Independent Auditor's Report

To the Partners of
JAM8 Prime Focus LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **JAM8 Prime Focus LLP** ('LLP'), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The LLP's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the LLP. This responsibility also includes safeguarding the assets of the LLP 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of the financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the LLP's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management of LLP, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the LLP as at 31st March, 2020;
(ii) in the case of the Statement of Profit and Loss, the **Loss** for the year ended on that date;
(iii) in the case of the Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 LLP so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the LLP.

For **V. Shivkumar & Associates**
Chartered Accountants
FRN No.: 112781W

Place: Mumbai
Date: 30th July, 2020

Sd/-
V. Shivkumar
Proprietor
M. No.: 042673

UDIN: 20042673AAAAIL8352

JAM8 PRIME FOCUS LLP.

Balance sheet as at March 31, 2020 *In ₹*

	Note	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Tangible assets	3	838,061	-
Intangible assets		-	-
Capital work-in-progress		-	-
Deferred tax asset (net)		-	-
Income tax asset (net)		969,163	-
Other non-current assets	4	86,016	-
		1,893,240	**-**
Current assets			
Trade receivables	5	10,212,843	-
Cash and bank balances	6	2,868,069	-
Financial asset - others	7	4,983,130	-
Other current assets	8	1,040,069	-
		19,104,111	**-**
TOTAL ASSETS		**20,997,351**	**-**
Equity and Liabilities			
Shareholders' funds			
Parters' contribution	9	100,000	-
Reserves and Surplus	10	(29,392,616)	-
		(29,292,616)	**-**
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liability (net)		-	-
Provisions	11	138,410	-
		138,410	**-**
Current liabilities			
Borrowings	12	28,490,315	-
Financial liability - trade payables	13	17,766,603	-
Financial liability - others	14	2,286,842	-
Provisions	15	240	-
Other current liabilities	16	1,607,556	-
		50,151,556	**-**
TOTAL EQUITY & LIABILITIES		**20,997,351**	**-**

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
July 30, 2020

For Prime Focus Limited

Niraj Sahai

Partner

Pritam Chakraborty

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.

Statement of profit and Loss for the year ended in ₹

	Notes	Year Ended March 31, 2020	Year Ended March 31, 2019
Income			
Revenue from operations (net)		23,689,289	-
Other income		-	-
		23,689,289	**-**
Expenses			
Employee benefits expenses	17	9,002,684	-
Technician fees		22,133,999	-
Finance costs	18	1,306,984	-
Other expenses	19	20,615,398	-
Depreciation and amortization expense	3	22,839	-
		53,081,905	**-**
Loss before exceptional items and tax		**(29,392,616)**	**-**
Exceptional Items		-	-
Loss before tax		**(29,392,616)**	**-**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(29,392,616)**	**-**

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For Prime Focus Limited

Partner

Niraj Sahai

Pritam Chakraborty

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
July 30, 2020

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.

Statement of Changes in Equity for the year ended March 31, 2020

Changes in Equity Share capital in ₹

	No of shares	Amount
As at 1st April 2018	-	-
Changes during the year	-	-
As at 31st March 2019	-	-
Changes during the year	100,000	
As at 31st March 2020	100,000	-

Changes in Other Equity in ₹

	Surplus in the statement of profit and loss	Total Other equity
As at 1st April 2018	**-**	**-**
Profit for the year	-	-
As at 31st March 2019	**-**	**-**
Loss for the year	**(29,392,616)**	(29,392,616)
As at 31st March 2020	**(29,392,616)**	**(29,392,616)**

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For Prime Focus Limited

Partner

Niraj Sahai

Pritam Chakraborty

For Kwan Talent Management Agency Pvt Ltd

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
July 30, 2020

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.

Cash Flow Statement for the year ended March 31, 2020

in ₹

	As at March 31, 2020	As at March 31, 2019
Cash flow from Operating activities		
Net Loss before taxation	**(29,392,616)**	**-**
Adjustments for :		
Depreciation and amortisation expense	22,839	-
Finance cost	1,306,984	-
Operating profit before working capital changes	**(28,062,792)**	**-**
Movements in working capital :		
Increase/(Decrease) in trade receivable	(10,212,843)	-
Increase/(Decrease) in financial assets	(4,983,130)	-
Increase/(Decrease) in other assets	(1,126,085)	-
(Decrease) / Increase in financial liabilities	18,896,186	-
(Decrease) / Increase in current liabilities	1,607,556	-
Increase/(Decrease) in provisions	138,650	-
Cash generated from operations	**(23,742,458)**	**-**
Direct Taxes paid (Net of Refunds)	**(969,163)**	**-**
Net Cash from operating activities	**(24,711,621)**	**-**
Cash flow from investing activites		
Purchase of fixed assets	(860,900)	-
Net Cash from investing activities	**(860,900)**	**-**
Cash flow from Financing activities		
Proceeds / (Repayment) of short term borrowings (net)	28,490,315	-
Share application money received	100,000	-
Finance charges paid	(149,725)	-
Net cash used in Financing activities	**28,440,589.83**	**-**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**2,868,069**	**-**
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	**2,868,069**	-

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For Prime Focus Limited

Partner

Niraj Sahai

Pritam Chakraborty

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
July 30, 2020

1. Corporate information

JAM8 PRIME FOCUS LLP., (the LLP) is a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 on May 17, 2008 and approved by the Central Registration Centre, Ministry of Corporate Affairs on February 21, 2019. The LLP is a partnership between Prime Focus Limited, Kwan Talent Management Agency Private Limited and Pritam Chakraborty. The LLP has the objective of producing music including for films, television brands, etc. ("Business")

2. Statement of significant accounting policies:

a. Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS'). The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the LLP's normal operating cycle. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the LLP has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The 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 LLP 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 17, 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 matters 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.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c. Revenue recognition

Revenue comprises the fair value of the consideration for the sale of services and products in the ordinary course of the LLP's activities. Revenue is shown net of applicable taxes.

The LLP recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the LLP and no significant uncertainty exists as to its determination or realisation. The LLP bases its estimates on empirical evidence of the past taking into consideration the type of transaction, the type of customer and the specifics of each arrangement.

The LLP shall be engaged in the business of producing music including for films, television brands, etc..

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 hours spent up to the balance sheet date, which bears to the total hours estimated for the contract. If losses are expected on contracts these are recognized when such loses become evident.

Property, plant and equipments

All items of propery, plant and equipment are recorded at acquisition cost net of accumulated depreciation and accrumulated impairment losses, if any.

Gains or losses arising on disposal of assets are recognised in the Statement of Profit and Loss.

Depreciation and amortisation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets.

Plant and equipments - 3 to 12 years
Office equipments - 5 to 10 years

e. Foreign currencies

In preparing the financial statements, 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 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.

f. Provisions

Provisions are recognised when the LLP has a present obligation (legal or constructive) as a result of a past event, it is probable that the LLP 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).

g. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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 LLP's 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 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the LLP is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 LLP 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, expect 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.

i. Cash Flow statements

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the LLP are segregated based on the available information

3. Property, Plant and Eqiupment

in ₹

	Plant and equipment	Office equipment	Total
Gross Block			
Balance as at April 1, 2018	-	-	-
Additions	-	-	-
Disposals	-	-	-
Balance as on March 31, 2019	**-**	**-**	**-**
Accumulated depreciation.			
Balance as at April 1, 2018	-	-	-
Depreciation expense for the year	-	-	-
Disposal of assets	-	-	-
Balance as on March 31, 2019	**-**	**-**	**-**
Balance as on March 31, 2019	**-**	**-**	**-**

Property, Plant and Eqiupment

in ₹

	Plant and equipment	Office equipment	Total
Gross Block			
Balance as at April 1, 2019	-	-	-
Additions	50,000	810,900	860,900
Disposals	-	-	-
Balance as on March 31, 2020	**50,000**	**810,900**	**860,900**
Accumulated depreciation.			
Balance as at April 1, 2019	-	-	-
Depreciation expense for the year	3,418	19,422	22,839
Disposal of assets	-	-	-
Balance as on March 31, 2020	**3,418**	**19,422**	**22,839**
Balance as on March 31, 2020	**46,582**	**791,478**	**838,061**

4. Other non current assets in ₹

	As at March 31, 2020	As at March 31, 2019
Capital advances	86,016	-
	86,016	**-**

5. Trade Receivables in ₹

	As at March 31, 2020	As at March 31, 2019
Trade Receivables	10,212,843	-
	10,212,843	**-**

6. Cash and cash equivalents in ₹

	As at March 31, 2020	As at March 31, 2019
Cash on hand	8,028	-
Bank balances		
In current accounts	2,860,041	-
	2,868,069	**-**

7. Other Financial Assets (Current) in ₹

	As at March 31, 2020	As at March 31, 2019
Advances to group companies	402,130	-
Unbilled revenue	4,509,000	-
Others	72,000	-
	4,983,130	**-**

8. Other current assets in ₹

	As at March 31, 2020	As at March 31, 2019
Other loans and advances	1,005,429	-
Prepaid Expenses	34,640	-
	1,040,069	**-**

9. Parters' contribution in ₹

	As at March 31, 2020	As at March 31, 2019
Prime Focus Limited	51,000	-
Kwan Talent Management Agency Private Limited	5,000	-
Pritam Chakraborty	44,000	-
	100,000	**-**

10. Other Equity in ₹

	As at March 31, 2020	As at March 31, 2019
Retained Earnings		
Balance as per last financial statements	-	-
Profit for the year	(29,392,616)	-
Net Retained Earnings	**(29,392,616)**	**-**
Total Other equity	**(29,392,616)**	**-**

JAM8 PRIME FOCUS LLP.

11. Provision - Non - current in ₹

	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	138,410	-
	138,410	**-**

12. Borrowing - current in ₹

	As at March 31, 2020	As at March 31, 2019
Loan from group company	28,490,315	-
	28,490,315	**-**

i. Loans from group companies are short term and unsecured loans availed from its group companies at an interest rate of 12% and are repayable on demand.

13. Trade payables in ₹

	As at March 31, 2020	As at March 31, 2019
Trade payables	3,826,330	-
Owed to group companies	13,940,273	-
	17,766,603	**-**

14. Other financial liability (Current) in ₹

	As at March 31, 2020	As at March 31, 2019
Accrued salaries and benefits	821,983	-
Interest accrued but not due on borrowings - Inter Co	1,157,259	-
Capital Creditors	307,600	-
	2,286,842	**-**

15. Provision - current in ₹

	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	240	-
	240	**-**

16. Other current liability in ₹

	As at March 31, 2020	As at March 31, 2019
Advances received from clients	472,000	-
Deferred revenue	530,000	-
Bank book overdraft	94,109	-
Statutory dues	511,447	-
	1,607,556	**-**

17. Employee Cost

in ₹

	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, Allowances	8,764,505	-
Bonus and incentive	73,275	-
Contribution to Provident and Other Funds	180	-
Staff Welfare Expenses	26,074	-
Gratuity	138,650	-
	9,002,684	**-**

18. Finance cost

in ₹

	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Others	17,407	-
Bank Charges	3,731	-
Interest expense - Inter Co	1,285,846	-
	1,306,984	**-**

19. Other expenses

in ₹

	Year Ended March 31, 2020	Year Ended March 31, 2019
Legal and Professional Fees	315,474	-
Audit fees	97,500	-
Travel, Conveyance and Accommodation	48,729	-
Rent	12,499,610	-
Repairs to buildings	648,902	-
Repairs to plant and machinery	115,011	-
Communication Cost:	309,344	-
Postage expenses	4,505	-
Freight and clearing	8,834	-
House-keeping charges	2,131,292	-
Security charges	672,096	-
Office expenses	136,339	-
Tea/Coffee/Water	366,166	-
Printing and stationery	69,241	-
Electricity Charges	2,376,133	-
Miscellaneous expenses	1,633	-
Technical service cost	787,200	-
Exchange loss	26,939	-
Water charges	450	-
	20,615,398	**-**

20. Employee benefits

a. Defined contribution plans

The Company's defined contribution plans are provident fund, Employee State Insurance and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

Contribution to Defined Contribution Plans, recognised as expense for the year is as under: in ₹

	Year ended March 31, 2020	Year ended March 31, 2019
Employer's contribution to provident and other funds	180	-

b. Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded) for qualifying employees of its operations in India. The defined benefit plan is 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; 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 said plan, the most recent actuarial valuation 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.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation: in ₹

	Unfunded	
	March 2020	March 2019
Defined benefit obligation at the beginning of the year	-	-
Interest cost	-	-
Current service cost	138,650	-
Benefits paid	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	-	-
Actuarial (gains)/losses on obligations - due to experience	-	-
Defined benefit obligation at the end of the year	**138,650**	**-**

JAM8 PRIME FOCUS LLP.

ii) Expense recognized in Statement of Profit and Loss: in ₹

	Unfunded	
	March 2020	**March 2019**
Current service cost	138,650	-
Net interest cost	-	-
Expenses recognized	**138,650**	**-**

iii) Expenses recognized in the Other Comprehensive Income (OCI) in ₹

	Unfunded	
	March 2020	**March 2019**
Actuarial (gain) / loss	-	-
Net (gain) / loss recognized in OCI	-	-

iv) Actuarial assumptions:

	Unfunded	
	Year ended March 31, 2020	**Year ended March 31, 2019**
Rate of discounting (p.a.)	6.82%	-
Rate of salary increase (p.a.)	5.00%	-
Rate of Employee Turnover(p.a.)	2.00%	-
Mortality table	Indian Assured Lives Mortality(2006-08) Ult	-
Mortality Rate After Employment	N.A.	-

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.

v) 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:

in ₹

	March 2020		March 2019	
	Increase in assumption	**Decrease in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate (1% movement)	(22,948)	28,836	-	-
Future salary appreciation (1% movement)	29,086	(23,501)	-	-
Attrition rate (1% movement)	(58)	(849)	-	-

21. Financial instruments

a. 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 LLP manages its capital structure and adjusts it in light of changes in economic conditions and risk characteristics of the underlying assets.

b. Financial risk management objectives

A wide range of risks may affect the LLP's business and financial results. Amongst other risks that could have significant influence on the LLP are market risk, credit risk and liquidity risk.

The Partners of the LLP manage and review the affairs of the LLP 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.

c. Market risk

The LLP is primarily exposed to the following market risks.

i. 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 LLP's exposure to the risk of changes in foreign exchange rates relates primarily to the LLP's operating activities (when revenue or expense is denominated in a foreign currency).

The LLP's foreign currency exposure as at year end is Nil

ii. Interest rate risk management

The LLP is not exposed to interest rate risk because it borrows funds in the form of invoice discounting facility at floating interest rates determined on the date of disbursement.

iii. Credit risk management

Credit risk is the risk of financial loss to the LLP if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the LLP's receivables from customers. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The LLP has a low credit risk in respect of its trade receivables, as its principal customers are group companies.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 18,056,014 as at March 31, 2020, being the total of the carrying amount of the balances with banks, bank deposits, investments excluding equity investments, trade receivables, unbilled revenue and other financial assets.

d. Liquidity risk management

Liquidity risk refers to the risk that the LLP may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the LLP'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 table below analyses the maturity profile of the LLP's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

in ₹

As at March 31, 2020	**Less than 1 year**	**Between 1 to 5 years**	**Total**
Borrowings	28,490,315	-	28,490,315
Trade payables	17,766,603	-	17,766,603
Other financial liabilities	2,286,842	-	2,286,842
	48,543,760	**-**	**48,543,760**

e. Fair value measurement

in ₹

As at March 31, 2020	Amortised cost	FVTPL	Total carrying value	Total fair value
Financial Assets:				
Other non-current financial assets	-	-	-	-
Trade receivables	10,212,843	-	10,212,843	10,212,843
Cash and cash equivalents	2,868,069	-	2,868,069	2,868,069
Other financial assets - current	4,983,130	-	4,983,130	4,983,130
Total financial assets	**18,064,042**	**-**	**18,064,042**	**18,064,042**
Financial Liabilities:				
Borrowings	28,490,315	-	28,490,315	28,490,315
Trade payables	17,766,603	-	17,766,603	17,766,603
Other financial liabilities - current	2,286,842	-	2,286,842	2,286,842
Total financial liabilities	**48,543,760**	**-**	**48,543,760**	**48,543,760**

22. Capital and other commitments

in ₹

	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account (net of advances), and not provided for:	53,800	-

23. Related Party Disclosure

List of related Parties where control exists and related parties with whom transactions have taken place and relationships:

Name of thr related party	Relationship
Prime Focus Limited	Holding company
Pf Digital Media Services Limited	Fellow subsidiary company

Related party trasactions during the year in ₹

	March 31,	
	2020	**2019**
Revenue from operations		
Prime Focus Limited	1,800,000	-
Interest expenses		
Prime Focus Limited	1,285,846	-
Expense recharge received from		
Prime Focus Limited	64,945	-
Rent expenses		
Prime Focus Limited	12,492,000	-
Expense recharge given to		
Pf Digital Media Services Limited	104,857	-
Loan received from		
Prime Focus Limited	29,936,215	-
Loan repaid to (including interest)		
Prime Focus Limited	1,574,487	-

Balance at end of the year in ₹

	March 31,	
	2020	**2019**
Loan from parent company		
Prime Focus Limited	28,490,315	-
Interest payable on loan received		
Prime Focus Limited	1,157,259	-
Owed to group company		
Prime Focus Limited	13,940,273	-
Trade receivable		
Prime Focus Limited	1,944,000	-
Advances to group companies		
Prime Focus Limited	278,399	-
Pf Digital Media Services Limited	123,731	-

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For Prime Focus Limited

Partner

Niraj Sahai

Pritam Chakraborty

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
July 30, 2020

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar