



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 2021, 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



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, 2021;
- (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: 22nd June, 2021

V. Shivkumar
Proprietor
M. No.: 042673

UDIN: 21042673AAAAKO1487

JAM8 PRIME FOCUS LLP.**Balance sheet as at March 31, 2021***In ₹*

	Note	As at March 31,	
		2021	2020
Assets			
Non-current assets			
Tangible assets	3	781,650	838,061
Intangible assets		-	-
Capital work-in-progress		-	-
Deferred tax asset (net)		-	-
Income tax asset (net)		573,568	969,163
Other non-current assets	4	-	86,016
		1,355,218	1,893,240
Current assets			
Trade receivables	5	13,618,778	10,212,843
Cash and bank balances	6	1,305,881	2,868,069
Financial asset - others	7	5,844,831	4,983,130
Other current assets	8	298,883	1,040,069
		21,068,373	19,104,111
		22,423,591	20,997,351
TOTAL ASSETS			
Equity and Liabilities			
Shareholders' funds			
Partners' contribution	9	100,000	100,000
Reserves and Surplus	10	(50,600,308)	(29,392,616)
		(50,500,308)	(29,292,616)
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liability (net)		-	-
Provisions	11	147,930	138,410
		147,930	138,410
Current liabilities			
Borrowings	12	56,832,618	28,490,315
Financial liability - trade payables	13	4,596,540	17,766,603
Financial liability - others	14	6,512,607	2,286,842
Provisions	15	1,456	240
Other current liabilities	16	4,832,748	1,607,556
		72,775,969	50,151,556
		22,423,591	20,997,351
TOTAL EQUITY & LIABILITIES			

As per our report of even date

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

For Prime Focus Limited**Partner****Niraj Sanghai****Pritam Chakraborty**

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
June 22, 2021

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,	
		2021	2020
Income			
Revenue from operations (net)		18,214,016	23,689,289
Other income		-	-
		18,214,016	23,689,289
Expenses			
Employee benefits expenses	17	4,978,085	9,002,684
Technician fees		11,540,929	22,133,999
Finance costs	18	4,820,641	1,306,984
Other expenses	19	17,991,400	20,615,398
Depreciation and amortization expense	3	218,895	22,839
		39,549,950	53,081,905
Loss before exceptional items and tax		(21,335,934)	(29,392,616)
Exceptional Items		-	-
Loss before tax		(21,335,934)	(29,392,616)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss for the year		(21,335,934)	(29,392,616)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement Of Defined Benefit Obligation - (gain)		(128,241)	-
Tax on OCI		(128,241)	-
Total Comprehensive Income for the period		(21,207,693)	(29,392,616)

As per our report of even date

For V. Shivkumar & Associates**For Prime Focus Limited****Partner****Chartered Accountants****Firm Registration No.: 112781W****Niraj Sanghai****Pritam Chakraborty****V. Shivkumar****(Proprietor)****Membership No. 042673****Mumbai****June 22, 2021****For Kwan Talent Management Agency Pvt Ltd****Dhruv Chitgopekar**

JAM8 PRIME FOCUS LLP.

Statement of Changes in Equity for the year ended March 31, 2021

Changes in Equity Share capital

in ₹

	Amount
As at 1st April 2019	-
Changes during the year	100,000
As at 31st March 2020	100,000
Changes during the year	
As at 31st March 2021	100,000

Changes in Other Equity

in ₹

	Surplus in the statement of profit and loss	Other Comprehensive Income	Total Other equity
As at 1st April 2019	-	-	-
Profit for the year	(29,392,616)	-	(29,392,616)
As at 31st March 2020	(29,392,616)	-	(29,392,616)
Loss for the year	(21,335,934)	128,241	(21,207,693)
As at 31st March 2021	(50,728,549)	128,241	(50,600,308)

As per our report of even date

For V. Shivkumar & Associates

Chartered Accountants

Firm Registration No.: 112781W

For Prime Focus Limited

Partner

Niraj Sanghai

Pritam Chakraborty

V. Shivkumar

(Proprietor)

Membership No. 042673

Mumbai

June 22, 2021

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.**Cash Flow Statement for the year ended March 31, 2021**

in ₹

	As at March 31, 2021	As at March 31, 2020
Cash flow from Operating activities		
Net Loss before taxation	(21,335,934)	(29,392,616)
Adjustments for :		
Depreciation and amortisation expense	218,895	22,839
Finance cost	4,820,641	1,306,984
Operating profit before working capital changes	(16,296,398)	(28,062,792)
Movements in working capital :		
Increase/(Decrease) in trade receivable	(3,405,935)	(10,212,843)
Increase/(Decrease) in financial assets	(861,701)	(4,983,130)
Increase/(Decrease) in other assets	741,186	(1,126,085)
(Decrease) / Increase in financial liabilities	(13,418,915)	18,896,186
(Decrease) / Increase in current liabilities	3,225,192	1,607,556
Increase/(Decrease) in provisions	138,977	138,650
Cash generated from operations	(29,877,594)	(23,742,458)
Direct Taxes paid (Net of Refunds)	395,595	(969,163)
Net Cash from operating activities	(29,481,999)	(24,711,621)
Cash flow from investing activities		
Purchase of fixed assets	(133,095)	(860,900)
Net Cash from investing activities	(133,095)	(860,900.00)
Cash flow from Financing activities		
Proceeds / (Repayment) of short term borrowings (net)	28,342,303	28,490,315
Partners' contribution	-	100,000
Finance charges paid	(289,397)	(149,725)
Net cash used in Financing activities	28,052,906.00	28,440,589.83
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,562,188)	2,868,069
Cash and cash equivalents at the beginning of the year	2,868,069	-
Cash and cash equivalents at the end of the year	1,305,881	2,868,069

As per our report of even date

For V. Shivkumar & Associates

For Prime Focus Limited

Partner

Chartered Accountants

Firm Registration No.: 112781W

Niraj Sanghai

Pritam Chakraborty

V. Shivkumar

(Proprietor)

Membership No. 042673

Mumbai

June 22, 2021

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar

JAM8 PRIME FOCUS LLP.

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 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.

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.

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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 losses become evident.

Property, plant and equipments

All items of property, plant and equipment are recorded at acquisition cost net of accumulated depreciation and accumulated 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 arise 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.

JAM8 PRIME FOCUS LLP.

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, 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.

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

JAM8 PRIME FOCUS LLP.

3. Property, Plant and Equipment

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
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Property, Plant and Equipment

in ₹

	Plant and equipment	Office equipment	Total
Gross Block			
Balance as at April 1, 2020	50,000	810,900	860,900
Additions	91,700	70,784	162,484
Disposals	-	-	-
Balance as on March 31, 2021	141,700	881,684	1,023,384
Accumulated depreciation.			
Balance as at April 1, 2020	3,418	19,422	22,839
Depreciation expense for the year	52,168	166,728	218,895
Disposal of assets	-	-	-
Balance as on March 31, 2021	55,585	186,149	241,734
Balance as on March 31, 2021	86,115	695,535	781,650

JAM8 PRIME FOCUS LLP.**4. Other non current assets** in ₹

	As at March 31,	
	2021	2020
Capital advances	-	86,016
	-	86,016

5. Trade Receivables in ₹

	As at March 31,	
	2021	2020
Trade Receivables	13,618,778	10,212,843
	13,618,778	10,212,843

6. Cash and cash equivalents in ₹

	As at March 31,	
	2021	2020
Cash on hand	1,085	8,028
Bank balances		
In current accounts	1,304,796	2,860,041
	1,305,881	2,868,069

7. Other Financial Assets (Current) in ₹

	As at March 31,	
	2021	2020
Advances to group companies	1,186,406	402,130
Unbilled revenue	4,557,041	4,509,000
Others	101,384	72,000
	5,844,831	4,983,130

8. Other current assets in ₹

	As at March 31,	
	2021	2020
Other loans and advances	273,189	1,005,429
Prepaid Expenses	25,693	34,640
	298,883	1,040,069

9. Parters' contribution in ₹

	As at March 31,	
	2021	2020
Prime Focus Limited	51,000	51,000
Kwan Talent Management Agency Private Limited	5,000	5,000
Pritam Chakraborty	44,000	44,000
	100,000	100,000

10. Other Equity in ₹

	As at March 31,	
	2021	2020
Retained Earnings		
Balance as per last financial statements	(29,392,616)	-
Profit for the year	(21,335,934)	(29,392,616)
	(50,728,549)	(29,392,616)
Other Comprehensive Income:		
Balance as per last financial statements	-	-
Profit for the year	128,241	-
	128,241	-
Total Other equity	(50,600,308)	(29,392,616)

JAM8 PRIME FOCUS LLP.**11. Provision - Non - current**

in ₹

	As at March 31,	
	2021	2020
Provision for gratuity	147,930	138,410
	147,930	138,410

12. Borrowing - current

in ₹

	As at March 31,	
	2021	2020
Loan from group company	56,832,618	28,490,315
	56,832,618	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,	
	2021	2020
Trade payables due to		
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	3,130,746	3,826,330
Owed to group companies	1,465,794	13,940,273
	4,596,540	17,766,603

There were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 for the above years.

14. Other financial liability (Current)

in ₹

	As at March 31,	
	2021	2020
Accrued salaries and benefits	573,131	821,983
Interest accrued but not due on borrowings - Inter Co	5,688,503	1,157,259
Capital Creditors	250,973	307,600
	6,512,607	2,286,842

15. Provision - current

in ₹

	As at March 31,	
	2021	2020
Provision for gratuity	1,456	240
	1,456	240

16. Other current liability

in ₹

	As at March 31,	
	2021	2020
Advances received from clients	599,075	472,000
Deferred revenue	3,800,000	530,000
Bank book overdraft	-	94,109
Statutory dues	433,673	511,447
	4,832,748	1,607,556

JAM8 PRIME FOCUS LLP.**17. Employee Cost**

in ₹

	Year Ended March 31,	
	2021	2020
Salaries and allowances	4,766,078	8,764,505
Bonus and incentive	48,281	73,275
Contribution to provident and other funds	2,903	180
Staff welfare expenses	21,846	26,074
Gratuity	138,977	138,650
	4,978,085	9,002,684

18. Finance cost

in ₹

	Year Ended March 31,	
	2021	2020
Interest on others	37,134	17,407
Bank charges	19	3,731
Interest expense - Inter Co	4,783,488	1,285,846
	4,820,641	1,306,984

19. Other expenses

in ₹

	Year Ended March 31,	
	2021	2020
Legal and professional fees	633,206	315,474
Audit fees	97,500	97,500
Travel, conveyance and accommodation	114,518	48,729
Rent	12,492,000	12,499,610
Repairs to buildings	854,088	648,902
Repairs to plant and machinery	98,405	115,011
Communication cost	53,862	309,344
Postage expenses	1,290	4,505
Freight and clearing	0	8,834
House-keeping charges	382,313	2,131,292
Security charges	809,725	672,096
Office expenses	42,742	136,339
Tea/coffee/water	108,336	366,166
Printing and stationery	20,531	69,241
Electricity charges	1,943,965	2,376,133
Miscellaneous expenses	167,683	1,633
Technical service cost	155,800	787,200
Exchange loss	4,330	26,939
Rates and taxes	10,000	-
Insurance expenses	1,107	-
Water charges	-	450
	17,991,400	20,615,398

JAM8 PRIME FOCUS LLP.**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, 2021	Year ended March 31, 2020
Employer's contribution to provident and other funds	2,903	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 2021	March 2020
Defined benefit obligation at the beginning of the year	138,650	-
Interest cost	9,456	-
Current service cost	129,521	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	(3,739)	-
Actuarial (gains)/losses on obligations - due to experience	(124,502)	-
Defined benefit obligation at the end of the year	149,386	138,650

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ii) Expense recognized in Statement of Profit and Loss:

in ₹

	Unfunded	
	March 2021	March 2020
Current service cost	129,521	138,650
Net interest cost	9,456	-
Expenses recognized	138,977	138,650

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

in ₹

	Unfunded	
	March 2021	March 2020
Actuarial (gain) / loss	(128,241)	-
Net (gain) / loss recognized in OCI	(128,241)	-

iv) Actuarial assumptions:

	Unfunded	
	Year ended March 31, 2021	Year ended March 31, 2020
Rate of discounting (p.a.)	6.96%	6.82%
Rate of salary increase (p.a.)	5.00%	5.00%
Rate of Employee Turnover(p.a.)	2.00%	2.00%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality Rate After Employment	N.A.	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 2021		March 2020	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate (1% movement)	(23,480)	29,610	(22,948)	28,836
Future salary appreciation (1% movement)	29,912	(24,074)	29,086	(23,501)
Attrition rate (1% movement)	2,446	(3,629)	(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

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ii. Interest rate risk management

The LLP is not exposed to interest rate risk because it borrows funds from Prime Focus Limited at a fixed interest rate.

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 during the year is ₹ 20,768,405 and as at March 31, 2020, ₹ 18,056,014, 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, 2021	Less than 1 year	Between 1 to 5 years	Total
Borrowings	56,832,618	-	56,832,618
Trade payables	4,596,540	-	4,596,540
Other financial liabilities	6,512,607	-	6,512,607
	67,941,765	-	67,941,765

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e. Fair value measurement

in ₹

As at March 31, 2021	Amortised cost	FVTPL	Total carrying value	Total fair value
Financial Assets:				
Other non-current financial assets	-	-	-	-
Trade receivables	13,618,778	-	13,618,778	13,618,778
Cash and cash equivalents	1,305,881	-	1,305,881	1,305,881
Other financial assets - current	5,844,831	-	5,844,831	5,844,831
Total financial assets	20,769,490	-	20,769,490	20,769,490
Financial Liabilities:				
Borrowings	56,832,618	-	56,832,618	56,832,618
Trade payables	4,596,540	-	4,596,540	4,596,540
Other financial liabilities - current	6,512,607	-	6,512,607	6,512,607
Total financial liabilities	67,941,765	-	67,941,765	67,941,765

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, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account (net of advances), and not provided for:	-	53,800

JAM8 PRIME FOCUS LLP.**23. Related Party Disclosure**

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

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

Related party transactions during the year

in ₹

	March 31,	
	2021	2020
Revenue from operations		
Prime Focus Limited	400,000	1,800,000
Prime Focus Technologies Limited	1,935,000	-
Interest expenses		
Prime Focus Limited	4,783,488	1,285,846
Expense recharge received from		
Prime Focus Limited	35,594	64,945
Rent expenses		
Prime Focus Limited	12,492,000	12,492,000
Expense recharge given to		
Prime Focus Limited	2,620,717	-
Pf Digital Media Services Limited	1,164,593	104,857
Loan received from		
Prime Focus Limited	28,342,303	29,936,215
Loan repaid to (including interest)		
Prime Focus Limited	252,244	1,574,487

Balance at end of the year

in ₹

	March 31,	
	2021	2020
Loan from parent company		
Prime Focus Limited	56,832,618	28,490,315
Interest payable on loan received		
Prime Focus Limited	5,688,503	1,157,259
Owed to group company		
Prime Focus Limited	1,465,794	13,940,273
Trade receivable		
Prime Focus Limited	-	1,944,000
Prime Focus Technologies Limited	66,300	-
Advances to group companies		
Prime Focus Limited	(40,786)	278,399
Pf Digital Media Services Limited	1,227,192	123,731
Unbilled revenue		
Prime Focus Limited	540,715	-
PF Digital Media Services Private Limited	156,614	-
Prime Focus Technologies Limited	350,000	-

As per our report of even date

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

For Prime Focus Limited**Partner**

Niraj Sanghai

Pritam Chakraborty

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
June 22, 2021

For Kwan Talent Management Agency Pvt Ltd

Dhruv Chitgopekar