

ANKAHEE

THE
PRITISH
NANDY
SHOW

FATSO!

KHWAHISH

POPCORN KHAO
MAST HO JAO

 SANSUI
VIEWERS CHOICE
MOVIE AWARDS

(UNPAIISED)
RAT-A-TAT

PRITISH NANDY COMMUNICATIONS LTD

30TH ANNUAL REPORT AND ACCOUNTS 2023

BOW BARRACKS
FOREVER!

SUR

FACEOFF

EK KHLADI
EK HASEENA


MANEKA'S ARK

S H A B D

संजोग

YUDH


Thanka
Beats

CHAMELI

kaante

EK RAJA EK RANI

KOSHISH

HAZAARON
KHWAISHEIN AISI

Four more
SHOTS
please!

PYAAR KE
SIDE/EFFECTS

Entertainment Now

MR. GAYAAB

Modern Love
Mumbai

shaadi ke
side/effects

UGLY ^{OUR} PAGLI

HEADS & TAILS

INDIA
THE AWAKENING

MEERABAI
NOT OUT


WCD™
World Commission Day 2012

JUST MARRIED

TOP JOB

kuch KHATTI
kuch MEETHI

PRITISH NANDY 
COMMUNICATIONS

MUMBAI MATINEE

STORYTELLERS TO THE WORLD

RAJKAHANI

BAAT RAAT
GAYI?

चूप बस लक्ष्या!

BOLLYWOOD
CALLING



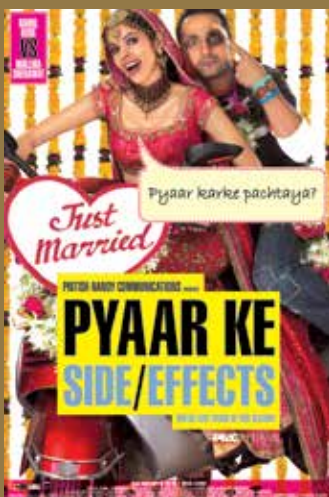
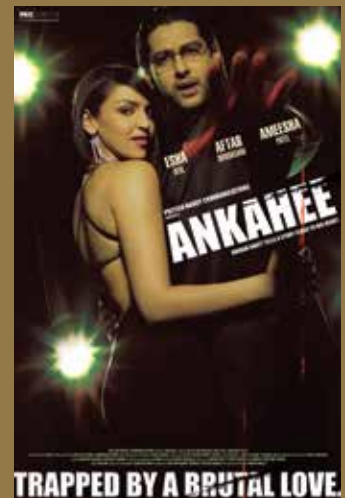
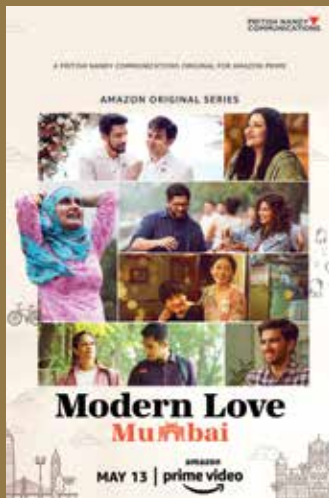
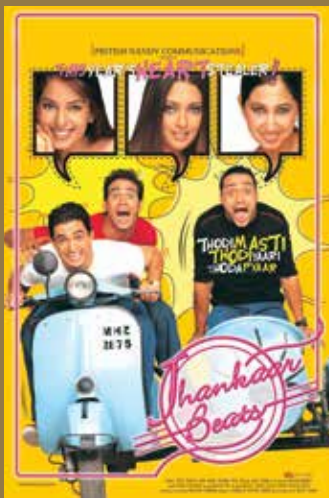
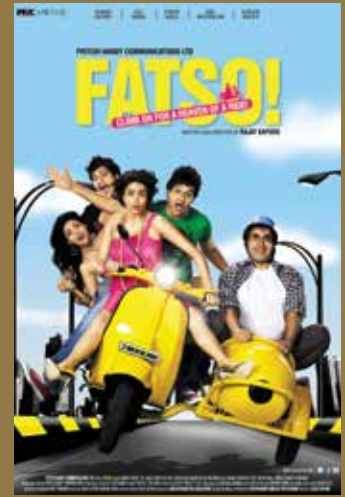

Mystic
MASSEUR

NEW HORIZON

MASTIZAAD®


BK ROY
1ST ANNUAL
LORATION
FORMER MANAGING DIRECTOR MENTOR BUDZAPAR

CLICK



PRITISH NANDY COMMUNICATIONS LIMITED
30TH ANNUAL REPORT AND ACCOUNTS 2023

BOARD OF DIRECTORS

Pritish Nandy | Chairman
Raghu Palat
Sunil Kumar Alagh
Karan Ahluwalia
Neerja Shah
Rina Pritish Nandy
Pallab Bhattacharya | Vice Chairman & CEO
Rangita Pritish Nandy | President & Creative Director

COMPANY SECRETARY

Santosh Gharat

CHIEF FINANCIAL OFFICER

Kishor Palkar

AUDITORS

BD Jokhakar & Co
Chartered Accountants

PRINCIPAL BANKER

Yes Bank
Nariman Point Mumbai 400021

REGISTERED OFFICE

87/88 Mittal Chambers Nariman Point Mumbai 400021

CHAIRMAN'S STATEMENT

I welcome you all to your Company's 30th Annual General Meeting.

Today is yet another opportunity for us to exchange thoughts about your Company, our business environment, the opportunities, strengths and world trends that the content business we are in may have to contend with in coming years, and what we think lies ahead.

Curiously, two entirely unlinked events occurred during the past fortnight.

While concluding a debate in Parliament, India's prime minister Narendra Modi identified innovation and creativity as two of the most important factors in achieving any success, be it in politics or nation building. A rare acknowledgment by a head of state to the role of the creative in the midst of the hectic pace of building a nation's political agenda.

Around the same time, in another democracy across the Pacific, the US Federal Reserve noted an unusual event in its important economic calendar: singer-performer Taylor Swift's Eras Tour which is expected to generate over \$5 billion in consumer spending in the US alone. Data from research company QuestionPro shows that it has already substantially impacted the economies of several states where she performed in recent months.

The tour goes worldwide from August in Mexico City and next year will continue in Japan, Europe, Singapore and Australia where analysts predict it's likely to make an even stronger impact on local economies. While the numbers may appear mind boggling at first look, the truth is that if a concert tour (131 shows across 5 continents) by a single woman artist can fetch these numbers, we can imagine what the size and scale of the entertainment industry as a whole is likely to become in coming years. Bringing in, possibly for the first time, the creative business right in the thick of serious economic activity, begging the seemingly absurd question: Can music or movies become as big as manufacturing a major line of consumer product some day in the future? Suddenly, the question doesn't sound that absurd anymore.

Let's look at the hard facts. India has an incredibly rich tradition of music, literature, theatre, movies, art and culture. It has an amazing repertoire of stories in over 400 languages and dialects. Its creative talent is widely recognized and now being acknowledged across the world. We are winning Oscars, Emmys and Grammys. We have Nobel Prize winners among us. International Booker Prize winners too. The brave man who won the Booker of Bookers, now struggling to recover from a terrible knife attack while about to deliver a public lecture in the Chautauqua Institute in New York. And now the first Hindi novel has won the International Booker!

The time is just right for acknowledging the genius of our writers and artists and encouraging them to reach out across the world and showcase the power and potential of India's creative industry.

Now add to the creative business, Merlin's magic potion of tech. And you have a heady mixture of advances in AI and machine learning, metaverse, virtual and augmented reality, blockchain, immersive gaming, IoT and many new innovations that will not only enlarge the universe of entertainment but also take the business of creativity into new directions that will eventually redefine the way our business has grown till now. That is how India will own its heft as a major soft power. And, as the world is increasingly recognizing today, there's nothing more exciting than being able to win over millions of people to see things your way, billions if you consider just India. Traditional military muscle is vastly over-rated; the plucky Ukrainians have kept the mighty Russian war machine at bay for over 18 months while, at the same time, winning support from many countries, some of them barely at nodding distance from Volodymyr Zelenskyy, who interestingly joined politics from the entertainment industry. Clearly the future belongs to those who know how to use the immense possibility of soft power to win allies and persuade them to look at things from their perspective.

For soft power can reach a nation's influence where guns and missiles stop short. At a fraction of the cost many spend on the arms race, and without the hit to conscience.

India is currently excellently poised to build on its soft power and create a world class industry using its talent, creativity, innovative and persuasive skills. And now it appears (taking the Eras Tour as an example) that it's possible to quickly scale up and industrialize the creative. But for that we need to first change the way we look at the entertainment business. Even though India produces 2400 movies annually and has an amazing viewership for all kinds of content across languages and genres, we still don't look at the content business as meriting serious attention. We still look at entertainment as a non-serious business of song and dance. *Naachna gaana*, as we still refer to it even though content today has moved way beyond traditional Bollywood.

The world's biggest content makers and streaming giants are already here. Amazon, Netflix, Apple, Disney+, Discovery, Sony and to take them on headlong are the big local players like telecom giant Jio. Their viewership numbers are impressive and growing with the likelihood of others coming to join them.

The good news is that the long tail of the Covid 19 pandemic, which set your Company back by a couple of years now looks like it could get shorter. The RBI's warning that the post-pandemic after-effects could continue to impact businesses for as long as 12 years may end sooner, and slowly but surely people are going back to theatres to re-experience the big screen. 2.1 crore+ viewers went to theatres last weekend across India, creating an all-time historic record. According to the Producers Guild of India and Multiplex Association of India, August 11-13 was the single busiest weekend since the beginning of the pandemic. What's more, ticket sales hit more than ₹ 390 crore, a new all-time theatrical gross record for the biggest continued weekend in history.

The future looks bright for your Company. Technology for delivery may keep changing but the demand for high quality content continues to grow. We are now privileged to work with the world's best platforms, reaching viewers in 240 countries and territories. We make shows that work across the globe in their original as well as dubbed and subtitled versions. This brings work to your Company from all over. It also brings us awards and global recognition.

Our most recent series, *Modern Love Mumbai*, for Amazon and The New York Times, has streamed to wide critical acclaim. Wildly appreciative reviews have appeared across the world, in both traditional and digital media, ensuring large viewership for all six films in the series.

The widely anticipated third season of our International Emmy-nominated series *Four More Shots Please!* also dropped on Amazon during the year. Expectations from it are forever increasing since it is already acknowledged as "India's most-watched show". We have invested in many more stories in development in different writers' rooms. A new show is being currently filmed, a series about young freshers coming of age in their first year in college. Another new series and a film are likely to follow shortly. New seasons are also being written for our existing shows. All this will keep your Company busy in coming months.

Three decades is a long time in the creative business with newer and younger audiences joining viewership every year. The constant churning of new ideas makes the creative process an exciting journey. Particularly because most of these ideas are developed and produced inhouse. Our older films are still being watched across multiple satellite, network TV and streaming platforms. Our new shows are drawing in large audiences, young and not so young. And social media is awash with the music we have made over the years.

Your Company remains unwaveringly committed to the task we set ourselves 30 years ago. To emerge as a world class creative team 7 out of our first 10 employees are still with us. A bright new batch of young talent has joined us over the years. Our average employee has been with us for almost a decade. Gender balance improves every year. While the industry average is 8%, we have over 40% women working on our projects today.

Your Company is an equal opportunities employer. We do not discriminate on the basis of gender, race, faith or caste. We hire the best available. And we nurture an environment in which they can grow and flourish. While every senior team member has grown from the ranks, we are ready for the future with the next generation of creative and management talent in place, trained to play leadership roles.

I would like to thank our shareholders, business associates, bankers, talent and crew, as well as Team PNC. Their dedication and your unwavering faith in the future of your Company is likely to go a long way in taking PNC ahead.

August 15, 2023

To
The Members
Pritish Nandy Communications Limited

Your Directors present the 30th Annual Report on the business and operations of the Company together with the audited financial accounts for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

Total income for this year was ₹ 1,825.08 lakh as compared to ₹ 4,466.83 lakh for the earlier year. The Company made a loss of ₹ 409.31 lakh before tax as compared to a loss of ₹ 34.59 lakh before tax in the preceding year.

In ₹ lakh

| Particulars | Standalone | |
|---|---------------------------|---------------------------|
| | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Income from operations | 1,825.08 | 4,466.83 |
| Other income | 55.12 | 38.98 |
| Total turnover | 1,880.20 | 4,505.81 |
| Total expenditure | 2,289.51 | 4,540.40 |
| Profit/ (loss) before exceptional and extraordinary items and tax | (409.31) | (34.59) |
| Current tax | 0.00 | 0.00 |
| Profit/ (loss) after current tax | (409.31) | (34.59) |
| Deferred tax | (3.75) | (14.78) |
| Profit/ (loss) after tax | (405.56) | (19.81) |
| Dividend (%) | 0 | 0 |
| Transfer to reserves | 0 | 0 |
| Balance in statement of profit and loss | (1,049.92) | (661.12) |
| Paid up capital | 1,466.70 | 1,446.70 |
| Earnings per share (₹) | (2.80) | (0.14) |
| Book value per share (₹) | 50.72 | 53.41 |

PRESENT ECONOMIC SITUATION AND PERFORMANCE OF THE COMPANY

During the year under review, two of your Company's new shows, Season 1 of Modern Love Mumbai and Season 3 of the international Emmy nominated show Four More Shots Please!, were premiered on Amazon Prime Video, on May 13, 2022 and October 21, 2022 respectively. Both the shows have earned widespread critical acclaim and immense popularity since their release, and won multiple awards, including the Indian Telly Streaming Awards 2022, Afaqs! Vdonxt Awards 2023 and E4M Play Streaming Media Awards 2023.

Additionally, the filming of a new young adult drama series for Amazon Prime Video, set on a university campus, has commenced in Delhi on July 5, 2023.

During the year under review, the Company incurred a loss because some of the projects which were in the pipeline, did not commence to plan, owing to recessionary risk-aversion measures taken by our international partners. Hence costs and overheads could not be fully absorbed. The Company continued to review advance for content as in the past and has written off an amount of ₹ 47.86 lakh incurred on developing content that is no longer viable to take up in the future in post pandemic scenario.

The core strength of your Company comes from its creative team. This team has been able to create, develop and ready multiple shows and films, thereby setting up a resourceful pipeline of projects. Several of these have been shared with streaming and studio partners, and having been accepted, are now in development and pre-production stages with various partners. Relying on the same, we hope to take at least one more show into production in this financial year.

With streaming platforms continuing to grow viewership, the immediate future of the content business looks stable and strong. Particularly for a Company like yours which makes shows for global audiences.

There is also growing interest from across the world in content emerging from India. And it is likely that India may soon emerge as an important source of global content in a world that is increasingly cutting cord and switching over to streaming. Our familiarity with the English language, our cost structure, our creative and technical talent, and the latest tech innovations we have adopted give us a strong advantage. As indeed our skill as a nation of formidable storytellers.

The PNC film library is now streaming on multiple OTT platforms, giving our earlier work a new life, a new audience apart from those who watch these films on satellite television on the Star TV platform. This growing viewership strengthens your Company's reputation as Storytellers to the World.

DIVIDEND

Your Directors do not recommend any dividend for this year.

LISTING WITH THE STOCK EXCHANGES

The equity shares of the Company continue to remain listed with the Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The listing fees payable to both the stock exchanges for the year 2023-24 have been paid.

TRANSFER TO RESERVES

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

DEPOSIT FROM PUBLIC

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

SUBSIDIARIES

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

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

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

PNC Digital Limited

The principal business of this subsidiary is sourcing content for digital streaming, setting up delivery systems for digital streaming and running the business of content aggregation as well as any other technology business using the internet as its primary delivery platform. This subsidiary explores new opportunities that may emerge in the streaming business by leveraging the goodwill and stature of the PNC brand. One of its roles can be that of an intermediary providing distribution services to content makers. Considering there was nominal revenue generation during the year under review, the Company has impaired value of its investment in this subsidiary by ₹ 17.55 lakh.

PNC Wellness Limited

This subsidiary operates in the wellness business segment which it pioneered in India when it opened Moksh: The Wellness Place in Mumbai. After a decade of innovative activity, with rentals increasing and the wellness business, like many others, shifting to digital platforms, Moksh was shut down.

The subsidiary however continues, intending to use the brand's goodwill and reputation to build a digital opportunity at an appropriate time.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit/(loss) of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial controls were adequate and operating effectively;
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-2023.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and Articles of Association of the Company, Pallab Bhattacharya, Director of the Company, retires by rotation at the ensuing AGM, and being eligible, offers himself for reappointment. A resolution seeking Shareholders' approval for his re-appointment forms part of the notice.

COMPLIANCE ON CRITERIA OF INDEPENDENCE BY INDEPENDENT DIRECTORS

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

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

PARTICULARS OF EMPLOYEES

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

BOARD MEETINGS HELD DURING THE YEAR

As required under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year four meetings of the Board of Directors were held and one meeting of independent Directors was held. The details of the meetings of the Board are furnished in the Corporate Governance Report.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors including Independent Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by the Securities and Exchange Board of India (SEBI) and the SEBI Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held during the year on March 14, 2023, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the SEBI Listing Regulations.

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

AUDITORS

Statutory Auditors

BD Jokhakar & Co., Chartered Accountants (FRN 104345W) were re-appointed as Statutory Auditors of the Company for another term of 5 years at the 29th AGM held on August 26, 2022 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors till the conclusion of the 34th AGM of the Company to be held for the financial year 2026-2027. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at the ensuing AGM is not being sought.

AUDITORS' REPORT

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

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

"We draw attention to note 33(b) on the standalone financial statements which relates to impairment loss of ₹ 17.55 lakh in investment in subsidiary company "PNC Digital Ltd" based on the factors stated in the said note.

We further draw attention to note 35(a) on the standalone financial statements which describe the facts related to the legal proceedings initiated by the Company for the recovery of an advance of ₹ 150 lakh. The management considers the same as good and fully recoverable. The legal opinion obtained by the Company supports this. We have relied on the opinion and consequently the Company has not made provision of any amount there against.

We further draw attention to note 35(b) on the standalone financial statements. The Company had received an award of ₹ 3.52 crore plus interest of ₹ 35 lakh in its favour in the arbitration filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the above said award. The court has directed the proprietor not to dispose off/ create any third party rights on his properties which are valued at ₹ 12 crore. Proceedings are ongoing and in view of the same outstanding of ₹ 3.18 crore is considered as fully recoverable and consequently there is no provision made of any amount there against.

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

Your Directors confirm that the matters referred to in the segment relation to Emphasis of Matter by the independent auditors in their report have been clarified in notes 33(b), 35(a) and 35(b) of the financial statements forming part of the Balance Sheet and Statement of Profit and Loss, and are self-explanatory and reproduced below.

NOTE – 33(b)

PNC Digital Limited

The Company has an investment of ₹ 52.65 lakh in equity shares of subsidiary viz PNC Digital Limited. The Company has agreed to provide its films to this subsidiary company to explore revenue opportunities on the digital platform and exploit it to its commercial advantage. During the year this subsidiary has earned a nominal income from its operational activities. The net worth of this subsidiary is ₹ 19.29 lakh as on March 31, 2023. This subsidiary will continue its efforts in future. Although, this subsidiary has unfettered access to the film content of the holding company and requires no additional capital deployment to earn revenue, Company has impaired value of its investment in this subsidiary by ₹ 17.55 lakh for the year under review.

NOTE – 35(a)

The legal proceedings initiated by the Company for the recovery of an advance of ₹ 150 lakh which was given against the Music, Asian and Indian Satellite rights of a film, where the Company has lien over the exploitation of the said rights. The management of the Company considers the same as good and fully recoverable. Legal opinion obtained by the Company supports this. Auditors have relied on the opinion and consequently no provision has been made in the accounts at this stage.

NOTE – 35(b)

The Company had received an award of ₹ 3.52 crore plus interest of ₹ 35 lakh in its favour in the arbitration filed against White Feather Films (Proprietor Sanjay Gupta). White Feather Films has gone in appeal against the award and was directed to deposit an amount of ₹ 3 crore by the Bombay High Court, which they failed to do. The Company has filed a petition for execution of the arbitration award. The Bombay High Court has restrained Sanjay Gupta from disposing of, encumbering, alienating, transferring, parting with possession of or creating any third party rights or interest in his 3 properties in Pune and Khandala valued at ₹ 12 crore. The advance of ₹ 3.18 crore is therefore considered as fully recoverable.

SECRETARIAL AUDITORS' REPORT

VN Deodhar & Company, practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the fiscal year 2023, as required under Section 204 of the Act and rules thereunder.

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

MANAGEMENT DISCUSSIONS AND ANALYSIS

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

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

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

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

RISK MANAGEMENT

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

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

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

TRANSACTIONS WITH RELATED PARTIES

All Related Party Transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. Details of Related Party Transactions are disclosed in note 31 of the Audited Financial Statements of the Company.

EXTRACT OF ANNUAL RETURN

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

During the year, no complaints were received by the Company.

REPORTING OF FRAUDS

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

1. Sunil Alagh, Chairman
2. Karan Ahluwalia
3. Pallab Bhattacharya

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

No CSR provision is applicable for the financial year ended on March 31, 2023 as the average net profit of the Company for the last three financial years is inadequate.

DISCLOSURE REQUIREMENT

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

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

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

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

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

Policy on fair disclosure and code of conduct required to be set out by the Company under SEBI (PIT) Regulations, 2015 is available on the website of the Company.

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

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

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

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

Foreign Exchange Earnings and Outgo during the year are given in Annexure V which forms part of the report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

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

ACKNOWLEDGEMENT

The Board thanks all stakeholders in the Company, clients, bankers and financial institutions for their continued support to the Company and their confidence in its management. It also wishes to record its appreciation of the efforts put in by all staff and associates of the Company.

For and on behalf of the Board of Directors

Pallab Bhattacharya
Wholetime Director and CEO
DIN 00008277

Raghu Palat
Director
DIN 00311994

Mumbai, August 8, 2023

ANNEXURE - I

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

(In ₹ lakh)

| PARTICULARS | | | |
|-------------|--|------------------|-----------------|
| Sr. No. | Name of Subsidiary Company | PNC Wellness Ltd | PNC Digital Ltd |
| 1. | Date of incorporation | June 4, 1999 | March 4, 1994 |
| 2. | Reporting currency | INR | INR |
| 3. | Exchange rate | NA | NA |
| 4. | Share capital | 66.00 | 50.00 |
| 5. | Reserves and surplus | (51.17) | (30.71) |
| 6. | Total assets | 34.07 | 19.54 |
| 7. | Total liabilities (except share capital and reserve and surplus) | 19.24 | 0.25 |
| 8. | Investments | 0.00 | 0.00 |
| 9. | Turnover (including other income) | 2.50 | 0.64 |
| 10. | Profit/ (loss) before taxation | 1.62 | 0.34 |
| 11. | Provision for taxation (including deferred tax) | 0.00 | 0.00 |
| 12. | Profit/ (loss) after taxation | 1.62 | 0.34 |
| 13. | Proposed dividend | Nil | Nil |
| 14. | % of shareholding | 100% | 99.78% |

Note

1. Reporting period for all the Subsidiaries is March 31, 2023.

ANNEXURE - II

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

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23.

| Description | Ratio of median remuneration |
|-----------------------|------------------------------|
| Wholetime Directors | |
| Pallab Bhattacharya | 2.13 |
| Rangita Pritish Nandy | 5.56 |

- b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2022-23.

| Name | % increase in remuneration in the financial year |
|---|--|
| Pallab Bhattacharya, Wholetime Director and CEO | 22.22% |
| Rangita Pritish Nandy, Creative Director | 20% |
| Kishor Palkar, CFO | 22.73% |
| Santosh Gharat, Company Secretary | Nil |

- c. The percentage increase in the median remuneration of employees in the financial year: (29.65%).

The number of permanent employees on the rolls of Company as on March 31, 2023: 19

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

The increment in remuneration during the year 2022-23 was 19.72%.

- e. Comparison of the remuneration of the key managerial personnel against the performance of the Company for financial year 2022-23.

| Particulars | Amount (In ₹ lakh) |
|--|--------------------|
| Aggregate remuneration of Key Managerial Personnel (KMP) | 123.15 |
| Revenue | 1,825.08 |
| Remuneration of KMP (as % of revenue) | 6.75 % |
| Profit/ (loss) before tax (PBT) | (409.31) |
| Remuneration of KMP (as % of PBT) | (30.09) % |

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

| Particulars | March 31, 2023 | March 31, 2022 | % Change |
|-----------------------------------|----------------|----------------|----------|
| Market Capitalization (in ₹ lakh) | 4,422.56 | 6,813.96 | (35.10)% |
| Price Earnings Ratio | (10.92) | (336.43) | (96.75)% |

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

| Particulars | March 31, 2023 | IPO | % Change |
|--------------------|----------------|-----|----------|
| Market Price (BSE) | 30.57 | 155 | (80.28) |
| Market Price (NSE) | 30.95 | 155 | (80.03) |

- h. Average percentile increase already made in the salaries of employees 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

During the year, there was increment in employee's salary by 19.64% and increment in managerial salaries by 21.65%.

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

During the year under review, two new shows, Season 1 of Modern Love Mumbai and Season 3 of the international Emmy nominated show Four More Shots Please!, were premiered on Amazon Prime Video, on May 13, 2022 and October 21, 2022 respectively. The aforesaid comparison is not applicable.

- j. The key parameters for any variable component of remuneration availed by the Directors:

The Company does not have any variable component of remuneration availed by the directors.

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

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

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

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

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

There was no employee drawing remuneration of 102 lakh rupees per annum or rupees 8.5 lakh per month.