2.75% and is repayable in 3 years from the date on which it is borrowed.

As at March 31, 2024, ₹ 13.05 Crores considered as long term borrowings and ₹ 8.70 Crores as current maturities of long term borrowings.

- g. During the year, DNEG S.a.r.l group availed financing towards purchase of vehicles of ₹ 9.18 Crores (\$ 1.10 Million) in India. The rate of interest on the loan ranges from 7.90% to 10.25% and is repayable in 60 months.

As at March 31, 2024, ₹ 7.70 Crores considered as long term borrowings and ₹ 1.48 Crores as current maturities of long term borrowings.

- h. During the year, DNEG S.a.r.l group availed financing towards purchase of equipment of ₹ 52.56 Crores (\$6.26 Million) in India. The facility is secured by the assets underlying the financing arrangement. The rate of interest on the loan varies from 8.01% to 9.60% and is repayable in 18 to 36 months from the date on which it is borrowed.

As at March 31, 2024, ₹ 2.51 Crores considered as long term borrowings and ₹ 49.69 Crores as current maturities of long term borrowings.

- i. DNEG S.a.r.l group availed certain facilities from various financial institutions by securing certain assets of the Group. The rate of interest on the loan varies from 2.94% to 9.15% and is repayable in 12 months to 60 months from the date on which it is borrowed.

As at March 31, 2024, ₹ 15.36 Crores considered as long term borrowings and ₹ 56.47 Crores as current maturities of long term borrowings.

## 20. Other financial liabilities (Non-current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Deposits	0.40	0.40
Interest accrued on borrowings (Refer note 19 (b) and 44 (iv))	25.14	423.32
Class B convertible redeemable preferred shares (Refer note (a) below)	-	134.06
Capital creditors	55.86	22.05
Other long term payables*	24.34	20.13
	<b>105.74</b>	<b>599.96</b>

\* Includes asset retirement obligation liability of ₹ 18.86 Crores (Previous year ₹ 17.54 Crores)

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## a. Class B convertible redeemable preferred shares

On March 19, 2013, PFW issued 1,87,500 Class B Convertible Redeemable Preferred Shares ("Class B Preferred"), which carry a par value of € 0.01 per share, for ₹ 66.96 Crores (≈ 10.00 Million).

Class B Preferred shares of \$10.00 Million did not have a stated maturity date or any mandatory redemption provisions or an unconditional obligation that must or may be settled in a variable number of shares, therefore were classified outside of permanent equity and disclosed as convertible redeemable preferred shares with contractual return of \$6.20 Million recognized at the 5% internal rate of return as of March 31, 2023.

During fiscal 2024, these preferred shares were swapped for equity shares of DNEG S.a.r.l.

## 21. Provisions (Non-current)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits:</b>		
Provision for gratuity (Refer note 38)	49.88	40.61
Provision for compensated absences	1.09	1.43
	<b>50.97</b>	<b>42.04</b>

The Group did not have any long-term contracts including derivative contracts for which any provision was required for any foreseeable losses.

## 22. Other liabilities (Non-current)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Deferred rent	0.20	0.37
	<b>0.20</b>	<b>0.37</b>

## 23. Borrowings (Current)

₹ Crores

	As at March 31, 2024	As at March 31, 2023
<b>Short-term borrowing from banks / others (secured)</b>		
Cash credit / overdraft (Refer note a below)	-	10.79
Invoice discounting facility (Refer note c & d below)	95.00	60.47
Short-term demand loan (Refer note 19 (e) and b below)	562.97	279.06
<b>Current maturities of long term borrowings</b>		
<b>Term loans (secured)</b>		
From banks (Refer note 19 (g, h, i & j))	116.34	62.41
<b>Term loans (unsecured)</b>		
From others (Refer note 19 (d))	2.49	-
From individual (Refer note 19 (c))	1.00	1.00
	<b>777.80</b>	<b>413.73</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

- a. Prime Focus Technologies Limited has availed a cash credit facility from bank. These facilities are secured by first and exclusive charge on all existing and future current assets and all existing and future movable fixed assets except financed through equipment loan/lease pari-passu with term loans. The above facilities are further secured by corporate guarantee issued by company and personal guarantee of promoters. The rate of interest for cash credit / overdraft is based on 6 months MCLR + 2.65% with a reset on half-yearly basis. As at March 31, 2024 ₹ Nil and as at March 31, 2023 ₹ 10.79 Crores was included in cash credit / overdraft.
- b. During the year, Prime Focus Technologies Limited has availed a working capital demand loan facility from bank. This facility was secured by first and exclusive charge on all existing and future current assets and all existing and future movable fixed assets except financed through equipment loan/lease pari-passu with term loans. The above facility was further secured by corporate guarantee issued by the Company and personal guarantee of promoters. The rate of interest for working capital demand loan facility is at 11.75% with tenure of 91 days. As at March 31, 2024 ₹ 24.50 Crores included in short-term demand loan.
- c. DNEG India Media Services Limited (subsidiary of DNEG S.a.r.l) has availed pre shipment and post shipment export finance facility from a bank, at a rate of interest of LIBOR plus 4% to 7.25% with a tenor of upto one year. Sanctioned facility of ₹ 60 Crores is secured against current assets and movable fixed assets of DNEG India Media Services Limited, exclusive charge by way of mortgage of immovable properties of DNEG India Media Services Limited, pledge of 30% shares of DNEG India Media Services Limited and Non-Disposal Undertakings over balance 69.99% shares and pledge of 30% shares of Prime Focus Technologies Limited and Non-Disposal Undertakings over balance 43% shares, corporate guarantee of the Company and personal guarantee of the promoter and pledge of shares of the Company held by promoters and corporate guarantee given by DNEG S.a.r.l. This facility was repaid during the year and as at March 31, 2023, ₹ 60.47 Crores is included in Invoice discounting facility.
- d. During the year DNEG India Media Services Limited (DIMSL) (subsidiary of DNEG S.a.r.l) has availed a bank line of credit facility of \$ 11.30 Million, was drawn in INR. It is collateralized against a Pari pasu charge by way of hypothecation over the DIMSL's current assets and a corporate guarantee issued by the Company. The rate of interest applicable on the facility is approximately 1 month TBILL plus 2.50%. The amounts drawn under this facility are repayable in 180 days.
- As at March 31, 2024, ₹ 95.00 Crores is included in Invoice discounting facility.

## 24. Trade payables

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Due to micro enterprises and small enterprises	1.10	0.12
Due to others	248.55	225.04
	<b>249.65</b>	<b>225.16</b>

### Disclosure relating to vendors registered under MSMED Act based on the information available with the Company:

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any vendor at the end of each accounting year:		
Principal*	1.10	0.12
Interest	-	-
	<b>1.10</b>	<b>0.12</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the vendor beyond the appointed day during each accounting year.	-	-
(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 MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(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 MSMED Act.	-	-

# Consolidated Notes

 to the financial statements for the year ended March 31, 2024

## Trade Payables - ageing and other details

					₹ Crores
As at March 31, 2024	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	113.32	-	-	113.32
Not due	1.10	23.81	-	-	24.91
Less than 1 years	-	93.49	-	1.34	94.83
1 to 2 years	-	4.62	-	1.03	5.65
2 to 3 years	-	5.25	-	0.94	6.19
More than 3 years	-	2.04	-	2.71	4.75
	<b>1.10</b>	<b>242.53</b>	<b>-</b>	<b>6.02</b>	<b>249.65</b>

					₹ Crores
As at March 31, 2023	MSME	Others	Disputed dues- MSME	Disputed dues- others	Total
Provisions	-	9.25	-	0.20	9.45
Not due	0.12	143.37	-	-	143.49
Less than 1 years	-	57.03	-	-	57.03
1 to 2 years	-	7.79	-	-	7.79
2 to 3 years	-	5.63	-	-	5.63
More than 3 years	-	1.77	-	-	1.77
	<b>0.12</b>	<b>224.84</b>	<b>-</b>	<b>0.20</b>	<b>225.16</b>

## 25. Other financial liabilities (Current)

			₹ Crores
	As at March 31, 2024	As at March 31, 2023	
Non convertible redeemable preference shares (Refer note 45)	-	3.87	
Interest accrued on borrowings (Refer note 44 (iv))	173.28	125.24	
Security deposits	3.82	5.32	
Capital creditors	93.28	43.12	
Accrued salaries and benefits	206.01	187.61	
	<b>476.39</b>	<b>365.16</b>	

Notes:

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2024 (March 31, 2023: Nil)

## 26. Provisions (Current)

			₹ Crores
	As at March 31, 2024	As at March 31, 2023	
<b>Provision for employee benefits:</b>			
Provision for gratuity (Refer note 38)	1.32	1.22	
Provision for compensated absences	113.68	88.52	
	<b>115.00</b>	<b>89.74</b>	

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## 27. Other liabilities (Current)

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Unearned revenue including contract liabilities	228.30	250.68
Advance received from customers	0.57	1.07
Book overdraft *	0.00	-
Other payables #	230.34	94.55
	<b>459.21</b>	<b>346.30</b>

\*The value 0.00 means amount is below ₹ 50,000/-

#Other payables include withholding taxes, goods and service tax payable and employer & employee contribution to provident fund and other funds liability.

## 28. Revenue from operations

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
Income from services	3,930.05	4,628.11
<b>Other operating revenues:</b>		
Government incentives	20.49	16.15
	<b>3,950.54</b>	<b>4,644.26</b>

## 29. Other income

	₹ Crores	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Interest income:</b>		
On Bank deposits	0.47	0.95
On income tax refunds	3.22	0.89
On others #	2.42	2.53
Dividend income on equity shares*	-	0.00
Gain on mutual fund investments	9.91	1.53
Sundry balance written back	3.44	0.46
Miscellaneous income	88.60	14.18
	<b>108.05</b>	<b>20.54</b>

\*The value 0.00 means amount is below ₹ 50,000/-

#Others includes interest on lease deposit discounting.



# Consolidated Notes to the financial statements for the year ended March 31, 2024

## 30. Employee benefits expenses

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	2,588.71	2,583.76
Contribution to provident fund and other funds (refer note 38 a)	188.10	182.64
Gratuity expense (refer note 38 b)	12.57	10.18
Staff welfare expenses	95.84	93.81
	<b>2,885.22</b>	<b>2,870.39</b>

## 31. Finance costs

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
On working capital finance	144.38	240.70
On term loan	318.40	92.11
On lease liabilities	67.23	61.84
Change in fair value of financial liabilities	-	(8.72)
Other borrowing costs*	27.89	34.79
	<b>557.90</b>	<b>420.72</b>

\*Other borrowing costs\* including bank charges, processing fees and interest on statutory liabilities.

## 32. Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Rent and establishment expenses	65.17	56.72
Communication expenses	21.42	20.58
Consumable stores	1.57	4.16
Director's sitting fees	0.07	0.07
Electricity	51.97	55.98
Insurance charges	14.23	12.15
Traveling and conveyance	29.30	45.16
Rates and taxes	30.61	24.62
Legal and Professional fees	60.25	54.21
Payment to auditors (see Note below)	3.42	11.45
Repairs and maintenance	80.71	92.97
Bad debts written off	2.47	5.40
Allowances for doubtful debts / advances (net)	47.17	9.52
Loss on sale of property, plant and equipment	0.43	0.57
Miscellaneous expenses	44.30	49.11
	<b>453.09</b>	<b>442.67</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## Payment to auditors

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
<b>As Auditors</b>		
Audit fees	3.17	11.32
Limited review of standalone and consolidated financial statements on a quarterly basis	0.24	0.11
Other services including certification work	0.01	0.02
	<b>3.42</b>	<b>11.45</b>

## 33. Exceptional items

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
SPAC cost written off (refer note (a))	-	60.04
	<b>-</b>	<b>60.04</b>

- a. During the previous year expenses incurred in connection with US Special Purpose Acquisition Companies ('SPAC') which ultimately was terminated due to prevailing unfavorable SPAC market conditions and other factors.

## 34. Income tax

### a. Amounts recognised in profit or loss

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current tax</b>		
- in respect of current year (a)	13.78	49.97
- in respect of prior years (b)	8.05	-
Total current tax	<b>21.83</b>	<b>49.97</b>
<b>Deferred tax</b>		
- in respect of current year (c)	(120.04)	61.68
<b>Total income tax expense recognised in the current year (a) + (b) + (c)</b>	<b>(98.21)</b>	<b>111.65</b>

### b. Income tax recognised in other comprehensive income

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
Re-measurement of defined benefit liability	0.04	6.96
<b>Tax recognised in other comprehensive income</b>	<b>0.04</b>	<b>6.96</b>

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## c. Reconciliation of effective tax rate

₹ Crores

	March 31, 2024		March 31, 2023	
	% of PBT	Amount	% of PBT	Amount
Profit / (Loss) before tax		(586.70)		306.14
Tax using company's domestic tax rate	25.17%	(147.65)	25.17%	77.04
Effect of:				
Expenses that are not deductible and other adjustments		8.16		14.03
Non-recognition of deferred tax on losses		(0.99)		-
Effect of income that is exempt from taxation		(3.96)		-
Utilisation of previously unrecognised losses		(24.75)		-
Deferred tax asset on unutilised losses reversed		58.40		10.55
Differential tax rates of subsidiaries operating in other jurisdictions		3.74		(2.58)
Reversal of deferred tax liability due to change in tax rate		-		(12.67)
Previously recognised deferred tax assets reversed		-		(4.93)
Deferred tax assets recognised with respect to unused tax losses and depreciation of earlier years (net)		0.80		30.21
		(106.25)		111.65
Tax pertaining to prior years		8.05		-
<b>Income tax expenses recongnised in Statement of Profit &amp; Loss</b>		<b>(98.21)</b>		<b>111.65</b>

## d. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

₹ Crores

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	162.54	57.13
Deferred tax liabilities	(7.17)	(41.85)
	<b>155.37</b>	<b>15.28</b>

## e. Movement in deferred tax

₹ Crores

	Balance as at March 31, 2022	Recognised in Profit / Loss during 2022-23	Recognised in other equity during 2022-23	Recognised in OCI during 2022-23	Balance as at March 31, 2023	Recognised in Profit / Loss during 2023-24	Recognised in other equity during 2023-24	Recognised in OCI during 2023-24	Balance as at March 31, 2024
Difference between tax books and written down value of PPE and intangible assets @	(95.18)	(22.68)	-	-	(117.86)	(16.24)	-	-	(134.10)
Unrealised gain on treasury investments	-	-	-	-	-	(1.99)	-	-	(1.99)
Fair Value Reserve of Investement in Subsidiaries	(42.89)	-	-	-	(42.89)	-	-	-	(42.89)
Unabsorbed loss carried forward	183.62	(20.94)	-	-	162.68	122.08	-	-	284.76
Others	(6.20)	(18.06)	30.65	6.96	13.35	16.19	20.01	0.04	49.59
<b>Net deferred tax assets / (liabilities)</b>	<b>39.35</b>	<b>(61.68)</b>	<b>30.65</b>	<b>6.96</b>	<b>15.28</b>	<b>120.04</b>	<b>20.01</b>	<b>0.04</b>	<b>155.37</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## f. Deferred tax assets / (liabilities) in relation to

	As at March 2024			As at March 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Difference between tax books and written down value of PPE and intangible assets	90.87	224.97	(134.10)	82.57	200.43	(117.86)
Unrealised gain on treasury investments	-	1.99	(1.99)	-	-	-
Fair value reserve of investment in subsidiaries	-	42.89	(42.89)	-	42.89	(42.89)
Unabsorbed loss carried forward	284.76	-	284.76	162.69	-	162.69
Others	96.86	47.27	49.59	60.04	46.70	13.34
	472.49	317.12	155.37	305.30	290.02	15.28

## g. The Group has carried forward losses against which deferred tax asset has not been recognised.

	As at March 31, 2024 (₹ Crores)	Will expire in FY	As at March 31, 2023 (₹ Crores)	Will expire in FY
Unabsorbed business loss	44.75	2030-31	253.25	2030-31
Unabsorbed business loss	34.95	2031-32	34.44	2031-32
Unabsorbed business loss	3.63	2032-33	-	2032-33
Unabsorbed business loss	4.79	2033-34	3.57	2033-34
Unabsorbed business loss	-	2034-35	6.51	2034-35
Unabsorbed business loss	-	2035-36	4.72	2035-36
Unabsorbed business loss	-	2036-37	1.70	2036-37
Unabsorbed business loss	-	2037-38	9.78	2037-38
Unabsorbed business loss	19.36	2038-39	20.68	2038-39
Unabsorbed business loss	131.53	2039-40	129.69	2039-40
Unabsorbed business loss	4.38	2040-41	4.60	2040-41
Unabsorbed business loss	-	2041-42	0.07	2041-42
Unabsorbed depreciation	154.61	No limit	397.23	No limit
	397.99		866.23	

## 35. Segment information

### Operating segments:

- The segment information has been prepared in line with the review of operating results by Chief Operating Decision Maker (CODM) of Group i.e. the Board of Directors.
- The Group is presently operating as integrated post-production setup. The CODM decides on allocation of the resources to the business taking a holistic view of the entire setup and hence it is considered as representing a single operating segment.

### Geographical information

The Group operates in five principal geographical areas – India (Country of Domicile), Australia, United Kingdom, Canada and the United States of America (U.S).

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

The Group's revenue from continuing operations from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

₹ Crores

	Income from services		Segment non-current assets *	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
India	337.12	373.19	1,215.02	1,309.75
United Kingdom	526.74	1,031.36	1,442.49	1,190.50
U.S.	161.63	142.96	164.19	167.47
Canada	2,559.64	3,053.22	379.41	570.45
Australia	322.22	-	140.12	-
Other Countries	22.69	27.38	23.06	81.58
	<b>3,930.05</b>	<b>4,628.11</b>	<b>3,364.29</b>	<b>3,319.75</b>

\*Non-current assets exclude investments, financial assets and deferred tax assets.

None of the customers (Previous year: Nil) contributed 10% or more of the Group's total revenue for the year ended March 31, 2024.

## 36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the net profit / (loss) for the year attributable to equity holders of the Parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the net profit / (loss) attributable to equity share holders of the Parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations

₹ Crores

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Basic EPS</b>		
(Loss) / Profit after tax	(488.49)	194.49
Less: Exceptional items (net of tax)	-	60.04
(Loss) / Profit after tax before exceptional items	<b>(488.49)</b>	<b>254.53</b>
	<b>Number</b>	<b>Number</b>
Number of shares considered as basic weighted average shares outstanding	29,95,81,554	29,95,36,644
Add: Effect of dilutive issue of stock options	83,87,886	52,42,930
<b>Number of shares considered as basic weighted average shares and potential shares outstanding</b>	<b>30,79,69,440</b>	<b>30,47,79,574</b>
<b>Earnings per share (before exceptional items)</b>		
Basic earnings per share (₹)	(16.31)	8.50
Diluted earnings per share (₹) (Refer note below)	(16.31)	8.35
<b>Earnings per share (after exceptional items)</b>		
Basic earnings per share (₹)	(16.31)	6.49
Diluted earnings per share (₹) (Refer note below)	(16.31)	6.38
Nominal value of shares (₹)	1.00	1.00

Note: Potential equity shares are anti-dilutive in nature and hence diluted earnings per share is same as basic earnings per share.

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## 37. Statement of net assets, net profit / (loss) after tax and other comprehensive income attributable to owners and non-controlling interest.

₹ Crores

Sr No	Name of entity	Net Assets As on March 31, 2024		Share in Profit / (loss) Year ended March 31, 2024		Share in Other Comprehensive Income Year ended March 31, 2024		Share in Total Comprehensive Income Year ended March 31, 2024	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
<b>Parent</b>									
1	Prime Focus Limited	202.11%	1,568.87	0.07%	(0.33)	(0.01%)	0.02	0.05%	(0.31)
<b>Indian Subsidiaries</b>									
2	Dneg India Media Services Limited	4.67%	36.23	1.73%	(8.45)	(0.07%)	0.10	1.30%	(8.35)
3	Prime Focus Academy of Media & Entertainment Studies Private Limited	1.93%	15.00	0.03%	(0.17)	0.00%	-	0.03%	(0.17)
4	Prime Focus Technologies Limited	19.65%	152.50	7.83%	(38.24)	0.16%	(0.25)	6.00%	(38.49)
5	Apptarix Mobility Solutions Private Limited	(0.01%)	(0.09)	(0.00%)	0.01	-	-	(0.00%)	0.01
6	Prime Focus Production Services Private Limited	(0.00%)	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
7	GVS Software Private Limited	3.41%	26.48	0.00%	(0.01)	-	-	0.00%	(0.01)
8	Jam8 Prime Focus LLP	(0.63%)	(4.89)	(0.02%)	0.09	(0.00)	0.02	(0.02%)	0.11
9	Prime Focus Motion Pictures Limited	(0.35%)	(2.75)	0.24%	(1.17)	-	-	0.18%	(1.17)
<b>Foreign Subsidiaries</b>									
10	Prime Focus Technologies UK Limited	(0.35%)	(2.74)	(5.37%)	26.21	-	-	(4.08%)	26.21
11	Prime Post (Europe) Limited	(0.20%)	(1.58)	0.02%	(0.09)	-	-	0.01%	(0.09)
12	Prime Focus Technologies Inc.	(0.14%)	(1.11)	(0.81%)	3.96	(0.00)	0.00	(0.62%)	3.96
13	DAX Cloud ULC	(0.27%)	(2.08)	(0.01%)	0.07	-	-	(0.01%)	0.07
14	Prime Focus Technologies Pte Limited	(0.20%)	(1.55)	0.38%	(1.86)	-	-	0.29%	(1.86)
15	PF World Limited (Mauritius)	(36.11%)	(280.32)	(182.85%)	893.19	-	-	(139.21%)	893.19
16	Prime Focus 3D Cooperatief U.A. *	0.00%	-	(0.05%)	0.22	-	-	(0.03%)	0.22
17	DNEG Plc (formerly known as Dneg Limited)	(1.89%)	(14.68)	(0.33%)	1.60	-	-	(0.25%)	1.60
18	DNEG S.a.r.l (formerly known as Prime Focus Luxembourg S.a.r.l)#	84.42%	655.32	6.98%	(34.09)	-	-	5.31%	(34.09)
19	Double Negative Canada Productions Limited	31.34%	243.29	(3.38%)	16.52	-	-	(2.57%)	16.52
20	Double Negative Huntsman VFX Limited	(0.25%)	(1.91)	(0.11%)	0.53	-	-	(0.08%)	0.53
21	Vegas II VFX Limited	(1.43%)	(11.12)	(0.95%)	4.62	-	-	(0.72%)	4.62
22	Prime Focus International Services UK Limited	(10.99%)	(85.28)	4.91%	(24.00)	-	-	3.74%	(24.00)
23	DNEG North America Inc.	9.43%	73.23	0.54%	(2.62)	-	-	0.41%	(2.62)
24	Double Negative Montreal Productions Limited	66.23%	514.10	(5.50%)	26.87	-	-	(4.19%)	26.87
25	Double Negative Holdings Limited UK	0.22%	1.74	0.00%	-	-	-	0.00%	-
26	Double Negative Singapore Pte. Limited	(0.03%)	(0.27)	0.14%	(0.69)	-	-	0.11%	(0.69)
27	Double Negative Films Limited, UK	(7.04%)	(54.63)	(1.72%)	8.40	-	-	(1.31%)	8.40
28	Double Negative LA LLC	0.43%	3.32	0.00%	-	-	-	0.00%	-
29	Double Negative Limited	(26.62%)	(206.64)	57.11%	(278.95)	-	-	43.48%	(278.95)

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Sr No	Name of entity	Net Assets As on March 31, 2024		Share in Profit / (loss) Year ended March 31, 2024		Share in Other Comprehensive Income Year ended March 31, 2024		Share in Total Comprehensive Income Year ended March 31, 2024	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
30	Incamera Limited*	0.00%	-	14.99%	(73.21)	-	-	11.41%	(73.21)
31	PF Investments Limited (Mauritius)	(0.12%)	(0.96)	0.03%	(0.13)	-	-	0.02%	(0.13)
32	PF Overseas Limited (Mauritius)	46.42%	360.30	0.07%	(0.33)	-	-	0.05%	(0.33)
33	PF Media Limited	28.44%	220.75	(2.32%)	11.31	-	-	(1.76%)	11.31
34	Lowry Digital Imaging Services Inc.	0.00%	0.00	(0.00%)	0.00	-	-	(0.00%)	0.00
35	Prime Focus Media Uk Limited	0.00%	0.00	-	-	-	-	-	-
36	Double Negative Toronto Productions Limited	1.94%	15.09	(1.30%)	6.33	-	-	(0.99%)	6.33
37	DNEG Bulgaria EOOD	0.48%	3.70	(0.25%)	1.21	-	-	(0.19%)	1.21
38	Double Negative Hungary Limited	0.37%	2.86	(0.37%)	1.80	-	-	(0.28%)	1.80
39	DNEG Australia PTY Limited**	1.03%	8.02	(1.43%)	7.00	-	-	(1.09%)	7.00
40	DNEG Spain SL	0.52%	4.05	(0.58%)	2.85	-	-	(0.44%)	2.85
			<b>3,232.24</b>		<b>548.44</b>		<b>(0.11)</b>		<b>548.33</b>
	Add/(Less): effects of inter company adjustments / eliminations		(2,716.21)		(952.97)		(90.98)		(1,043.95)
	Less: minority Interest in all subsidiaries		260.22		(83.95)		(62.05)		(146.00)
			<b>776.24</b>		<b>(488.49)</b>		<b>(153.14)</b>		<b>(641.63)</b>

The value 0.00 means amount is below ₹ 50,000/-

\* Dissolved during the year

# Prime Focus World N.V., merged with DNEG S.a.r.l. w.e.f. from March 29, 2024

\*\* Acquired on February 07, 2024

## 37. Statement of net assets, net profit / loss after tax and other comprehensive income attributable to owners and non-controlling interest.

₹ Crores

Sr No	Name of entity	Net Assets As on March 31, 2023		Share in Profit / (loss) Year ended March 31, 2023		Share in Other Comprehensive Income Year ended March 31, 2023		Share in Total Comprehensive Income Year ended March 31, 2023	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
<b>Parent</b>									
1	Prime Focus Limited	998.06%	1,567.54	(12.59%)	(24.49)	(0.05%)	0.14	28.54%	(24.35)
<b>Indian Subsidiaries</b>									
2	Dneg India Media Services Limited	28.38%	44.58	34.51%	67.12	0.84%	(2.34)	(75.93%)	64.78
3	Prime Focus Academy of Media & Entertainment Studies Private Limited	9.65%	15.16	2.08%	4.04	(0.00%)	0.01	(4.75%)	4.05

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

Sr No	Name of entity	Net Assets As on March 31, 2023		Share in Profit / (loss) Year ended March 31, 2023		Share in Other Comprehensive Income Year ended March 31, 2023		Share in Total Comprehensive Income Year ended March 31, 2023	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
4	Prime Focus Technologies Limited	119.94%	188.38	(16.28%)	(31.67)	0.11%	(0.31)	37.48%	(31.98)
5	Apptarix Mobility Solutions Private Limited	(0.06%)	(0.10)	(0.00%)	(0.00)	-	-	0.00%	(0.00)
6	Prime Focus Production Services Private Limited	(0.00%)	(0.00)	(0.00%)	(0.00)	-	-	0.00%	(0.00)
7	GVS Software Private Limited	16.87%	26.49	(0.00%)	(0.00)	-	-	0.00%	(0.00)
8	Jam8 Prime Focus LLP	(3.18%)	(5.00)	0.41%	0.79	-	-	(0.93%)	0.79
9	Prime Focus Motion Pictures Limited	(1.01%)	(1.58)	(0.64%)	(1.24)	-	-	1.45%	(1.24)
<b>Foreign Subsidiaries</b>									
10	Prime Focus Technologies UK Limited	(17.97%)	(28.23)	(2.36%)	(4.59)	-	-	5.38%	(4.59)
11	Prime Focus MEAD FZ LLC	14.87%	23.35	(0.71%)	(1.39)	-	-	1.63%	(1.39)
12	Prime Post (Europe) Limited	(0.92%)	(1.44)	(0.01%)	(0.01)	-	-	0.01%	(0.01)
13	Prime Focus Technologies Inc.	(3.20%)	(5.02)	7.77%	15.12	-	-	(17.72%)	15.12
14	DAX Cloud ULC	(1.35%)	(2.12)	0.10%	0.20	-	-	(0.23%)	0.20
15	Prime Focus Technologies Pte Limited	0.20%	0.31	(0.04%)	(0.07)	-	-	0.08%	(0.07)
16	PF World Limited (Mauritius)	(739.97%)	(1,162.19)	(89.30%)	(173.68)	-	-	203.57%	(173.68)
17	DNEG S.a.r.l. (formerly known as Prime Focus Luxembourg S.a.r.l.)	56.76%	89.15	(2.43%)	(4.72)	-	-	5.53%	(4.72)
18	Prime Focus 3D Cooperatief U.A.	177.09%	278.13	(0.16%)	(0.32)	-	-	0.38%	(0.32)
19	DNEG Plc (formerly known as Dneg Limited)	(9.98%)	(15.67)	3.77%	7.33	-	-	(8.59%)	7.33
20	Prime Focus World N.V.	303.85%	477.22	285.49%	555.26	-	-	(650.83%)	555.26
21	Double Negative Canada Productions Limited	142.38%	223.62	13.38%	26.03	-	-	(30.51%)	26.03
22	Double Negative Huntsman VFX Limited	(1.53%)	(2.41)	0.21%	0.40	-	-	(0.47%)	0.40
23	Vegas II VFX Limited	(9.89%)	(15.54)	(0.04%)	(0.07)	-	-	0.08%	(0.07)
24	Prime Focus International Services UK Limited	(42.81%)	(67.24)	(31.27%)	(60.81)	-	-	71.28%	(60.81)
25	DNEG North America Inc.	94.65%	148.65	12.00%	23.33	-	-	(27.35%)	23.33
26	Double Negative Montreal Productions Limited	305.93%	480.49	39.80%	77.41	-	-	(90.73%)	77.41
27	Double Negative Holdings Limited UK	1.07%	1.68	0.29%	0.57	-	-	(0.67%)	0.57



# Consolidated Notes

to the financial statements for the year ended March 31, 2024

Sr No	Name of entity	Net Assets As on March 31, 2023		Share in Profit / (loss) Year ended March 31, 2023		Share in Other Comprehensive Income Year ended March 31, 2023		Share in Total Comprehensive Income Year ended March 31, 2023	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
28	Double Negative Singapore Pte. Limited	0.27%	0.43	0.04%	0.08	-	-	(0.09%)	0.08
29	Double Negative Films Limited, UK	(38.42%)	(60.34)	1.54%	2.99	-	-	(3.50%)	2.99
30	Double Negative LA LLC	2.08%	3.27	(0.01%)	(0.02)	-	-	0.02%	(0.02)
31	Double Negative Limited	51.31%	80.58	32.30%	62.83	-	-	(73.64%)	62.83
32	Incamera Limited	(4.02%)	(6.31)	3.12%	6.07	-	-	(7.11%)	6.07
33	PF Investments Limited (Mauritius)	(0.52%)	(0.82)	(0.09%)	(0.18)	-	-	0.21%	(0.18)
34	PF Overseas Limited (Mauritius)	223.60%	351.18	(0.25%)	(0.49)	-	-	0.57%	(0.49)
35	PF Media Limited	134.17%	210.72	1.58%	3.08	-	-	(3.61%)	3.08
36	Lowry Digital Imaging Services Inc.	(87.57%)	(137.53)	(0.08%)	(0.16)	-	-	0.19%	(0.16)
37	Prime Focus Media Uk Limited	0.00%	0.00	-	-	-	-	-	-
38	Double Negative Toronto Productions Limited	5.49%	8.62	3.62%	7.04	-	-	(8.25%)	7.04
39	DNEG Bulgaria EOOD	1.57%	2.47	1.00%	1.95	-	-	(2.29%)	1.95
40	Double Negative Hungary Limited	0.63%	0.99	0.45%	0.88	-	-	(1.03%)	0.88
41	DNEG Australia PTY Limited	0.64%	1.01	0.52%	1.01	-	-	(1.18%)	1.01
42	DNEG Spain SL	0.64%	1.01	0.47%	0.92	-	-	(1.08%)	0.92
			<b>2,713.49</b>		<b>560.54</b>		<b>(2.50)</b>		<b>558.04</b>
	Add/(Less): effects of inter company adjustments / eliminations		(2,688.31)		(413.25)		(256.44)		(669.69)
	Less: minority Interest in all subsidiaries		131.88		47.20		(20.87)		26.33
			<b>157.06</b>		<b>194.49</b>		<b>(279.81)</b>		<b>(85.32)</b>

The value 0.00 means amount is below ₹ 50,000/-

## 38. Employee benefit plans

### a. Defined contribution plans

The total amount recognised in profit and loss statement is ₹ 188.10 Crores (Year ended March 31, 2023 ₹ 182.64 Crores), which is included in note 30 as 'Contribution to Provident Fund and Other Funds'.

The Group contributes towards Provident Fund in India, Saving and Investment plan u/s. 401(k) of internal Revenue Code, Social Security and Medicare in USA, National Insurance in UK, Canada pension plan and Quebec pension plan in Canada. Liability in respect thereof is determined on the basis of contribution as required under the respective rules and regulations. There is no further obligation of the Group beyond the contributions made.

# Consolidated Notes

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## b. Defined benefit plans

The Group sponsors defined benefit plans for qualifying employees of the Indian component of the Group. The defined benefit plans unfunded and are administered by the Group directly. Under the plans, the employee are entitled to a lump-sum payment upon retirement from the services of the Group. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

These plans typically expose the Group to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the plan in India, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out by an external expert, who is a duly registered actuary. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

## i. Reconciliation of opening and closing balance of defined benefit obligation

₹ Crores

	March 2024	March 2023
Defined benefit obligation at the beginning of the year	41.83	34.15
Interest cost	3.14	2.52
Current service cost	9.43	7.66
Benefit paid directly by the employer	(3.30)	(6.04)
Actuarial losses on obligations - due to change in financial assumptions	2.08	(0.02)
Actuarial losses on obligations - due to experience	(1.99)	3.42
Foreign currency translation	0.01 (positive value)	0.14
<b>Present value of benefit obligation at the end of the year</b>	<b>51.20</b>	<b>41.83</b>

## ii. Reconciliation of fair value of assets and obligations:

	March 2024	March 2023
Present value of benefit obligation at the end of the year	(51.20)	(41.83)
Fair value of plan assets at the end of the year	-	-
<b>Net (liability)/asset recognized in the balance sheet</b>	<b>(51.20)</b>	<b>(41.83)</b>

## iii. Expenses recognised in Statement of Profit and Loss during the year

	March 2024	March 2023
Current service cost	9.43	7.66
Interest cost	3.14	2.52
<b>Expenses recognized</b>	<b>12.57</b>	<b>10.18</b>

# Consolidated Notes to the financial statements for the year ended March 31, 2024

## iv. Expenses recognized in the Other Comprehensive Income (OCI)

	March 2024	March 2023
Actuarial (gains)/losses on obligation for the year	0.10	3.40
Return on plan assets, excluding Interest Income	-	-

## v. Actuarial assumptions

	March 2024	March 2023
Rate of discounting	7.25%-7.52%	7.25%-7.52%
Rate of salary increase	5.00%-7.00%	5.00%-7.00%
Rate of employee turnover	2.00%-20.00% p.a.	2.00%-20.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

- The discount rate is based on the prevailing market yields of the Government of India bonds as at the Balance Sheet date for the estimated term of the obligations.
- The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

## vi. Sensitivity analysis of the defined benefit obligations:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March 2024		March 2023	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate (1% movement)	(6.51)	7.87	(5.35)	6.47
Future salary appreciation (1% movement)	7.73	(6.53)	6.38	(5.38)
Attrition rate (1% movement)	0.08	(0.13)	0.27	(0.34)

₹ Crores

## 39. Financial instruments

### a. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group management sets the amounts of capital required in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The capital structure of the Group consists of borrowings offset by cash and bank balances and Equity attributable to owners of the Group (comprising issued capital, reserves and retained earnings as detailed in statement of changes in shareholders' equity). The debt equity ratio for current year is 8.00 as on March 31, 2024 (176.12 as on March 31, 2023).

During the year, the Group's strategy was to monitor and manage the use of funds whilst developing business strategies.

### b. Financial risk management

A wide range of risks may affect the Group's business and financial results. Amongst other risks that could have significant influence on the Group are market risk, credit risk and liquidity risk.

The Board of Directors manage and review the affairs of the Group by setting up budgets, by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

# Consolidated Notes

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## c. Credit risk management

Credit risk is the risk of financial loss to the Group if a client or counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Group has a low credit risk in respect of its trade receivables, its principal customers being reputed production houses, national broadcasters and major organisations which the Group has worked with for number of years. However, as the Group grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Group is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks and others.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 3,413.73 Crores and ₹ 3,266.02 Crores as at March 31, 2024 and March 31, 2023 respectively, being the total of the carrying amount of the balances with banks, bank deposits, equity investments, mutual fund investments, trade receivables, unbilled revenue and other financial assets.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables and unbilled revenue as at March 31, 2024 and March 31, 2023.

## d. Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the Group's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks and others to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost effective manner.

The table below analyses the maturity profile of the Group's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date.

	₹ Crores	
	March 31, 2024	
	Less than 1 year	More than 1 year
<b>Financial liabilities</b>		
Borrowings	777.80	3,152.25
Lease liabilities	232.62	696.81
Other financial liabilities	476.39	105.74
Trade payables	249.65	-
	<b>1,736.46</b>	<b>3,954.80</b>

	₹ Crores	
	March 31, 2023	
	Less than 1 year	More than 1 year
<b>Financial liabilities</b>		
Borrowings	413.73	3,472.00
Lease liabilities	188.05	817.73
Other financial liabilities	365.16	599.96
Trade payables	225.16	-
	<b>1,192.10</b>	<b>4,889.69</b>

## e. Market risk

The primary market risks to which the Group is exposed are foreign currency and interest rate risk.

### i. Foreign currency risk management

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Canadian Dollar, Australian

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Dollar, Great Britain Pound and Singapore Dollar against the respective functional currencies of Prime Focus Limited and its subsidiaries.

The following analysis has been worked out based on the net exposures for each of the subsidiaries and Prime Focus Limited as of the date of Balance sheet which could affect the statement of profit and loss and other comprehensive income and equity.

The following table sets forth information relating to foreign currency exposure:

Particulars	Foreign Currency Denomination	As at March 31, 2024		As at March 31, 2023	
		Foreign Currency	₹ Crores	Foreign Currency	₹ Crores
<b>Asset</b>	AUD	1,32,36,763	71.97	-	-
	AED *	954	0.00	-	-
	BGN	8,65,314	3.99	-	-
	CAD	6,26,82,353	385.17	4,30,15,815	259.47
	EUR	69,99,423	63.07	5,39,800	4.80
	HUF	1,13,46,20,259	25.91	-	-
	GBP	32,47,598	34.17	71,06,799	71.50
	INR	3,28,51,19,803	328.51	-	-
	SGD	1,508	0.01	1,508	0.01
	ZAR	31,36,898	1.39	-	-
	USD	19,36,24,193	1,625.50	16,96,42,922	1,402.59
<b>Asset total</b>			<b>2,539.69</b>		<b>1,738.37</b>
<b>Liability</b>	AUD *	193	0.00	72,80,037	40.07
	AED *	1,589	0.00	19,407.00	0.04
	BGN	42,18,763	19.43	30,45,244	13.90
	CAD	17,08,39,233	1,051.42	3,670	0.02
	EUR	1,06,11,564	95.61	12,51,009	11.17
	GBP	21,59,32,922	2,272.68	16,72,15,584	1,698.67
	HUF	3,03,09,27,029	69.21	66,12,03,348	15.58
	NPR *	50,206	0.00	-	-
	INR	-	-	8,63,341	0.09
	SGD	22,50,135	13.90	22,75,647	14.05
	USD	40,51,84,569	3,376.90	25,92,70,023	2,128.14
<b>Liability total</b>			<b>6,899.16</b>		<b>3,921.73</b>

The value 0.00 means amount is below ₹ 50,000/-

5% appreciation / depreciation of respective foreign currencies with respect to functional currency of Prime Focus Limited and its subsidiaries would result in increase / decrease (previous year decrease/ increase) in the Group's profit / (loss) before tax by approximately ₹ 217.97 Crores for the year ended March 31, 2024 [March 31, 2023: ₹ 109.17 Crores]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

## ii. Interest rate risk management

The Group is exposed to interest rate risk because the entities in the Group borrow funds at both fixed and floating interest rates. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates on such borrowings would have decreased equity and profit for the year by ₹ 20.97 Crores and ₹ 14.97 Crores for March 2024 and March 2023 respectively and a 50 basis point decrease in floating interest rates on such borrowings would have increased equity and profit by the same amount respectively.

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## f. Fair value measurements

### i. Accounting classifications and fair values

The following table shows the fair values of financial assets and financial liabilities, including their levels in fair value hierarchy.

₹ Crores

	Carrying value		Fair value		Fair value hierarchy
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
<b>FINANCIAL ASSETS</b>					
<b>Financial assets measured at fair value</b>					
Equity investments	1.89	0.01	1.89	0.01	Level 1 & 3
Mutual fund investments	150.64	130.74	150.64	130.74	Level 1
Content investments	80.30	77.30	80.30	77.30	Level 3
<b>Financial assets measured at amortised cost</b>					
Investments	0.26	0.25	-	-	
Deposits	78.87	34.63	-	-	
Trade receivables	395.14	624.51	-	-	
Cash and cash equivalents	138.54	153.22	-	-	
Other bank balances (Deposits with original maturity of less than three months)	2.99	3.65	-	-	
Other financial assets	2,565.10	2,241.71	-	-	
	<b>3,413.73</b>	<b>3,266.02</b>	<b>232.82</b>	<b>208.05</b>	
<b>FINANCIAL LIABILITIES</b>					
<b>Financial liabilities measured at fair value</b>					
Cash settled options	5.48	2.59	5.48	2.59	Level 3
Non convertible redeemable preference shares (NCRPS)	-	3.87	-	3.87	Level 3
<b>Financial liabilities measured at amortised cost</b>					
Class B convertible redeemable preferred shares	-	134.06	-	-	
Borrowings	3,930.05	3,885.73	-	-	
Lease liabilities	929.43	1,005.78	-	-	
Trade payables	249.65	225.16	-	-	
Other financial liabilities	576.65	824.60	-	-	
	<b>5,691.26</b>	<b>6,081.79</b>	<b>5.48</b>	<b>6.46</b>	

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## Basis of valuation technique for level 3 financial instruments

₹ Crores

(Financial assets) / Financial liabilities	Fair Value as at		Fair Value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31-Mar-24	31-Mar-23				
Content investments	80.30	77.30	Level 3	Replacement cost approach based on historical cost discounted for inflation rates.	Historical cost of each film project discounted for market inflation data. Further proportionately reduced as revenues are recognized compared future estimated revenues.	Higher the inflation rate, the lower the fair value.
Investment *	0.00	0.01	Level 3	Discounted cash flows	Discount rate and probable cash flows	Higher the discount rate, lower the fair value. Non achieving of probable cash flow will lower the fair value.
<b>Total financial assets</b>	<b>80.30</b>	<b>77.31</b>				
Cash settled options	5.48	2.59	Level 3	Expected settlement	NA	NA
Non convertible redeemable preference shares (NCRPS)	-	3.87	Level 3	Discounted cash flows	Discount rate and probable cash flows	The higher the expected payouts, the higher the fair value. The higher the discount rate, the lower the fair value
<b>Total financial liabilities</b>	<b>5.48</b>	<b>6.46</b>				

The value 0.00 means amount is below ₹ 50,000/-

## Movement in level 3 instruments during the year

₹ Crores

<b>Closing balance as at March 31, 2022 (Financial liabilities)</b>	<b>12.03</b>
Mark to market change in embedded derivative of preferred shares Class B recognised in Profit or Loss	(8.76)
Addition in cash settled options	2.59
Change in fair value of NCRPS	0.60
<b>Closing balance as at March 31, 2023 (Financial liabilities)</b>	<b>6.46</b>
Addition in cash settled options	2.89
Change in fair value of NCRPS	(3.87)
<b>Closing balance as at March 31, 2024 (Financial liabilities)</b>	<b>5.48</b>
<b>Closing balance as at March 31, 2022 (Financial assets)</b>	<b>(0.01)</b>
Change during the year	(77.30)
<b>Closing balance as at March 31, 2023 (Financial assets)</b>	<b>(77.31)</b>
Change during the year	(2.99)
<b>Closing balance as at March 31, 2024 (Financial assets)</b>	<b>(80.30)</b>

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## 40. Share based payments

**40.a.i.** During the financial year 2014-15, the Board of Directors of the Company and its Shareholders' approved a share option plan and reserved 17,932,738 common shares for issuance thereunder. During the financial year 2016-17, options totalling to 17,932,738 ordinary shares were granted to certain identified eligible employees.

### Reconciliation of outstanding share options:

	March 31, 2024		March 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
<b>Balance at the beginning of the year</b>	1,72,75,068	52.00	1,72,75,068	52.00
Exercised during the year	3,12,000	52.00	-	-
Balance at the end of the year	1,69,63,068	52.00	1,72,75,068	52.00
<b>Exercisable at the end of the year</b>	1,69,63,068	52.00	1,72,75,068	52.00

Money realised by exercise of option during the year is ₹ 1.62 Crores (March 31, 2023: ₹ Nil).

The options outstanding at March 31, 2024 have a weighted average remaining contractual life of 40 months (March 31, 2023: 52 months)

Weighted average share price at the date of the exercise of share options exercised in 2023-24 is ₹ 124.84 (March 31, 2023: ₹ Nil).

The Company has followed the fair value method to account for the modification of stock options exercise period and accordingly recorded a charge for the year ended March 31, 2024 of ₹ Nil (March 31, 2023: ₹ 9.38 Crore).

**40.b.** During fiscal year 2014, the Board of Directors and Shareholders' of Prime Focus World N.V. ('PFW') approved a share option plan for the group and reserved 973,285 common shares for issuance thereunder. All share-based payments are issued in PFW's functional currency of U.S. dollars.

Pursuant to such plan, equity-settled options totalling 938,218 ordinary shares were granted to certain executives / consultants and to certain members of the Board of Directors.

### i. Equity settled options :

During fiscal year 2024, PFW merged into DNEG S.a.r.l ('DNEG') and its outstanding share options were replaced by DNEG at a conversion ratio of 3.8489 DNEG options for each option of PFW at exercise price reduced by same factor.

Each equity-settled share option converts into one ordinary share of DNEG on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date its eligible to exercise to the date of the expiry. Of the options awarded in fiscal 2023, 24,232 equity-settled options (equivalent 93,267 options of DNEG) awarded to an employee were with the right to sell the options back to the Company at fixed price. The buyback amount vested of \$657 and \$315 as at March 31, 2024 and March 31, 2023 respectively is treated as cash-settled liability.

Movement in equity-settled shares options during the current year:

	March 31, 2024		March 31, 2023	
	Number of options*	Weighted average exercise price	Number of options	Weighted average exercise price
<b>Balance at the beginning of the year</b>	19,54,456	\$ 10.43	8,71,934	\$ 27.36
Granted during the year	-	-	32,924	\$ 60.33
Forfeited during the year	-	-	21,557	\$ 48.93
Exercised during the year	-	-	3,75,505	\$ 9.07
<b>Balance at the end of the year</b>	19,54,456	\$ 10.43	5,07,796	\$ 40.16
<b>Fully vested and Exercisable at the end of the year</b>	9,43,227	\$ 8.28	2,42,891	\$ 31.66

\*Modified with a factor of 3.8489 pursuant to merger of PFW with DNEG during the year



## Consolidated Notes to the financial statements for the year ended March 31, 2024

The aggregate intrinsic value of fully vested and exercisable options as of March 31, 2024 is ₹ 127.87 Crores and March 31, 2023 was ₹ 62.64 Crores. No options were exercised in year ended March 31, 2023.

Total fair value of shares vested in the years ended on March 31, 2024 is ₹ 0.62 Crores and March 31, 2023 is ₹ 8.57 Crores. The weighted average remaining contractual life in respect of share-based options outstanding is 1,392 days as of March 31, 2023 and 1,106 days as of March 31, 2024. The weighted average remaining contractual life in respect of share-based options exercisable is 951 days as of March 31, 2023 and 775 days as of March 31, 2024.

Share based compensation cost included in Employee benefit expense is ₹ 6.36 Crores for March 31, 2024 and ₹ 7.32 Crores for March 31, 2023. The tax benefit recognized is ₹ 1.57 Crores for March 31, 2024 and ₹ 1.54 Crores for March 31, 2023.

As of March 31, 2024, the total compensation cost related to non-vested awards not yet recognized is \$810 and the weighted-average period over which it is expected to be recognized is 808 days.

- 40.c. Prime Focus Technologies Limited (PFT), has granted employee stock options under employee's stock options scheme. Each option entitles the holder to one equity share of Rs. 10 each. 1,88,551 options were outstanding as at March 31, 2024 (Previous year 2,58,920). NIL options (Previous year 15,500) were granted during the year. Such options entitle the holders to one equity share of ₹ 10/- for each option granted with vesting period of 1 to 3 years, exercise period of 5 years and exercise price of ₹ 2,475/-. From options granted, 20,295 options were vested during the year (Previous year 104,388).

The current status of the stock options granted to the Employees is as under:

Particulars	31-Mar-24		31-Mar-23	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
<b>Balance at the beginning of the year</b>	2,58,920	2,310	2,75,476	2,062
Granted during the year	-	-	15,500	1,909
Lapsed/ forfeited during the year	16,378	2,089	13,107	819
Exercised during the year	-	-	16,005	1,705
Expired during the year	53,991	2,784	2,944	235
<b>Balance at the end of the year</b>	<b>1,88,551</b>	<b>2,194</b>	<b>2,58,920</b>	<b>2,310</b>
<b>Exercisable at the end of the year</b>	<b>1,63,490</b>	<b>2,475</b>	<b>1,84,376</b>	<b>2,416</b>

For stock options outstanding as at March 31, 2024 the range of exercise price is ₹ 1,650 to ₹ 3,987 and weighted average remaining contractual life is 5 years and vesting period of 1 to 3 years

Nil options were granted during the year and previous year.

PFT has followed the fair value method to account for the grant of stock options and charge for the year ended March 31, 2024 is ₹ 2.62 Crores (March 31, 2023: ₹ 10.66 Crores)

### 41. Related party transactions

List of related parties with whom transactions have taken place during the year

#### i. Key management personnel (KMP)

Mr. Naresh Malhotra – Chairman and Whole-time Director

Mr. Namit Malhotra – Non Executive Director and Chief Executive Officer of DNEG Group

Mr. Nishant Fadia – Chief Financial Officer

Ms. Parina Shah – Company Secretary

# Consolidated Notes

to the financial statements for the year ended March 31, 2024

## ii. Enterprises owned or significantly influenced by Key Management Personnel or their relatives

Blooming Buds Coaching Private Limited

A2R Holdings

N2M Reality Private Limited

### (i) Key Management Personnel \*

	₹ Crores	
	Year ended March, 31 2024	Year ended March, 31 2023
<b>Remuneration</b>		
Mr. Naresh Malhotra	1.80	1.80
Mr. Namit Malhotra	7.54	7.59
Mr. Nishant Fadia	0.60	0.60
Ms. Parina Shah	0.36	0.36

\*The figures of Key management personnel do not include provisions for gratuity / other employee benefit as separate actuarial valuation not available.

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Balance payable</b>		
Mr. Naresh Malhotra	0.10	0.09
Mr. Namit Malhotra	0.79	1.96
Mr. Nishant Fadia	0.03	0.04
Ms. Parina Shah	0.02	0.02

### (ii) Enterprises owned or significantly influenced by key management personnel or their relatives

	₹ Crores	
	Year ended March, 31 2024	Year ended March, 31 2023
<b>Interest expense on lease liability</b>		
Blooming Buds Coaching Private Limited	1.50	1.81

	₹ Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Balance outstanding</b>		
<b>Deposit</b>		
Blooming Buds Coaching Private Limited	5.30	5.30
<b>Lease liability</b>		
Blooming Buds Coaching Private Limited	11.74	14.76
<b>Capital advance</b>		
N2M Reality Private Limited	26.50	26.50

On May 9, 2022 Namit Malhotra exercised his 375,505 share-based options and paid the exercise price of \$ 3.41 Million which has been allotted during fiscal 2024. Namit Malhotra through A2R Holdings, an entity owned by him, acquired on May 18, 2021, 3,36,294 Ordinary I shares and on August 6, 2021, 1,87,500 Class B Preferred Shares from existing shareholders of a subsidiary. Subsequently, these Class B Preferred Shares were swapped with equity shares of the subsidiary.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

Naresh Malhotra and Namit Malhotra (promoters) have given personal guarantees individually / jointly and have pledged part of their shareholdings for borrowings obtained by the Group.

Under ESOP Scheme 2014, 27,80,000 options were granted to Key management personnel. The stock options outstanding for KMP's as at March 31, 2024 is 27,70,000 (March 31, 2023: 27,70,000) and employee stock option expense for the year March 31, 2024 is ₹ Nil (March 31, 2023: ₹ Nil).

## 42. Lease liabilities

### Maturity profile of lease liabilities

	As at March 31, 2024	
	Carrying value	Undiscounted cash flow
Within one year	232.62	277.36
Later than one year and not later than five years	418.57	515.62
Later than five years	278.24	320.17
	<b>929.42</b>	<b>1,113.15</b>

₹ Crores

### Maturity profile of lease liabilities

	As at March 31, 2023	
	Carrying value	Undiscounted cash flow
Within one year	188.05	254.58
Later than one year and not later than five years	499.18	604.29
Later than five years	318.55	375.03
	<b>1,005.78</b>	<b>1,233.90</b>

₹ Crores

## 43. Capital and other commitments

	As at	
	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	68.77	65.06
Commitment towards revenue participation agreements	419.84	-

₹ Crores

## 44. Contingent liabilities

	As at	
	March 31, 2024	March 31, 2023
I. Income tax liability (including penalty) that may arise in respect of which the Group is in appeal.	5.24	-
II. Octroi liability that may arise, including those in respect of matters in appeal / challenged by the Group.	-	1.74
III. Guarantees given on behalf of subsidiaries and step-down subsidiaries	34.97	39.00

₹ Crores

IV. The Company acquired the Film and Media Services business ("FMS") from Reliance MediaWorks Limited ("RMW"), in July 2014, by way of a Business Transfer Agreement dated November 19, 2014 for a total consideration of Rs. 550 Crores of which the Company paid a consideration of Rs. 350 Crores to RMW by way of an allotment of equity shares of a commensurate value, on April 7, 2015. The remaining consideration of Rs. 200 Crores was structured as debt to be paid by the Company to Reliance Alpha Services Private Limited ("RASPL") over the course of a few years under a Loan Agreement dated February 25, 2019.

# Consolidated Notes

## to the financial statements for the year ended March 31, 2024

On July 26, 2023, the Company and a promoter filed a suit before the Honourable High Court of Bombay, against RASPL and others, inter alia with respect to: (a) the notices received from RASPL demanding a sum of ₹ 353.79 Crores and to invoke the personal guarantee issued by the promoter in the event of non-payment by the Company; and (b) the non-completion and breach of the business transfer agreement dated November 19, 2014 by Reliance Mediaworks Limited and Reliance Land Private Limited, pursuant to which, the aforesaid loan agreement of February 25, 2019 was executed. Further on August 29, 2023, the Company has received a notice that a petition has been filed before National Company Law Tribunal, Mumbai Bench (NCLT), Mumbai by RASPL to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 (as amended) with respect to alleged breach of the loan agreement of February 25, 2019, by the Company and demanding a sum of ₹ 353.79 Crores. The matter is currently sub judice with NCLT, Mumbai.

Notes :-

- a. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (I) to (IV) above pending resolution of the arbitration/appellate proceedings. Further, the liability mentioned in (I) to (IV) above excludes interest and penalty except in cases where the Group has determined that the possibility of such levy is remote.
  - b. The Group does not expect any reimbursements in respect of the above contingent liabilities.
  - c. The Group has reviewed its proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.
- 45.** On August 13, 2018, Prime Focus Technologies Limited (PFT) acquired 100% shares of Apptarix Mobility Solution Private Limited, an OTT technology product innovator. The business acquisition was conducted by entering into a share purchase agreement for cash consideration of ₹ 1.25 Crores and contingent consideration of up to ₹ 3.75 Crores in the form of Non-convertible redeemable preference shares (NCRPS). The fair value of contingent consideration on the date of acquisition was ₹ 2.46 Crores. Total fair value of consideration was ₹ 3.71 Crores.
- During the year, as per the agreed terms, redemption of Non-convertible redeemable preference shares (NCRPS) was done on July 31, 2023 which resulted into the redemption and agreed pay-out amount to ₹ 1.25 Crores to the shareholders of Apptarix Mobility Solution Private Limited. The fair value of NCRPS as on date of redemption was ₹ 3.87 Crores. The excess liability over the fair value of consideration for Non-convertible redeemable preference shares (NCRPS) of ₹ 2.62 Crores was written back in statement of profit & loss for the year ended March 31, 2024.
- 46.** During the year, PF World Limited (Mauritius), a subsidiary of the Company has entered into a share sale and purchase agreement on September 20, 2023 with NaMa Capital Limited for transfer of 23.25% shares (on a fully diluted basis taking into account the future implementation of an option scheme) held by PF World Limited, (Mauritius), in its subsidiary DNEG S.a.r.l (formerly known as Prime Focus Luxembourg S.a.r.l), and identified assets to NaMa Capital Limited against full settlement of outstanding loans and interest accrued thereon from NaMa to PF World Limited (Mauritius).
- 47.** Incamera Limited, a 50:50 virtual production joint venture was established on February 1, 2021 between the Company and General Systems Vehicle Limited (GSV) a subsidiary of Hammerhead (having trade name 'Dimension'). Incamera Limited had insufficient equity to finance its activities without additional subordinated financial support and hence was considered to be a variable interest entity, of which the primary beneficiary was determined to be the Group given its power and economic benefits in the venture. Subsequently, in February 2024 both parties agreed to terminate the joint venture and, in the process, the group transferred its virtual production employees to Dimension.
- 48. Additional regulatory informations:**
- a. The Parent and Indian subsidiaries does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
  - b. The Parent and Indian subsidiaries has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
  - c. The Parent and Indian subsidiaries has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
  - d. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
  - e. The Parent and Indian subsidiaries has not traded or invested in crypto currency or virtual currency during the year.

# Consolidated Notes to the financial statements for the year ended March 31, 2024

- f. Utilisation of borrowed funds and share premium :
- (i). The Parent and Indian subsidiaries has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii). The Parent and Indian subsidiaries has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- g. The Parent and Indian subsidiaries does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

49. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labor and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Group will assess the impact and its evaluation after the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

## 50. Events after the reporting period

There were no events after the reporting period requiring adjustments or disclosures in these consolidated financial statements.

## 51. Approval of Financial Statements

The consolidated financial statements were approved for issuance by the Board of Directors on May 30, 2024.

In terms of our report attached.

For **MSKA & Associates**

Chartered Accountants

(Firm's Registration No. 105047W)

For and on behalf of the Board of Directors

**Nitin Tiwari**

Partner

Membership No. 118894

**Naresh Mahendranath Malhotra**

Chairman and Whole-time Director

DIN: 00004597

**Namit Naresh Malhotra**

Director

DIN: 00004049

**Nishant Avinash Fadia**

Chief Financial Officer

**Parina Nirav Shah**

Company Secretary

Place : Mumbai

Date : May 30, 2024

Place : Mumbai

Date : May 30, 2024

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/Associate Companies/ Joint Venture

(₹ in crores)

Sr. No.	Name of the Subsidiary	Prime Focus Technologies Limited	Prime Focus Technologies UK Limited*	Prime Focus Technologies Inc.*	Prime Post (Europe) Limited*	DAX Cloud ULC*	Apptarix Mobility Solutions Private Limited*
1	Date of becoming the subsidiary / acquisition	08-Mar-08	13-Aug-10	04-Mar-13	28-Apr-06	04-Apr-14	06-Apr-18
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR 1.0000	GBP 105.2281	USD 83.3466	GBP 105.2281	CAD 61.5467	INR 1.0000
4	Share capital (Rs.)	2.19	0.00	0.00	0.00	-	0.33
5	Reserves & surplus	150.31	(2.74)	(1.11)	(1.58)	(2.08)	(0.42)
6	Total assets	687.64	138.45	264.53	3.08	0.65	0.05
7	Total liabilities	535.14	141.19	265.64	4.67	2.73	0.14
8	Investments	176.66	-	-	-	-	-
9	Turnover	263.90	87.57	103.32	-	0.19	-
10	Profit before taxation	(48.85)	26.21	4.17	(0.09)	0.07	0.01
11	Provision for taxation	10.61	-	(0.21)	-	-	-
12	Profit after taxation	(38.24)	26.21	3.96	(0.09)	0.07	0.01
13	Other Comprehensive Income	(0.25)	-	0.00	-	-	-
14	Total Comprehensive Income	(38.49)	26.21	3.96	(0.09)	0.07	0.01
15	Proposed Dividend	-	-	-	-	-	-
16	% of shareholding	73.21%	100.00%	100.00%	100.00%	100.00%	100.00%

Sr. No.	Name of the Subsidiary	Prime Focus Technologies Pte. Ltd*	Prime Focus Production Services Private Limited	GVS Software Private Limited	Jam8 Prime Focus LLP	Prime Focus Motion Pictures Limited	PF Investments Limited
1	Date of becoming the subsidiary / acquisition	18-Sep-20	28-Feb-08	01-Apr-08	22-Apr-19	22-Aug-08	23-Jun-11
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD 83.3466	INR 1.0000	INR 1.0000	INR 1.0000	INR 1.0000	USD 83.3466
4	Share capital (Rs.)	0.00	0.01	0.28	0.01	0.05	0.36
5	Reserves & surplus	(1.55)	(0.02)	26.20	(4.90)	(2.80)	(1.32)
6	Total assets	0.46	0.00	26.51	4.93	8.49	0.12
7	Total liabilities	2.02	0.01	0.03	9.82	11.24	1.09
8	Investments	-	-	-	-	-	-
9	Turnover	-	-	-	6.15	-	-
10	Profit before taxation	(1.86)	(0.01)	(0.01)	0.09	(1.17)	(0.13)
11	Provision for taxation	-	-	-	-	-	-
12	Profit after taxation	(1.86)	(0.01)	(0.01)	0.09	(1.17)	(0.13)
13	Other Comprehensive Income	-	-	-	0.02	-	-
14	Total Comprehensive Income	(1.86)	(0.01)	(0.01)	0.11	(1.17)	(0.13)
15	Proposed Dividend	-	-	-	-	-	-
16	% of shareholding	100.00%	100.00%	100.00%	51.00%	100.00%	100.00%

Sr. No.	Name of the Subsidiary	PF Overseas Ltd	PF World Limited	Prime Focus 3D Cooperatief U.A. ^	Lowry Digital Imaging Services Inc.	PF Media Limited	Prime Focus Media UK Limited
1	Date of becoming the subsidiary / acquisition	26-Jul-13	11-May-11	21-Sep-11	07-Apr-15	07-Apr-15	07-Sep-20
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD	USD	USD	USD	MUR	GBP
		83.3466	83.3466	83.3466	83.3466	1.7970	105.2281
4	Share capital (Rs.)	0.00	0.88	-	0.01	160.86	0.00
5	Reserves & surplus	360.30	(281.21)	-	(0.01)	59.89	-
6	Total assets	403.08	503.03	-	0.00	222.98	0.00
7	Total liabilities	42.78	783.36	-	(0.00)	2.24	(0.00)
8	Investments	156.78	319.40	-	-	159.35	-
9	Turnover	-	-	-	-	-	-
10	Profit before taxation	(0.33)	893.19	0.22	0.00	11.31	-
11	Provision for taxation	-	-	-	-	-	-
12	Profit after taxation	(0.33)	893.19	0.22	0.00	11.31	-
13	Other Comprehensive Income	-	-	-	-	-	-
14	Total Comprehensive Income	(0.33)	893.19	0.22	0.00	11.31	-
15	Proposed Dividend	-	-	-	-	-	-
16	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Sr. No.	Name of the Subsidiary	DNEG S.A R.L. (Formerly known as Prime Focus Luxembourg S.a.r.l)	Prime Focus International Services UK Limited#	DNEG PLC#	DNEG North America Inc.#	Vegas II VFX Ltd#	Prime Focus Academy of Media and Entertainment Studies Private Limited#
1	Date of becoming the subsidiary / acquisition	21-Sep-11	23-Mar-11	03-Dec-18	01-Apr-08	30-May-13	01-Oct-16
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD	GBP	GBP	USD	CAD	INR
		83.3466	105.2281	105.2281	83.3466	61.5467	1.0000
4	Share capital (Rs.)	185.15	-	0.00	0.04	-	0.02
5	Reserves & surplus	470.18	(85.28)	(14.68)	73.18	(11.12)	14.98
6	Total assets	918.98	103.84	3.84	139.61	5.04	15.25
7	Total liabilities	263.66	187.01	18.52	66.38	16.16	0.25
8	Investments	893.34	-	-	-	-	-
9	Turnover	-	6.22	-	139.38	-	0.79
10	Profit before taxation	(34.09)	(30.85)	0.48	(2.66)	(0.03)	(0.17)
11	Provision for taxation	-	(6.85)	(1.11)	(0.03)	(4.65)	-
12	Profit after taxation	(34.09)	(24.00)	1.60	(2.62)	4.62	(0.17)
13	Other Comprehensive Income	-	-	-	-	-	0.00
14	Total Comprehensive Income	(34.09)	(24.00)	1.60	(2.62)	4.62	(0.17)
15	Proposed Dividend	-	-	-	-	-	-
16	% of shareholding	58.76%	100.00%	100.00%	100.00%	100.00%	100.00%

Sr. No.	Name of the Subsidiary	DNEG India Media Services Limited <sup>#</sup>	Double Negative Holdings Limited <sup>#</sup>	Double Negative Limited <sup>#</sup>	Double Negative Singapore Pte. Ltd <sup>#</sup>	Double Negative Canada Productions Ltd. <sup>#</sup>	Double Negative Huntsman VFX Ltd. <sup>#</sup>
1	Date of becoming the subsidiary / acquisition	07-Apr-15	15-Jul-14	15-Jul-14	15-Jul-14	30-Jul-14	15-Apr-15
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR 1.0000	GBP 105.2281	GBP 105.2281	SGD 61.7791	CAD 61.5467	CAD 61.5467
4	Share capital (Rs.)	98.08	0.00	0.00	0.00	-	0.00
5	Reserves & surplus	(61.85)	1.74	(206.64)	(0.27)	243.29	(1.91)
6	Total assets	977.69	193.68	4,079.24	-	403.94	5.24
7	Total liabilities	941.46	191.94	4,285.88	0.27	160.65	7.16
8	Investments	15.01	0.00	835.32	-	-	-
9	Turnover	1,021.72	-	641.15	-	495.15	-
10	Profit before taxation	(10.67)	-	(371.11)	(0.69)	22.93	(0.07)
11	Provision for taxation	(2.21)	-	(92.15)	-	6.41	(0.60)
12	Profit after taxation	(8.45)	-	(278.95)	(0.69)	16.52	0.53
13	Other Comprehensive Income	0.10	-	-	-	-	-
14	Total Comprehensive Income	(8.35)	-	(278.95)	(0.69)	16.52	0.53
15	Proposed Dividend	-	-	-	-	-	-
16	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Sr. No.	Name of the Subsidiary	Double Negative Films Limited <sup>#</sup>	Double Negative LA LLC <sup>#</sup>	Incamera Limited <sup>#@</sup>	Double Negative Montreal Productions Ltd. <sup>#</sup>	Double Negative Toronto Productions Ltd. <sup>#</sup>
1	Date of becoming the subsidiary / acquisition	15-Jun-14	07-Mar-17	10-Feb-21	22-Jun-17	06-Aug-21
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	GBP 105.2281	USD 83.3466	GBP 105.2281	CAD 61.5467	CAD 61.5467
4	Share capital (Rs.)	0.00	-	-	52.34	-
5	Reserves & surplus	(54.63)	3.32	-	461.76	15.09
6	Total assets	568.37	3.53	-	1,908.16	39.51
7	Total liabilities	623.00	0.20	-	1,394.07	24.42
8	Investments	0.00	-	-	-	-
9	Turnover	30.56	-	57.69	2,491.73	114.94
10	Profit before taxation	8.40	(0.00)	(73.21)	36.93	8.11
11	Provision for taxation	-	-	-	10.05	1.78
12	Profit after taxation	8.40	(0.00)	(73.21)	26.87	6.33
13	Other Comprehensive Income	-	-	-	-	-
14	Total Comprehensive Income	8.40	(0.00)	(73.21)	26.87	6.33
15	Proposed Dividend	-	-	-	-	-
16	% of shareholding	100.00%	100.00%	50.00%	100.00%	100.00%



Sr. No.	Name of the Subsidiary	DNEG Bulgaria EOOD <sup>#</sup>	Double Negative Hungary Limited <sup>#</sup>	DNEG Australia PTY Ltd <sup>#</sup>	DNEG Spain,S.L. <sup>#</sup>
1	Date of becoming the subsidiary / acquisition	14-Oct-21	28-May-22	04-May-22	02-Sep-22
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	BGN	HUF	AUD	EUR
		45.6459	0.2352	55.0383	89.2756
4	Share capital (Rs.)	0.01	0.07	0.00	0.03
5	Reserves & surplus	3.69	2.79	8.02	4.02
6	Total assets	43.33	13.15	351.85	20.35
7	Total liabilities	39.62	10.29	343.83	16.30
8	Investments	-	-	-	-
9	Turnover	32.01	45.96	184.83	81.34
10	Profit before taxation	1.18	2.24	10.61	3.81
11	Provision for taxation	(0.03)	0.44	3.61	0.95
12	Profit after taxation	1.21	1.80	7.00	2.85
13	Other Comprehensive Income	-	-	-	-
14	Total Comprehensive Income	1.21	1.80	7.00	2.85
15	Proposed Dividend	-	-	-	-
16	% of shareholding	100.00%	100.00%	100.00%	100.00%


\*Direct/ Indirect Subsidiaries of Prime Focus Technologies Limited.

#Direct/ Indirect Subsidiaries of DNEG S.A R.L.

^Prime Focus 3D Cooperatief U.A. was liquidated w.e.f. February 13, 2024 and ceased to be subsidiary of the Company.

@Joint Venture agreement relating to Incamera Limited has been terminated w.e.f. February 14, 2024.

The value 0.00 means amount is below ₹ 50,000/-



*In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate,’ ‘estimate,’ ‘expect,’ ‘projects,’ ‘intend,’ ‘plans,’ ‘believe,’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risk, uncertainties and even inaccurate assumptions. Known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*