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INDEPENDENT AUDITOR'S REPORT

To the Members of Prime Focus Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Prime Focus Technologies Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate / consolidated financial statements of subsidiaries, as were audited by other auditors the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, of consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's reports has not been made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters:

a. We did not audit the financial statements of Four subsidiaries, whose financial statements reflect total assets of Rs.39,128 lakhs as at March 31, 2025, total revenues of Rs.17,115 lakhs and net cash inflows amounting to Rs. 450 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b. The consolidated financial statements of the Company for the year ended March 31, 2024, were audited by another auditor whose report dated May 29, 2024 expressed an unmodified opinion on those statements.

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Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matter stated in the paragraph h(vi) below on reporting under Rule 11(g).

   c. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (h)(vi) below on reporting under Rule 11(g).

   d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   e. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   g. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 34 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

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iv. (1) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiary that are Indian companies under the Act, we report that neither the Company or its subsidiary have declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the holding Company and its subsidiary Company incorporated in India have used accounting software for maintaining their respective books of account for the year ended March 31, 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, and further, during the course of audit we and above referred subsidiary did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Holding Company and above referred subsidiary operations as per the statutory requirements for record retention.

Audit trail feature was not enabled at the database level from April 1, 2024 to May 03, 2024 in respect of an accounting software to log any direct data changes	In case of Holding Company

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company which are company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Tiwari
Partner
Membership No.118894
UDIN: 25118894BMKXSM6115

Place: Mumbai
Date: May 26, 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIME FOCUS TECHNOLOGIES LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Prime Focus Technologies Limited on the consolidated Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Prime Focus Technologies Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Group, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Group which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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We also provide Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Tiwari
Partner
Membership No. 118894
UDIN: 25118894BMKXSM6115

Place: Mumbai
Date: May 26, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRIME FOCUS TECHOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with Board of Directors of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiary included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

NTiwari

Nitin Tiwari
Partner
Membership No.118894
UDIN: 25118894BMKXSM6115
Place: Mumbai
Date: May 26, 2025

MSKA & ASSOCIATES Chartered Accountants

Prime Focus Technologies Limited
Consolidated Financial Statements

Consolidated Balance Sheet as at March 31, 2025 **(Rs in lakh)**

ASSETS	Notes	As at March 31, 2025	As at March 31, 2024
1. Non-current assets			
(a) Property, plant and equipment	4	5,127.79	5,431.74
(b) Capital work-in-progress	35	-	236.03
(c) Goodwill	5a	14,381.26	13,973.80
(d) Other Intangible assets	5	10,248.02	29,843.73
(e) Right-to-use assets	6	3,882.76	5,451.27
(f) Intangible assets under development	35	684.88	779.19
(g) Financial assets			
(i) Other financial assets	9	1,001.32	927.15
(h) Income tax assets (net)		470.36	980.46
(i) Other non-current assets	10	79.51	211.44
Total Non-current assets		**35,875.90**	**57,834.81**
2. Current assets			
(a) Financial assets			
(i) Trade receivables	7	6,567.71	6,350.76
(ii) Cash and cash equivalents	8	2,820.87	1,586.42
(iii) Other financial assets	9	14,067.75	9,137.61
(b) Other current assets	10	2,709.82	2,695.90
Total Current assets		**26,166.15**	**19,770.69**
Total assets		**62,042.05**	**77,605.50**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	423.98	218.76
(b) Other equity	12	25,148.11	10,871.77
Total Equity		**25,572.09**	**11,090.53**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	426.90	623.13
(ii) Lease liabilities	32	3,157.03	4,403.33
(b) Deferred tax liabilities (net)	24 d	0.95	0.95
(c) Provisions	15	772.91	805.05
(d) Other non-current liabilities	16	-	20.38
Total Non-current liabilities		**4,357.79**	**5,852.84**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	10,653.30	42,757.64
(ii) Lease liabilities	32	1,582.07	1,768.90
(iii) Trade payables			
- total outstanding dues of micro and small enterprises	37	92.94	110.22
- total outstanding dues of trade payables other than micro and small enterprises	37.1	4,543.52	3,405.66
(iv) Other financial liabilities	14	8,623.28	11,724.30
(b) Provisions	15	40.54	29.48
(c) Current tax liabilities		13.91	13.44
(d) Other current liabilities	16	6,562.61	852.50
Total current liabilities		**32,112.17**	**60,662.14**
Total liabilities		**36,469.96**	**66,514.98**
Total equity and liabilities		**62,042.05**	**77,605.50**

Material accounting policies 1 to 3
See accompanying notes to the consolidated financial statements 4 to 40

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 26, 2025

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 26, 2025

Nishant Fadia
Director
DIN :- 02648177
Place: Mumbai
Date: May 26, 2025

Prime Focus Technologies Limited
Consolidated Financial Statements

Consolidated Statement of Profit and Loss for the year ended March 31, 2025 **(Rs in lakh)**

Particulars	Notes	For the year ended March 2025	For the year ended March 2024
Income			
Revenue from operations	18	38,022.53	42,737.18
Other income (net)	19	445.89	411.65
Total income		**38,468.42**	**43,148.83**
Expenses			
Employee benefits expense	20	17,955.92	19,671.38
Technical service cost		6,973.69	8,092.56
Finance costs	21	1,560.28	4,768.39
Depreciation and amortisation expense	4 to 6, 22	9,456.61	8,896.11
Impairment of other Intangible assets	5	17,577.12	-
Other expenditure	23	5,903.94	6,000.95
Total expenses		**59,427.56**	**47,429.39**
Loss before tax		**(20,959.14)**	**(4,280.56)**
Tax expense			
Current tax		24.53	21.44
Deferred tax (credit)		-	(1,058.13)
Total income tax expenses / (benefits)	24	**24.53**	**(1,036.69)**
Loss for the year		**(20,983.67)**	**(3,243.86)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability		(103.25)	(33.86)
Income tax relating on above		-	8.52
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operations		(476.57)	330.40
Total other comprehensive income/(loss) for the year		**(579.82)**	**305.06**
Total comprehensive loss for the year		**(21,563.49)**	**(2,938.80)**
Earnings per equity share	26		
(Face value of Rs. 10/- each)			
Basic (in Rs.)		(536.93)	(148.29)
Diluted (in Rs.)		(536.93)	(148.29)

Material accounting policies 1 to 3
See accompanying notes to the consolidated financial statements 4 to 40

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

For and on behalf of the Board of Directors

NTiwari

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 26, 2025

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 26, 2025

Nishant Fadia
Director
DIN :- 02648177
Place: Mumbai
Date: May 26, 2025

Prime Focus Technologies Limited MUMBAI

MSKA & ASSOCIATES

Prime Focus Technologies Limited
Consolidated Financial Statements

Consolidated statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital

(Rs in lakh)

Particulars	Amount
Balance as at April 01, 2023	**218.76**
Changes in equity share capital during the year	-
Balance as at March 31, 2024	**218.76**
Balance as at April 01, 2024	**218.76**
Changes in equity share capital during the year	205.22
Balance as at March 31, 2025	**423.98**

B. Other Equity

(Rs in lakh)

Particulars	Reserves and Surplus					Other comprehensive income-Foreign currency translation reserve	Total
	Securities Premium Reserve	General Reserve	Share options outstanding account	Compulsorily convertible debentures	Retained earnings		
Balance as at April 01, 2023	**4,710.06**	**1,870.75**	**4,076.96**	**3,000.00**	**(3,558.71)**	**3,449.96**	**13,549.02**
Loss for the year	-	-	-	-	(3,243.86)	-	(3,243.86)
Employee share-based compensation expense	-	-	261.55	-	-	-	261.55
Other comprehensive income	-	-	-	-	(25.34)	330.40	305.06
Balance as at March 31, 2024	**4,710.06**	**1,870.75**	**4,338.51**	**3,000.00**	**(6,827.91)**	**3,780.36**	**10,871.77**
Balance as at April 01, 2024	**4,710.06**	**1,870.75**	**4,338.51**	**3,000.00**	**(6,827.91)**	**3,780.36**	**10,871.77**
Loss for the year	-	-	-	-	(20,983.67)	-	(20,983.67)
Conversion of compulsorily convertible debentures to optionally convertible debentures	-	-	-	(3,000.00)	-	-	(3,000.00)
Securities Premium on issue of equity shares	38,720.72	-	-	-	-	-	38,720.72
Employee share-based compensation expense	-	-	119.11	-	-	-	119.11
Other comprehensive income	-	-	-	-	(103.25)	(476.57)	(579.82)
Balance as at March 31, 2025	**43,430.78**	**1,870.75**	**4,457.62**	**-**	**(27,914.83)**	**3,303.79**	**25,148.11**

Material accounting policies 1 to 3
See accompanying notes to the consolidated financial statements 4 to 40

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
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For and on behalf of the Board of Directors

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Nishant Fadia
Director
DIN :- 02648177
Place: Mumbai
Date: May 26, 2025

Prime Focus Technologies Limited
Consolidated Financial Statements

Consolidated Cash flow statement for the year ended March 31, 2025

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
		(Rs in lakh)
Cash flow from Operating activities		
Loss before tax	(20,959.14)	(4,280.56)
Adjustments to reconcile loss for the year to net cash generated from Operating Activities:		
Depreciation and amortization expense	9,456.61	8,896.11
Impairment of other Intangible assetes	17,577.12	-
Net gain on sale of property, plant and equipment	-	2.38
Sundry balance written off	-	(298.57)
Sundry credit balances written back	-	(1.13)
Provision for doubtful receivables	30.26	43.62
Bad debts written off	-	126.49
Interest income	(98.03)	(111.95)
Finance cost	1,560.28	4,768.39
Employee share-based compensation expense	119.11	261.55
Foreign exchange differences	(581.77)	30.53
Operating profit before working capital changes	**7,104.45**	**9,436.86**
Changes in working capital :		
Increase in trade payables	1,120.58	1,095.19
Increase / (Decrease) in liabilities	5,689.73	(278.24)
(Decrease) / Increase in long-term provisions	(135.38)	97.56
Increase in short-term provisions	11.06	3.76
Increase in other Financial liabilities	5,510.65	218.13
(Increase) / Decrease in trade receivables	(247.21)	996.82
(Increase) in other Financial assets	(4,958.82)	(5,417.92)
(Increase) in other assets	(13.31)	(259.24)
Cash generated from operations	**14,081.74**	**5,892.92**
Income tax (net)	537.61	(295.33)
Net cash flow generated from operating activities (A)	**14,619.35**	**5,597.59**
Cash flow from investing activities		
Purchase of Property, plant & equipment and development of Other intangible assets	(6,093.86)	(5,077.35)
Proceeds from sale of Property, plant & equipment	-	129.95
Proceeds from/(investments in) bank deposits other than cash and cash equivalent	(54.68)	68.00
Interest received	55.69	23.03
Net cash flow (used in) Investing activities (B)	**(6,092.85)**	**(4,856.37)**
Cash flow from financing activities		
Proceeds from non-current borrowings	(231.44)	(124.61)
Proceeds/(Repayment) of short term borrowings	(1,792.00)	1,412.06
Repayment of Optionally convertible debentures	(3,000.00)	-
Interest paid on borrowings	(240.78)	(532.90)
Interest payment on lease liability	(594.71)	(671.76)
Repayment of lease liability	(1,433.12)	(1,228.80)
Net cash flow (used in) financing activities (C)	**(7,292.05)**	**(1,146.01)**
Net decrease in cash and cash equivalents (A+B+C)	**1,234.45**	**(404.79)**
Cash and cash equivalents at the beginning of the year	1,586.42	1,991.21
Cash and cash equivalents at the end of the year (Refer note 8)	**2,820.87**	**1,586.42**

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Prime Focus Technologies Limited MUMBAI

Prime Focus Technologies Limited
Consolidated Financial Statements

Consolidated Cash flow statement for the year ended March 31, 2025

(Rs in lakh)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	1.53	1.76
b) Balance in banks - current accounts	2,819.34	1,584.66
Cash and cash equivalents (Refer note 8)	**2,820.87**	**1,586.42**

a. Non Cash Transaction

	March 31, 2025	March 31, 2024
Conversion of borrowing with a Ultimate Holding Company including accrued interest on borrowing into equity shares	38,925.94	-

b. Disclosure as required by IND AS 7 are as follows:

Borrowing- Non Current	**31-Mar-25**	**31-Mar-24**
Opening	623.13	872.38
Cash flow	(196.23)	-
Non cash movement	-	(249.25)
Closing	**426.90**	**623.13**

Borrowing- Current	**31-Mar-25**	**31-Mar-24**
Opening	42,757.64	41,220.95
Cash flow	(1,827.21)	1,287.44
Non cash movement	(30,277.13)	249.25
Closing	**10,653.30**	**42,757.64**

Lease liabilities	**31-Mar-25**	**31-Mar-24**
Opening	6,172.23	7,401.03
Repayment of Lease Liabilities during the year	(1,433.12)	(1,228.80)
Non cash movement	-	-
Closing	**4,739.11**	**6,172.23**

Interest on lease liabilities is Rs.594.71 lakh and Rs.671.76 lakh for the years ended March 31, 2025 and 2024, respectively.

c. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the India Accounting Standard (Ind AS) 7 - "Cash Flow Statements"

d. Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital work-in-progress of property, plant and equipment.

Material accounting policies 1 to 3
See accompanying notes to the consolidated financial statements 4 to 40

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 26, 2025

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For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 26, 2025

Nishant Fadia
Director
DIN :- 02648177
Place: Mumbai
Date: May 26, 2025

Prime Focus Technologies Limited MUMBAI

Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

1. General information

Prime Focus Technologies Limited ('the Company' 'the Parent Company'), [CIN-U72200MH2008PLC179850] and all its subsidiaries (collectively referred to as 'Group') are engaged in the business of providing digital technological solutions to the sports, film, broadcast, advertising and media industries. DNEG S.A.R.L is the Holding Company ('the Holding Company') and Prime Focus Limited is Ultimate the Holding Company ('the Ultimate Holding Company'). The address of the Company's registered office is Prime Focus Technologies Limited, True North, Plot no 63, Road No 13, Opp. Hotel Tunga Paradise MIDC, Andheri (East), Mumbai – 400093, India.

1.1 Subsidiaries of the Group

The Consolidated Financial Statements relate to Prime Focus Technologies Limited ("the Company") and its subsidiaries as listed below:

Name of subsidiaries	Principal activity	Country of incorporation	Current year percentage of holding	Previous period percentage of holding
Prime Focus Technologies UK Limited	Digital Asset Management	England & Wales	100%	100%
Prime Focus Technologies Inc.	Post Production Services	USA	100%	100%
Apptarix Mobility Solutions Private Limited	Technology and Software services	India	100%	100%
Prime Focus Technologies PTE Limited	Technology and Software services	Singapore	100%	100%
Subsidiary Company of Prime Focus Technologies Inc.				
DAX Cloud ULC	Pre-production	Canada	100%	100%
Subsidiary Company of Prime Focus Technologies UK Limited				
Prime Post (Europe) Limited	Content management services	England & Wales	100%	100%

Prime Focus MEAD FZ LLC, based in Abu Dhabi, is a wholly-owned subsidiary of Prime Focus Technologies UK Limited. On April 19, 2020, the company filed for dormancy. Since then, there have been no business transactions conducted by Prime Focus MEAD FZ LLC. On June 16, 2023, the authorities granted approval for the dissolution of the Company.

2. Material accounting policies

2.1 Statement of compliance

These Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable.

The financial statements have been prepared on the assumption that the Company is a going concern and will continue its operations for the foreseeable future.

2.2 Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as 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 Group 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 liabilities, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Group's financial statements are presented in India Rupees (Rs.) which is the functional currency of the Company.

2.3 Use of Estimates
The preparation of Consolidated Financial Statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the Consolidated Financial Statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognised in the period in which the results are known/materialise.

2.4 Basis of Consolidation
The Consolidated Financial Statements incorporate the Financial Statements of the Company and its subsidiaries on a line-byline basis by adding together like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Company, for like transactions and other events in similar circumstances. The Consolidated Financial Statements have been presented to the extent possible, in the same manner as the Company's standalone financial statements.

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:
• has power over the investee;
• is exposed, or has rights, to variable returns from its investment with the investee; and
• has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls, an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give its power, including:

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and
• any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/ period are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair-value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received an the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.5 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:
• deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
• liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date (see note 2.12); and

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• assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purpose of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustment depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.
When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.6 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.5 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.7 Revenue recognition

Revenue is measured at the transaction price received or receivable for the sale of services. Revenue is shown net of applicable taxes.

2.7.1 Rendering of services

The Group provides a variety of digital technological solutions to the sports agencies, film productions, broadcast, advertising and media industries.

Revenue from technical services, including creative services, is recognised on the basis of services rendered. 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/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as Unearned revenue including contract liabilities in 'other current liabilities'.

2.7.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.7.3 Rental Income

The Group's policy for recognition of revenue from operating leases is described in note 2.8 below.

2.8 Leasing

The Group as a lessee

The Group enters into an arrangement for lease of buildings, plant and machinery & computer software. Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to -

a) control the use of an identified asset,
b) obtain substantially all the economic benefits from use of the identified asset, and
c) direct the use of the identified asset

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group at the commencement of the lease contract recognizes a Right-to-Use (RTU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

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The cost of the right-to-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received.

Subsequently, the right-to-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use asset. The estimated useful life of right-to-use assets are determined on the same basis as those of property, plant and equipment.

The Group applies Ind AS 36 to determine whether an RTU asset is impaired and accounts for any identified impairment loss. Refer 2.16 below.

For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-to-use assets. Where the carrying amount of the right-to-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

2.9 Foreign currencies transactions and translations

In preparing the Consolidated Financial Statements, transactions in currencies other than the Group'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 translated using the exchange rate at dates of initial transactions.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates for the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

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On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisitions of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.10 Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Employee benefits

2.11.1 Retirement benefit costs and termination benefits

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes on the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

A liability for termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

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2.11.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees' upto the reporting date.

2.12 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 30.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.13 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.13.1 Current tax

The current tax 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 Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.13.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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2.13.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.14 Property, plant and equipment (PPE) and depreciation

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost of Leasehold improvements is amortised over a period of lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.15 Intangible assets and amortisations

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic lives.

Software
Software acquired by the Group are amortised on straight line basis over the estimated useful life of six years. Internally generated intangible assets are amortised over a period of six to twenty years.

2.15.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounting for on a prospective basis. Intangible assets with indefinite useful lives are acquired separately are carried at cost less accumulated impairment losses.

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2.15.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use it or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are separately acquired.

The assets are amortised over the estimated useful lives of upto 6 years.

2.15.3 Intangible assets acquired in a business combinations

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regard as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

Finite-lived intangible assets that were acquired in a business combination, i.e. Software are amortised on a straight-line basis over a period of 6 years.

The period of amortisation only starts at the point at which the assets becomes available to produce economic returns.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the assets may be impaired.

2.15.4 De-recognition of intangible assets

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is de-recognised.

2.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.17 Provisions & contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

2.17.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.18 Financial instruments

Financial assets and financial liabilities are recognised when a group Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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2.19 Financial assets

All regular way purchases and sales of financial assets are recognised or de-recognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.19.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer note 2.19.4

Debt instruments that meets the following conditions are measured at fair value through other comprehensive income (except for debt instruments that are designed as at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for Fair Value through Other Comprehensive Income (FVTOCI) debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer Note 2.19.4

All other financial assets are subsequently measured at fair value.

2.19.2 Effective interest method

The effective interest is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where applicable, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit or Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

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2.19.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

2.19.4 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses that represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

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2.19.5 De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of financial asset other than its entirety (e.g. when the Group retains an option to repurchase part of the a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or losses if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

2.19.6 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.20 Financial liabilities and equity instruments

2.20.1 Classification as debt or equity

Debt and equity instruments issued by the Group Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and equity instrument.

2.20.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an Group after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

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2.20.3 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.20.4 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.20.4.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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2.20.4.2 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.20.4.3 Commitments to provide a loan at below-market interest rate

Commitments to provide a loan at below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.20.4.4 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.20.4.5 De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of a debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.21 Offsetting

Financial assets and financial liabilities are off set and the net amount is presented when and only when, the Group has legally enforceable right to setoff the amount it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.22 Cash & cash equivalents

The Group's cash and cash equivalents consists of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of cash flow statement, cash and cash equivalent comprise cash and cheques in hand, bank balances, demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and considered part of the Groups's cash management system. In the balance sheet, bank overdraft is presented under borrowings within "short-term borrowings".

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2.23 Segment reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performances of the operating segments of the Group.

2.24 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for it's equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effect of all dilutive potential ordinary shares, which includes all stock options granted to employees.

2.25 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such event is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1.1 Revenue recognition

The revenue recognised on fixed price contracts is dependent on the estimated percentage of completion at a point in time, which is calculated on the basis of the man hours/units of work performed as a percentage of the estimated total man hours/units to complete a contract. The actual man hours/units and estimated man hours/units to complete a contract are updated on a monthly basis.

The estimated man hours/units remaining to complete a project are judgemental in nature and are estimated by experienced staff using their knowledge of the time necessary to the work.

If a contract is expected to be loss making, based on estimated costs to complete, the expected loss is recognised immediately.

3.1.2 Taxation

The Group makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted. These calculations represent our best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit or Loss.

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Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

The Group has losses and other timing differences for which no value has been recognised for deferred tax purposes in this Consolidated Financial Statements. This situation can arise where the future economic benefit of these timing differences is estimated to be not probable. It can also arise where the timing differences are of such a nature that their value is dependent on only certain types of profit being earned, such as capital profits. If trading or other appropriate profits are earned in future, these losses and other timing differences may yield benefit to the Group in the form of a reduced tax charge.

The major tax jurisdictions for the Group are India, United States of America, United Kingdom and Singapore. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

3.1.3 Impairment of goodwill

Determining, whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. The management concluded that no adjustment to goodwill was required as at the balance sheet date.

3.1.4 Depreciation/amortisation and useful lives of property, plant and equipment and other intangible assets

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. The Group reviews the estimated useful lives of all such assets at the end of each reporting period. There has been no requirement to revise to useful lives of any such assets as at the Balance Sheet date.

3.1.5 Fair value measurements and valuation process

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Further, the Group has used valuation experts for the purpose of ascertaining fair value for certain assets and liabilities. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent that it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Chief Financial Officer works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

3.1.6 Expected credit losses on financial assets

The impairment provision of financial assets are based on assumption about risk of default and expected timing of collection. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history of collections, customer's creditworthiness, existing market condition as well as forward looking estimates at the end of each reporting period.

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3.1.7 Provision

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

3.1.8 Defined benefit obligations

The costs of providing other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 "Employee benefits" over the period during which benefits is derived from the employees' services and is determined based on valuation carried out by independent actuary. The costs are determined based on assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to change in these assumptions.

3.1.9 Recoverability of internally generated intangible asset

The Group develops intangible assets internally to assist its business plans and outlook. The Group capitalises various costs, including employee costs, incurred in such development activities. Selection of the intangible asset eligible for capitalisation, identification of the expenses that are directly attributable and reasonably allocable to development of intangible assets involves significant management judgement. Further, the Group considers recoverability of the Group's internally generated intangible assets as at the end of each reporting period. Detailed analysis was carried out by the management as at March 31, 2025 regarding recoverability of its internally generated intangible assets.

3.1.10 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an Group is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

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4. Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2025 are as follows:

(Rs in lakh)

Particulars	Plant and equipment	Leasehold Improvements	Furniture and fixtures	Electrical Fittings	Office equipment	Vehicles	Total
Cost							
As at April 01, 2024	15,314.69	6,711.00	1,050.16	924.81	8,279.50	24.60	**32,304.76**
Additions	666.09	379.98	5.73	0.05	110.81	137.09	1,299.75
Transfer from right to use (net) (refer Note a)	625.48	-	-	-	-	-	625.48
Deduction / discard	(1.19)	-	-	-	-	-	(1.19)
Exchange differences/adjustments (refer Note b)	217.13	88.18	11.13	(28.21)	189.50	0.02	477.75
As at March 31, 2025	**16,822.20**	**7,179.16**	**1,067.02**	**896.65**	**8,579.81**	**161.71**	**34,706.55**
Depreciation							
As at April 01, 2024	12,336.72	4,843.26	913.67	747.16	8,020.52	11.69	**26,873.02**
For the year	1,035.64	366.01	18.56	44.10	96.56	3.82	1,564.69
Transfer from right to use (net) (refer Note a)	812.20	-	-	-	-	-	812.20
Deduction / discard	(0.30)	-	-	-	-	-	(0.30)
Exchange differences/adjustments (refer Note b)	86.57	40.98	8.69	(0.01)	192.90	0.02	329.15
As at March 31, 2025	**14,270.83**	**5,250.25**	**940.92**	**791.25**	**8,309.98**	**15.53**	29,578.76
Net carrying value as at March 31, 2025	**2,551.37**	1,928.91	**126.10**	105.40	**269.83**	146.18	5,127.79

Particulars	Plant and equipment	Leasehold Improvements	Furniture and fixtures	Electrical Fittings	Office equipment	Vehicles	Total
Cost							
As at April 01, 2023	15,372.30	6,728.22	1,043.98	924.37	8,149.80	24.60	**32,243.27**
Additions	1,228.10	3.98	0.63	0.44	11.83	-	**1,244.98**
Transfer from right to use (net) (refer Note a)	166.76	-	-	-	-	-	166.76
Deduction / discard	(1,547.99)	(79.82)	-	-	-	-	**(1,627.81)**
Exchange differences	95.52	58.62	5.55	-	117.87	-	277.56
As at March 31, 2024	**15,314.69**	6,711.00	**1,050.16**	**924.81**	8,279.50	24.60	32,304.76
Depreciation							
As at April 01, 2023	12,599.76	4,476.29	869.53	696.04	7,833.63	8.76	**26,484.01**
For the year	988.42	346.58	39.17	51.12	70.15	2.93	**1,498.37**
Transfer from right to use (net) (refer Note a)	138.86	-	-	-	-	-	**138.86**
Deduction / discard	(1,376.02)	-	-	-	-	-	**(1,376.02)**
Exchange differences	(14.30)	20.39	4.97	-	116.74	-	127.80
As at March 31, 2024	**12,336.72**	**4,843.26**	**913.67**	**747.16**	**8,020.52**	11.69	26,873.02
Net carrying value as at March 31, 2024	2,977.97	**1,867.74**	**136.49**	177.65	258.98	12.91	5,431.74

Note:

a. Transfer of assets is on account of completion of lease term.

b. Adjustment is on account of reclassification of assets.

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5. Other Intangible assets

Rs. in lakh

Particulars	Software
Cost	
As at April 01, 2024	**70,365.52**
Additions	3,972.60
Deduction / discard	-
Transfer from right to use (net) (refer Note a)	341.82
Exchange differences/adjustments (refer Note b)	351.94
As at March 31, 2025	**75,031.88**
Amortisation	
As at April 01, 2024	**40,521.79**
for the year	6,345.14
Impairment*	17,577.12
Deduction / discard	-
Transfer from right to use (net) (refer Note a)	98.93
Exchange differences/adjustments (refer Note b)	240.88
As at March 31, 2025	**64,783.86**
Net carrying value as at March 31, 2025	**10,248.02**

Particulars	Software
Cost	
As at April 01, 2023	**65,192.83**
Additions	5,282.75
Deduction / discard	-
Transfer from right to use (net) (refer Note a)	18.83
Exchange differences	(128.89)
As at March 31, 2024	**70,365.52**
Amortisation	
As at April 01, 2023	**35,066.03**
For the year	5,584.11
Deduction / discard	-
Transfer from right to use (net) (refer Note a)	10.59
Exchange differences	(138.94)
As at March 31, 2024	**40,521.79**
Net carrying value as at March 31, 2024	**29,843.73**

Note:

a. Transfer of assets is on account of completion of lease term.

b. Adjustment is on account of reclassification of assets.

* **Impairment of Other intangible assets:** The Management of the Parent Company assessed at the reporting date whether there is any indication that an asset may be impaired. Based on the assessment carried out by the management it identified indicators of impairment in respect of older version modules of Clear Software used by the Parent Company. The indicators of impairment for the said software was mainly due to upgradation to newer AI-integrated versions of its services which was done on account of maintaining competitiveness and meeting evolving client expectations. Accordingly, the older versions or modules that lacked AI capabilities of the said software had become obsolete and were no longer in active use. Consequently, an impairment loss of Rs 17,577 lakhs (Previous year: Nil) was recognized and charged to the Statement of Profit and Loss.

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5a. Goodwill:

The Group has a goodwill aggregating to Rs.14,381.26 lakhs (March 31, 2024 Rs. 13,973.80 lakhs) as on the balance sheet date.

Prime Focus Technologies Inc. acquired DAX business of Sample Digital Holdings, LLC a California limited liability company on April 4, 2014 and Prime Focus Technologies UK Limited, acquired Prime Post (Europe) Limited on October 1, 2014 which resulted in this goodwill.

Goodwill has been allocated for impairment testing purposes to the following cash-generating units.

- Technology and technology enabled business

The recoverable amount for these cash-generating units (CGU) is determined on a value in use calculation which uses cash flow projections based on financial budgets prepared by the management.

Following key assumptions were considered while performing impairment testing

Long term sustainable growth rates 5%
EBITDA Margins 16% to 23%
Weighted Average Cost of Capital % (WACC) after tax 15.00%

The projections cover a period of five years, as that is believed to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates used to estimate future performance are based on the conservative estimates from past performance. EBITDA margins are based on historical performance and Group's strategies.

The management has performed sensitivity analysis around the base assumptions and have concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGUs to be less than the carrying value.

Based on the value in use computations, no impairment provision was considered necessary.

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6. Right-to-use assets

Rs. in lakh

Particulars	Plant & Machinery	Software	Buildings	Total
Cost				
As at April 01, 2024	4,372.85	216.59	9,028.44	13,617.88
Additions		-	-	-
Transfer to PPE and Other Intangible assets (net) (refer Note c)	(625.48)	(341.82)	-	(967.30)
Adjustment (refer Note b)		125.23	(125.23)	-
Deductions / disposal (refer Note a)	-	-	(2,726.10)	(2,726.10)
Exchange differences	143.32	-	31.25	174.57
As at March 31, 2025	3,890.69	0.00	6,208.36	10,099.05
Amortisation				
As at April 01, 2024	3,604.84	86.23	4,475.54	8,166.61
For the year	427.48	12.70	1,106.60	1,546.78
Deductions / disposal (refer Note a)			(2,726.10)	(2,726.10)
Transfer to PPE and Other Intangible assets (net) (refer Note c)	(812.20)	(98.93)	-	(911.13)
Exchange differences	125.44	0.00	14.69	140.13
As at March 31, 2025	3,345.56	(0.00)	2,870.73	6,216.29
Net carrying value as at March 31, 2025	545.13	0.00	3,337.63	3,882.76

Particulars	Plant & Machinery	Software	Buildings	Total
Cost				
As at April 01, 2023	3,848.38	235.42	9,005.29	13,089.09
Additions	598.93	-	-	598.93
Transfer to PPE and Other Intangible assets (net) (refer Note c)	(166.76)	(18.83)	-	(185.59)
Deductions / disposal	-	-	-	-
Exchange differences	92.30	-	23.15	115.45
As at March 31, 2024	4,372.85	216.59	9,028.44	13,617.88
Amortisation				
As at April 01, 2023	2,828.71	69.87	3,363.22	6,261.80
For the year	682.32	26.95	1,104.36	1,813.63
Deductions / disposal	165.67			165.67
Transfer to PPE and Other Intangible assets (net) (refer Note c)	(138.86)	(10.59)	-	(149.45)
Exchange differences	67.00	-	7.96	74.96
As at March 31, 2024	3,604.84	86.23	4,475.54	8,166.61
Net carrying value as at March 31, 2024	768.01	130.36	4,552.90	5,451.27

Note:

a. Disposal of INR 2,726.10 lakhs under ROU – Building is on account of lease closure in previous year.
b. Adjustment is on account of reclassification of assets.
c. Transfer from right to use plant & machinery and right to use software is on account of completion of lease term and assets getting transferred as owned assets amounting.

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7. Trade Receivables (Current)

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Trade receivables	6,567.71	6,350.76
Significant increase in credit risk	246.10	215.85
	6,813.81	**6,566.61**
Less: Impairment allowance	(246.10)	(215.85)
Total	**6,567.71**	**6,350.76**

	As at March 31, 2025	As at March 31, 2024
The movement in allowance for doubtful receivables is as follows:		
Balance as at the beginning of the year	215.85	185.77
Movement during the year (net) (including foreign currency tranlation differences)	30.25	30.08
Balance as at the end of the year	**246.10**	**215.85**

Trade receivables - ageing schedule as on March 31, 2025

Outstanding for following period from due date	Undisputed trade receivables			Disputed trade receivables		
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
Less than 6 months	6,272.58	-	-	-	-	-
6 months - 1 year	291.53	-	-	-	-	-
1 - 2 year	3.59	3.63	-	-	-	-
2 - 3 year	-	0.47	-	-	-	-
More than 3 years	-	242.00	-	-	-	-
Total	**6,567.70**	**246.10**	-	-	-	-

Trade receivables - ageing schedule as on March 31, 2024

Outstanding for following period from due date	Undisputed trade receivables			Disputed trade receivables		
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
Less than 6 months	5,640.92	-	-	-	-	-
6 months - 1 year	651.88	-	-	-	-	-
1 - 2 year	31.51	-	-	-	-	-
2 - 3 year	26.45	39.82	-	-	-	-
More than 3 years	-	176.03	-	-	-	-
Total	**6,350.76**	**215.85**	-	-	-	-

The Group has used the practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivable are due and the rates as given in the provision matrix.

8. Cash and bank balances

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Cash on hand	1.53	1.76
Balance with bank		
In current Accounts	2,819.34	1,584.66
Total	**2,820.87**	**1,586.42**

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9. Other financial assets

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Non-current (Unsecured, conisdered good)		
Security Deposits	655.57	636.09
Bank deposits (Refer note (a))	345.75	291.06
Total	**1,001.32**	**927.15**
Current (Unsecured, conisdered good)		
Security Deposits	133.66	130.35
Unbilled revenue	7,423.45	8,915.03
Interest accrued on deposits	1.30	32.92
Advance to related parties (Refer note 31)	509.34	59.31
Advance recoverable in cash or kind (Refer note (b))	6,000.00	-
Total	**14,067.75**	**9,137.61**

a. Fixed deposits are provided as security against fund -based and non -fund based credit facilities and have maturity period of more than 12 months from balance sheet date.

b. Towards re-assignable or transferable assignment rights of films.

10. Other Assets

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Non-current (Unsecured, considered good)		
Capital advances	78.39	209.69
Prepaid expenses	1.12	1.75
Total	**79.51**	**211.44**
Current (Unsecured, considered good)		
Other loans and advances (Refer note a below)	1,017.37	1,609.53
Prepaid expenses	1,236.75	1,086.37
Balance with Government Authorities	455.70	-
Total	**2,709.82**	**2,695.90**

a. Other loans and advances includes advances to employees and advances to suppliers.

11. Equity Share Capital

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Authorised share capital:		
50,00,000 equity shares (March 31, 2024 : 50,00,000 equity shares) of Rs. 10/- each	500.00	500.00
15,00,00,000 Preference shares (March 31, 2024 : 15,00,00,000 Preference shares) of Rs. 1/- each	1,500.00	1,500.00
Issued, subscribed and paid-up:		
42,39,773 equity shares (March 31, 2024 : 21,87,583 equity shares) of Rs. 10/- each	423.98	218.76
Total	**423.98**	**218.76**

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11.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Fully paid equity shares

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	21,87,583	218.76	21,87,583	218.76
Add: Shares issued during the year	20,52,190	205.22	-	-
Balance as at the end of the year	42,39,773	423.98	21,87,583	218.76

11.2 Shares reserved for issuance under options

The Company has granted employee stock options under employee's stock options scheme. Each option entitles the holder to one equity share of Rs. 10 each. 161,285 options were outstanding as at March 31, 2025 (Previous year 188,551). (Refer note 30)

11.3 Details of shares held by each shareholder holding more than 5%

	As at March 31, 2025		As at March 31, 2024	
DNEG S.A R.L - Holding company	39,10,228	92.23%	-	-
Prime Focus Limited	-	-	16,01,466	73.21%
Mr. Ramakrishnan Sankaranarayanan	2,21,602	5.23%	2,21,602	10.13%

11.4 Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2025

Promoter name	No of shares	% of total shares	% change during the year
DNEG S.A R.L	39,10,228	92.23%	100.00%

Shares held by promoters as defined in the Company's Act, 2013 at the end of March 31, 2024

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Limited	16,01,466	73.21%	0.00%

11.5 Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in INR.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.6 In the period of five years immediately preceding March 31, 2025 :

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil (previous year: Nil)

Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil (previous year: Nil)

Aggregate number and class of shares bought back - Nil (previous year: Nil)

11.7 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31,2025 (March 31, 2024: Nil).

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12. Other equity

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Securities premium reserve		
As per last balance sheet	**4,710.06**	**4,710.06**
Movement during the year	38,720.72	-
	43,430.78	**4,710.06**
General Reserve		
As per last balance sheet	**1,870.75**	**1,870.75**
Compulsorily convertible debentures		
As per last balance sheet	**3,000.00**	**3,000.00**
Movement during the year	(3,000.00)	-
	-	**3,000.00**
Retained Earnings*		
As per last balance sheet	(6,827.91)	(3,558.71)
Movement during the year	(21,086.92)	(3,269.20)
	(27,914.83)	**(6,827.91)**
Share options outstanding account		
As per last balance sheet	4,338.51	4,076.96
Movement during the year	119.11	261.55
	4,457.62	**4,338.51**
Other comprehensive income (Foreign currency translation reserve)		
As per last balance sheet	3,780.36	3,449.96
Movement during the year	(476.57)	330.40
	3,303.79	**3,780.36**
Total	**25,148.11**	**10,871.77**

* Retained earnings includes Re measurement of defined benefit obligations (net of tax), loss of Rs. 103.25 lakhs (March 31, 2024: loss of Rs. 25.34 lakhs).

12.1 Security premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

12.2 General reserve is created from time to time by transferring profits from retained earnings and can be utilised for the purposes such as dividend pay-out, bonus issue etc.

12.3 Compulsory convertible debentures were converted to optionally convertible debentures during the financial year 2024-25.

12.4 Retained earnings represents profit that the Company earned till date, less any transfers to general reserve and other distributions paid to the shareholders.

12.5 Share options outstanding account relates to the stock option granted by the Company to employees under the Employee Stock Option Plan (Refer note 30).

12.6 Foreign Currency Translation Reserve (FCTR) - Exchange difference relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e., Indian rupees) are recognised directly in the Other Comprehensive Income and accumulated in FCTR are reclassified to Profit or Loss on the disposal of the foreign operations.

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13. Borrowings (Non - Current)

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Loans (Unsecured)		
from bank	-	623.13
(Refer note a below)		
Other loan and advances (secured)		
Vehicle Loan from Bank (Refer note b below)	102.27	-
Loan from Others (Refer note c below)	324.63	-
Total	**426.90**	**623.13**

a. The Company has fully repaid Guaranteed Emergency Credit Line (GECL) facility with Yes Bank Limited. The Company was granted a Guaranteed Emergency Credit Line (GECL) facility at an interest rate based on one year MCLR + 1 subject to cap of 9.25%. This facility was repayable in 48 instalments after completion of moratorium of 24 months. This facility was secured by exclusive charge over present and future current assets and movable fixed assets, personal guarantees of promoter of the Ultimate Holding company, pledge of 35% shares of the Company held by the Ultimate Holding company, Corporate Guarantee of Ultimate Holding Company, exclusive charge by way of mortgage of immovable properties, pledge of 30% shares of subsidiaries viz; Prime Focus Technologies Inc., Prime Focus Technologies UK Limited and Prime Post (Europe) Limited.

   As at March 31, 2025, outstanding loan amount is Nil. As at March 31, 2024 Rs. 872.38 lakhs (Current: Rs. 249.25 lakhs & Non-current: Rs. 623.13 lakhs).

b. During the year, the Company has availed a vehicle loan from banks are secured by hypothecation of the vehicle, repayable in equal monthly instalments over the period of 5 years. Interest rate is at a fixed rate of 8.60% p.a.

   As at March 31, 2025, outstanding loan amount is Rs.123.33 lakhs (Current: Rs. 21.06 lakhs & Non-current: Rs. 102.27 lakhs).

c. Loan from others are secured against the underlying asset, carries interest rate of 9.17% p.a. and is repayable in equal quarterly instalments over the period of 3 years.

14. Other Financial liabilities (Current)

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Accrued salaries and benefits	2,389.97	2,272.85
Interest accrued	61.48	31.22
Capital Creditors	160.99	1,150.93
Interest payable to group companies (Refer note 31)	617.31	8,269.30
Dues payable to group companies (Refer note 31)	43.53	-
Others (Refer note (a) below)	5,350.00	-
Total	**8,623.28**	**11,724.30**

a. Payable against re-assignable or transferable assignment rights of films.

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15. Provisions

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Provision for employee benefits		
Gratuity (refer note 28)	679.90	699.35
Compensated absences	93.01	105.70
Total	**772.91**	**805.05**
Current		
Provision for employee benefits		
Gratuity (refer note 28)	31.32	19.16
Compensated absences	9.22	10.32
Total	**40.54**	**29.48**

The Group did not have any long-term contracts including derivatives contracts for which any provision was required for any material foreseeable losses.

16. Other liabilities

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Non-Current		
Deferred rent	-	20.38
Total	-	**20.38**
Current		
Deposit received from customers	5,008.08	38.08
Unearned revenue including contract liabilities	918.60	63.00
Advance from customers	2.99	29.91
Other payables*	632.94	721.51
Total	**6,562.61**	**852.50**

*Other payables include statutory tax liabilities, goods and service tax and employer & employee contribution to provident fund and other funds liability.

17. Borrowings (Current)

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
From Banks/ Others (Secured)		
Working Capital Demand Loan	-	2,450.00
(Refer note (a) below)		
From Others (Unsecured)		
Loan from related parties (Refer note 31)	10,439.27	40,058.39
Current maturities of long term borrowings		
Vehicle Loan from Bank (Secured) (Refer note (13.b))	21.06	-
Loan from Others (Refer note (13.c))	192.97	-
Loans (Unsecured)		
from bank (Refer note (13.a)	-	249.25
Total	**10,653.30**	**42,757.64**

a. During the year, the Company has repaid a working capital demand loan facility from bank Yes Bank Limited. Refer note 13(a) for securities details of facilities. The rate of interest for working capital demand loan facility was at 11.75% with tenure of 91 days.

As at March 31, 2025, outstanding loan amount is Nil. As at March 31, 2024 Rs. 2450 lakhs.

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18. Revenue from operations

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Income from services	38,022.53	42,737.18
Total	**38,022.53**	**42,737.18**

Note:

a. The Company has recognised it's income from services over a period of time.

b. Movement in contract balances during the year.

	2024-25		
	Contract Assets	**Contract Liability**	**Net Contract**
Opening balance as at April 01	8,915.03	63.00	8,852.03
Closing balance as at March 31	7,423.45	918.60	6,504.85
Net Increase/(decrease)	**(1,491.58)**	**855.60**	**(2,347.18)**

	2023-24		
	Contract Assets	**Contract Liability**	**Net Contract**
Opening balance as at April 01	3,541.62	260.18	3,281.44
Closing balance as at March 31	8,915.03	63.00	8,852.03
Net Increase/(decrease)	**5,373.41**	**(197.18)**	**5,570.59**

c. The Company recognized Rs.63.00 lakh of revenue during the fiscal year ended March 31, 2025, from the beginning contract liability balance as of April 01, 2024. The Company recognized Rs.260.18 lakh of revenue during the fiscal year ended March 31, 2024, from the beginning contract liability balance as of April 01, 2023.

d. Revenue allocated to remaining performance obligations, which includes deferred income and amounts that will be invoiced and recognized as revenue in future periods, is Rs.35,832.42 lakh as of March 31, 2025, which we expect to recognize in fiscal 2026 and thereafter.

e. The Revenue recognized is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

19. Other income

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income:		
bank deposits	24.07	36.69
on income tax refunds	51.55	48.88
on others	22.41	24.00
Gain on sale of Property, Plant and Equipment (net)	-	2.38
Sundry credit balances written back (net)	-	1.13
Exchange gain (net)	339.61	-
Miscellaneous income	8.25	298.57
Total	**445.89**	**411.65**

20. Employee benefits expense

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	16,610.91	18,135.65
Contribution to provident fund and other funds	797.26	837.03
Gratuity expenses (Refer note 28)	175.91	158.06
Employee share-based compensation expense (Refer note 30)	119.11	261.55
Staff welfare expenses	252.73	279.09
Total	**17,955.92**	**19,671.38**

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21. Finance cost

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on term loan	13.22	89.06
Interest on lease liability	594.71	671.76
Interest on working capital loans	44.96	257.17
Interest on loan from related parties (Refer note 31)	753.75	3,669.69
Interest on vehicle loan	0.90	-
Interest on others	21.81	7.26
Finance charges	130.93	73.45
Total	**1,560.28**	**4,768.39**

22. Depreciation and amortisation expense

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of Property, Plant and Equipment (Refer note 4)	1,564.69	1,498.37
Amortisation of Other intangible assets (Refer note 5)	6,345.14	5,584.11
Depreciation of Right of use assets (Refer note 6)	1,546.78	1,813.63
Total	**9,456.61**	**8,896.11**

23. Other expenditure

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Consumable stores	132.99	157.46
Rent	773.52	843.74
Repairs and maintenance		
- Repairs to buildings	6.78	2.05
- Repairs to plant and machinery	58.73	18.54
- Repairs to Others	974.96	1,100.40
Rates and taxes	44.24	42.96
Legal and Professional fees	706.01	827.91
Insurance cost	170.86	149.53
Traveling and conveyance	596.88	584.80
Communication cost	381.16	384.40
Sales promotion expenses	774.30	656.21
Electricity expense	658.50	569.18
Bad debt written off	-	126.49
Allowances for doubtful receivables	30.26	43.62
Auditor's remuneration (Refer Note a below)	25.11	34.67
Director's sitting fees	3.40	3.20
House keeping expense	244.07	219.80
Management fees	63.38	33.07
Exchange loss (net)	-	63.23
Miscellaneous expenses*	258.79	139.69
Total	**5,903.94**	**6,000.95**

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(All amounts in INR lakhs, unless otherwise stated)

Note:

a. Details of Auditor's Remuneration

(Rs in lakh)

Audit fees	19.53	27.03
Limited review	4.06	6.00
Certification work	1.46	1.43
Out of pocket expenses	0.06	0.21
Total	**25.11**	**34.67**

*Miscellaneous expense includes office expenses, storage, membership & subscription and security charges, freight and clearing charge, etc.

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24. Income tax

a. Amounts recognised in profit or loss

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	24.53	21.44
Deferred tax	-	(1,058.13)
Total Income tax expenses	**24.53**	**(1,036.69)**

b. Income tax recognised in other comprehensive income

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Re-measurement of defined benefit liability	-	8.52
Tax charge / (credit) in other comprehensive income	**-**	**8.52**

c. Reconciliation of tax expense and the accounting (loss) for the year is as under

(Rs in lakh)

	March 31, 2025		March 31, 2024	
	% of PBT	Amount	% of PBT	Amount
Loss before tax		(20,959.14)		(4,280.56)
Tax using Company's domestic tax rate	25.17%	(5,275.41)	25.17%	(1,077.42)
Effect of:				
Effect of expenses that are not deductible		569.26		558.20
Effect of lower tax rates (Alternative Minimum Tax) in other jurisdiction(s)		25.55		116.16
Unrecognition DTA on account of current year expenses and tax losses		4,705.13		(633.63)
Income tax credit recognised in Statement of profit and loss		**24.53**		**(1,036.69)**

d. Deferred tax balances

The following is the analysis of deferred tax assets/ (liabilities) presented in the consolidated balance sheet:

(Rs in lakh)

	Balance as at April 01, 2023	Recognised in Profit/ loss during 2024-25	Recognised in OCI during 2023-24	Balance as at March 31, 2024	Recognised in Profit/ loss during 2024-25	Recognised in OCI during 2024-25	Balance as at March 31, 2025
Deferred tax liabilities related to:							
Difference between tax books and written down value of Property, Plant and Equipment and other intangible assets	(6,850.12)	890.97	-	(5,959.15)	5,343.50	-	(615.65)
Lease deposit discounting and equalisation	22.35	(6.04)	-	16.31	(5.64)	-	10.67
	(6,827.77)	**884.93**	-	**(5,942.84)**	**5,337.86**	-	**(604.98)**
Deferred tax assets related to:							
Provision for employee benefits	176.03	25.50	8.52	210.05	(5.31)	-	204.74
Unabsorbed loss carried forward	4,220.30	334.15	-	4,554.45	(4,555.40)	-	(0.95)
Provision for doubtful receivables	46.76	7.57	-	54.33	7.62	-	61.95
Lease liabilities	1,317.08	(194.02)	-	1,123.06	(784.77)	-	338.29
	5,760.17	**173.20**	**8.52**	**5,941.89**	**(5,337.86)**	-	**604.03**
Net deferred tax (liabilities)	**(1,067.60)**	**1,058.13**	**8.52**	**(0.95)**	**0.00**	-	**(0.95)**

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e. Unrecognised deferred tax assets

The Group has carried forward losses in India against which deferred tax asset as disclosed below has not been recognised in books.

(Rs in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Unabsorbed business loss & depreciation	5,076.84	141.78

The Group has carried forward losses in United Kingdom and United States against which deferred tax asset has not been recognised are as follows;

Particulars	As At March 31, 2025	Will expire in FY	As At March 31, 2024	Will expire in FY
Unabsorbed business loss	7,658.21	2039-40	7,468.96	2039-40
Unabsorbed business loss	5,097.48	2040-41	4,971.51	2040-41
Unabsorbed business loss	1,134.53	2038-39	1,777.72	2038-39
Unabsorbed business loss	6,169.01	Indefinite	5,925.93	Indefinite

f. Tax losses carried forward

The Group has carried forward losses for India which are as disclosed below;

(Rs in lakh)

Particulars	As at 31st March 2025	Will expire in FY	As at 31st March 2024	Will expire in FY
Unabsorbed business loss FY 2021-22 (AY 2022-23)	2,082	2029-30	2,082	2029-30
Unabsorbed depreciation FY 2016-17 (AY 2017-18)	362	Indefinite life	362	Indefinite life
Unabsorbed depreciation FY 2017-18 (AY 2018-19)	2,048	Indefinite life	2,048	Indefinite life
Unabsorbed depreciation FY 2018-19 (AY 2019-20)	2,599	Indefinite life	2,599	Indefinite life
Unabsorbed depreciation FY 2019-20 (AY 2020-21)	1,804	Indefinite life	1,804	Indefinite life
Unabsorbed depreciation FY 2020-21 (AY 2021-22)	2,274	Indefinite life	2,274	Indefinite life
Unabsorbed depreciation FY 2021-22 (AY 2022-23)	3,421	Indefinite life	3,421	Indefinite life
Unabsorbed depreciation FY 2022-23 (AY 2023-24)	2,256	Indefinite life	2,256	Indefinite life
Unabsorbed depreciation FY 2023-24 (AY 2024-25)	2,305	Indefinite life	2,305	Indefinite life
Unabsorbed depreciation FY 2024-25 (AY 2025-26)	1,016	Indefinite life	-	Indefinite life

25. Segment information

Operating segments:

a. The segment information has been prepared in line with the review of operating results by the Chief Operating Decision Maker (CODM) of Group, Ramakrishnan Sankaranarayanan (Director).
b. The Group is presently operating as an integrated post-production setup, providing technological digital solutions to its customers, which has been considered as representing a single operating segment.

Geographical information

The Group operates in four principal geographical areas – India (Country of Domicile), United Kingdom, United States of America and other countries.

The Group's revenue from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

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(Rs in lakh)

	Sale of services		Segment Non-current assets*	
	Year ended March 31, 2025	Year ended March 31, 2024	As at March 31, 2025	As at March 31, 2024
India	17,497.83	18,847.44	12,527.70	33,804.12
United Kingdom	8,525.96	11,679.89	5,691.60	6,422.16
United States of America	9,302.16	11,527.21	16,184.93	15,700.92
Other Countries	2,696.58	682.64	-	-
Total	**38,022.53**	**42,737.18**	**34,404.23**	**55,927.20**

*Non-current assets exclude financial assets & tax assets.

Two customers contributes individually to more than 10% of the Group's total revenue for the year ended March 31, 2025 amounting to Rs. 16,759.05 lakhs (previous year- Two customer Rs. 15,764.05 lakhs).

26. Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computations

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Net Profit / (Loss) for the year (A)	(20,983.67)	(3,243.86)
Opening number of Equity Shares	21,87,583	21,87,583
Shares issued during the year	20,52,190	-
Weighted average number of Equity Shares for Basic EPS (B)	39,08,049	21,87,583
Weighted average number of Equity Shares for for the effect of dilution ('C)	39,08,049	21,87,583
Earnings per share		
Basic (Rs.) (A/B)	**(536.93)**	**(148.29)**
Diluted (Rs.) (A/C)	**(536.93)**	**(148.29)**
Nominal value of shares (Rs.)	10.00	10.00

Potential equity shares are anti-dilutive in nature and hence diluted earnings per share is same as basic earnings per share.

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of approval of these Financial Statements.

27. Statement of net assets, net profit / loss after tax and other comprehensive income attributable to owners

March 31, 2025

(Rs in lakh)

Sr No	Name of entity	Net Assets		Share in Profit / (loss)		Share in Other comprehensive		Share in Total Comprehensive	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
	Parent								
a	Prime Focus Technologies Limited	116%	29,765.88	102%	(21,425.71)	18%	(103.25)	100%	(21,528.96)
	Subsidiaries								
	Indian								
1	Apptarix Mobility Solutions Pvt. Ltd	(3%)	(878.88)	0%	(2.14)	0%	-	0%	(2.14)
	Foreign								
1	Prime Focus Technologies UK Limited	1%	129.09	(2%)	406.83	0%	-	(2%)	406.83
2	Prime Focus Technologies, Inc.	1%	253.66	(2%)	363.38	0%	0.00	(2%)	363.38
3	Prime Post Europe Limited	(1%)	(175.28)	0%	(9.24)	0%	-	0%	(9.24)
4	DAX Cloud ULC	(1%)	(190.17)	(0%)	11.14	0%	-	(0%)	11.14
5	Prime Focus Technologies PTE Ltd.	(2%)	(482.49)	2%	(319.91)	0%	-	1%	(319.91)
	Total	**111%**	**28,421.81**	**100%**	**(20,975.65)**	**18%**	**(103.25)**	**98%**	**(21,078.90)**
	Add/(Less): Effects of Inter Company adjustments / eliminations	(11%)	(2,849.73)	0%	(8.02)	82%	(476.58)	2%	(484.60)
		100%	25,572.08	100%	(20,983.67)	100%	(579.83)	100%	(21,563.50)

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March 31, 2024

(Rs in lakh)

Sr No	Name of entity	Net Assets		Share in Profit / (loss)		Share in Other comprehensive		Share in Total Comprehensive	
		as % of consol net assets	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount
Parent									
a	Prime Focus Technologies Limited	138%	15,249.79	118%	(3,824.07)	(8%)	(25.34)	131%	(3,849.41)
Subsidiaries									
	Indian								
1	Apptarix Mobility Solutions Pvt. Ltd.	(0%)	(8.77)	(0%)	1.10	0%	-	(0%)	1.10
	Foreign								
1	Prime Focus Technologies UK Limited	(2%)	(273.62)	(81%)	2,621.32	0%	-	(89%)	2,621.32
2	Prime Focus Technologies, Inc.	(1%)	(110.09)	(12%)	398.62	(0%)	(0.00)	(14%)	398.62
3	Prime Post Europe Limited	(1%)	(158.39)	0%	(9.13)	0%	-	0%	(9.13)
4	DAX Cloud ULC	(2%)	(208.22)	(0%)	7.01	0%	-	(2%)	7.01
5	Prime Focus Technologies PTE Ltd.	(1%)	(154.18)	5%	(186.99)	0%	-	57%	(186.99)
	Total	**129%**	**14,336.52**	**31%**	**(992.14)**	**(8%)**	**(25.34)**	**35%**	**(1,017.48)**
	Add/(Less): Effects of Inter Company adjustments / eliminations	(29%)	(3,246.00)	69%	(2,251.72)	108%	330.40	65%	(1,921.33)
		100%	11,090.53	100%	(3,243.86)	100%	305.06	100%	(2,938.80)

28. Employee Benefits

a. Defined contribution plans

The Group makes provident fund, Employee State Insurance and employees' pension scheme contribution to the relevant authorities, which are defined contribution plans for the qualifying employees.

The Company's contribution to provident fund, Rs. 797.26 lakh (March 31, 2024, Rs.837.03 lakh) has been recognised in Profit or Loss under the head employee benefits expense.

b. Defined benefit plans (Unfunded)

The Group sponsors defined benefit plan (gratuity plan) for qualifying employees in India. The defined benefit plan is unfunded and is administered by the Group directly. Under the plan, the employees are entitled to a lump-sum payment upon retirement from the services of the Group. An employee becomes eligible to receive payment upon completion of 5 years of service at the rate of 15 days of service for each completed year of service.

This plan typically expose the Group to actuarial risks such as; interest rate risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the gratuity plan, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out by an external expert, who's 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.

The Group contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules. There is no further obligation of the Group beyond the contributions made.

The Group has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue. There is no further obligation of the Group beyond the contributions made.

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I. Reconciliation of opening and closing balances of defined benefit obligation:

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
Defined Benefit Obligation at the beginning of the year	718.51	596.50
Interest Cost	51.80	44.68
Current Service Cost	124.10	113.38
Benefit Paid	(286.44)	(69.91)
Actuarial (Gains)/losses on Obligations-Due to change in financial assumptions	31.10	25.32
Actuarial (Gains)/Losses on Obligations - Due to Experience	72.15	8.54
Defined Benefit Obligation at the end of the year	**711.22**	**718.51**

II. Expenses recognised in Statement of profit and loss

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
In income statement		
Current Service Cost	124.10	113.38
Interest Cost	51.80	44.68
Net cost	**175.90**	**158.06**
In Other Comprehensive Income (OCI)		
Actuarial loss/(gains) on obligation for the year	103.25	33.86
Net income/(expense) for the year recognized in OCI	**103.25**	**33.86**

III. Breakup of defined benefit plan relating balance sheet amounts is shown below

(Rs in lakh)

	Year ended March 31, 2025	Year ended March 31, 2024
Non-current liability (Refer note 17)	679.90	699.36
Current liability (Refer note 17)	31.32	19.15
Total	**711.22**	**718.51**

Note:

a. The Company has not invested in any plan assets.

b. The Company has considered employee retairment age as 60 years (previous year - 60 years)

IV. Actuarial assumptions

	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate (p.a.)	6.85%	7.21%
Rate of escalation in salary (p.a.)	5.00%	5.00%
Attrition rate	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.
Mortality table	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

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1 The discount rate is based on the prevailing market yields of the Government of India bonds as at the Balance Sheet date for the estimated term of the obligations

2 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

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:

(Rs in lakh)

	March 31, 2025		March 31, 2024	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate (1% movement)	(81.63)	98.09	(84.84)	101.89
Future salary appreciation (1% movement)	82.84	(73.63)	94.09	(81.25)
Attrition rate (1% movement)	17.66	(20.71)	21.23	(24.77)

VI. Maturity profile

Projected benefits payable in future years from the date of reporting

(Rs in lakh)

	As at March 31, 2025	As at March 31, 2024
1st Following Year	31.32	19.15
2nd Following Year	29.74	22.04
3rd Following Year	21.28	29.93
4th Following Year	22.84	24.20
5th Following Year	40.07	25.56
Sum of Years 6 To 10	208.29	225.71
Sum of Years 11 and above	1,670.45	1,872.23

29. Financial instruments

A. Capital risk management

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group management sets the amounts of capital required in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The capital structure of the Group consists of borrowings (as detailed in note 13 and 17), offset by cash and bank balances (note 8), and equity of the Group (comprising Equity share capital and other equity). The debt equity ratio is 0.62 as on March 31, 2025 (4.47 as on March 31, 2024).

During the year, the Group's strategy was to monitor and manage the use of funds whilst developing business strategies.

B. Financial risk management objectives

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

The Board of Directors manage and review the affairs of the Group 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.

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C. Credit risk management

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

The Group has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organisations which the Group has worked with for a number of years. However, as the Group grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Group is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 21,636.75 lakhs as at March 31, 2025 and Rs. 16,415.52 lakhs as at March 31, 2024 being the total of trade receivables, unbilled revenue and other financial assets.

The Company's historical experience of collecting receivables and the level of default indicates that the credit risk is low and generally uniform across markets. Loss allowance is recognised where considered appropriate by the management.

D. Liquidity risk management

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. As at March 31, 2025, cash and cash equivalents are held with major banks and financial institutions.

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

(Rs in lakh)

	As at March 31, 2025		
	Due within one year	Due after one year	Total
Financial liablities			
Borrowings	10,653.30	426.90	11,080.20
Lease liabilities	1,582.07	3,157.03	4,739.10
Other financial liabilities	8,623.28	-	8,623.28
Trade payables	4,636.47	-	4,636.47
Total	**25,495.12**	**3,583.93**	**29,079.05**
	As at March 31, 2024		
	Due within one year	**Due after one year**	**Total**
Financial liablities			
Borrowings	42,757.64	623.13	43,380.77
Lease liabilities	1,768.90	4,403.33	6,172.23
Other financial liabilities	11,724.30	-	11,724.30
Trade payables	3,515.88	-	3,515.88
Total	**59,766.72**	**5,026.46**	**64,793.18**

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E. Market risk

The primary market risks to which the Group is exposed are foreign currency and interest rate risk.

Foreign currency risk management

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound, Australian Dollar, Singapore Dollar, United Arab Emirates Dirham, South African Rand and Canadian dollar against the respective functional currencies of the Company and its subsidiaries.

The following analysis has been worked out based on the net foreign currency exposures as of the date of Balance sheet which could affect the statement of profit and loss and equity.

The following table sets forth information relating to foreign currency exposure:

Particulars	Foreign currency	As at March 31,2025		As at March 31,2024	
	Denomination	Foreign currency	Rs. In lakhs	Foreign currency	Rs. In lakhs
Financial assets	USD	38,88,288	3,322.87	43,16,427	3,597.59
	GBP	37,66,679	4,150.11	11,23,741	1,182.49
	SGD	1,508	0.96	1,508	0.93
	AED	3,695	0.86	-	-
	EUR	3,27,606	302.22	1,98,596	178.94
	ZAR	-	-	31,36,898	138.53
Total			**7,777.02**		**5,098.48**
Financial Liabilities	USD	70,61,598	6,034.73	84,62,497	7,053.20
	GBP	492	0.54	51,94,384	5,465.95
	SGD	7,909	5.03	4,229	2.61
	AED	-	-	-	-
	AUD	193	0.10	193	0.10
	EUR	67,976	62.71	-	-
Total			**6,103.11**		**12,521.86**
Net exposure			**1,673.91**		**(7,423.38)**

The Company's sensitivity to a 5% appreciation/ depreciation of respective foreign currencies with respect to functional currency of the Group would result in decrease/ increase in the Group's loss before tax by approximately Rs. 83.70 lakhs for the year ended March 31, 2025 (March 31, 2024: Rs. 371.17 lakhs). This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

Interest rate risk management

The Company is exposed to interest rate risk because the Company borrows funds at fixed and floating interest rates. As at March 31, 2024, borrowings included both fixed rate loans and floating rate loans. As at March 31, 2025, all borrowings are at fixed interest rates, reflecting a shift to mitigate rate volatility.

The sensitivity analysis for exposure to interest rates on borrowings as at the end of March 31, 2024 indicates that a 50 basis point increase in floating interest rates at the reporting date March 31, 2024 would have decreased equity and increase loss for the year by Rs. 166.22 lakhs and a 50 basis point decrease in floating interest rates at the reporting date March 31, 2024 would have increased equity and decrease loss by the same amount respectively.

No such impact arises as at the end of March 31, 2025 due to absence of floating rate borrowings

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Prime Focus Technologies Limited MUMBAI

Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Fair value measurements

Accounting classifications and fair values

The following table shows the fair values of financial assets and financial liabilities, including their levels in fair value hierarchy.

Rs. in lakh

Particulars	Carrying Value		Fair Value		
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 20234	Fair value hierarchy
FINANCIAL ASSETS					
Financial assets measured at amortised cost					
Trade receivables	6,567.71	6,350.76	-	-	
Cash and cash equivalents	2,820.87	1,586.42	-	-	
Other financial assets	15,069.07	10,064.76	-	-	
Total	24,457.65	18,001.94	-	-	
FINANCIAL LIABLITIES					
Financial liablities measured at fair value					
Non convertible redeemable preference shares (NCRPS)	-	-	-	-	Level 3
Financial liablities measured at amortised cost					
Borrowings	11,080.20	43,380.77			
Lease liabilities	4,739.11	6,172.23			
Other financial liablities	8,623.28	11,724.30			
Trade payables	4,636.47	3,515.88			
Total	29,079.06	64,793.18			

Rs. in lakh

(Financial Assets) /Financial Liabilities	Fair value as at As at March 31, 2025	Fair value as at As at March 31, 2024	Fair Value Hirerachy	Valuation techniques and key inputs	Significant unobservable inputs	Relationships of unobservable inputs to fair value
NCRPS	-	-	Level 3	Discounted cash flow method was used to capture present value	Discount rate and probable cash flow	The higher the expected payout, the higher the fair value. The Higher the discount rate, lower the fair value.
	-	-				

Reconciliation of level 3 fair values

	Rs. in lakh
Closing balance as at April 1, 2023 (Financial Liabilities)	387.37
Change in fair value of NCRPS	-
Redemption (including write back of excess liability)	(387.37)
Closing balance as at March 31, 2024 (Financial Liabilities)	-

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

30. Share based payments

The Company has granted employee stock options under employee's stock options scheme. Each option entitles the holder to one equity share of Rs. 10 each. 161,285 options were outstanding as at March 31, 2025 (Previous year 188,551). Nil options (Previous year Nil) were granted during the year. Such options entitle the holders to one equity share of Rs. 10/- for each option granted with vesting period of 1 to 3 years, exercise period of 5 years. From options granted, Nil options were vested during the year (Previous year 20,295).

The current status of the stock options granted to the Employees is as under:

Particulars	March 31, 2025		March 31, 2024	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Outstanding at the beginning of the year	188,551	2,194	258,920	2,310
Granted during the year	-	-	-	-
Lapsed/ forfeited during the year	19,716	2,318	16,378	2,089
Expired during the year	7,550	3,037	53,991	2,784
Exercised during the year	-	-	-	-
Outstanding at the end of the year	161,285	2,552	188,551	2,194
Exercisable at the end of the year	161,285	2,552	163,490	2,475

For stock options outstanding as at March 31, 2025 the range of exercise price is Rs. 1,650 to Rs. 3,987 and weighted average remaining contractual life is 4 to 5 years and vesting period of 1 to 3 years

Nil options were granted during the year.

Following are details with regard to determination of the fair value of stock options:

Option Pricing Model used – Black-Scholes-Merton formula

Weighted average fair value of share – Rs. 2,416- per share

Expected volatility – 31.4% - 34%

Option life – 4 - 5 years

Expected dividends – 0% yield

Risk-free interest rate – 7.1% to 7.2% p.a.

The Company has followed the fair value method to account for the grant of stock options and charge for the year ended March 31, 2025 is Rs. 119.11 lakhs (March 31, 2024: Rs. 261.55 lakhs)

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(All amounts in INR lakhs, unless otherwise stated)

31. Related party transactions

(i) List of parties with whom transactions have taken place during the year

A) Holding Company
DNEG S.À R.L (w.e.f. from July 01, 2024)

B) Ultimate Holding Company
Prime Focus Limited (Holding Company till June 30, 2024)

C) Fellow Subsidiaries
DNEG Australia Pty LTD
Double Negative Limited UK
DNEG India Media Services Limited
JAM8 Prime Focus LLP
Prime Focus North America Inc
PF World Ltd. (Mauritius)

D) Key Management Personnel
Ramakrishnan Sankaranarayanan- Whole Time Director

E) Key Management Personnel of Ultimate Holding Company
Mr. Naresh Malhotra

ii) List of transactions taken place during the year

a. Key Management Personnel*

Rs. in lakh

	Year Ended March 31, 2025	Year Ended March 31, 2024
Remuneration		
Ramakrishnan Sankaranarayanan	372.08	361.13

Rs. in lakh

	As at March 31, 2025	As at March 31, 2024
Balance Outstanding at the year end – Remuneration Payable		
Ramakrishnan Sankaranarayanan	15.26	13.53

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

b. Ultimate Holding Company

Rs. in lakh

	Year Ended March 31, 2025	Year Ended March 31, 2024
Technical Service charges	-	-
Interest expense	753.75	3,669.69
Loan taken	4,655.00	1,121.77
Loan repaid	4,071.76	1,271.77
Reimbursement of expenses (net)	198.49	121.76
Conversion of Loan and Accrued Interest on loan to Equity share capital (Refer Note a)	38,925.94	-

Note:

a. During the year ended March 31, 2025, the Company converted the loan payable, along with accrued interest amounting to Rs. 38,925.94 lakhs, which was due to its Ultimate Parent Company, into equity share capital. Subsequently, on June 30, 2025, the Ultimate Parent Company divested its entire equity stake in the Company to DNEG SARL. Pursuant to this transaction, DNEG SARL became the new Parent Company of the Company effective from that date.

Rs. in lakh

	As at March 31, 2025	As at March 31, 2024
Balance outstanding at the year end		
Trade / other Payable (net)	294.51	89.90
Dues payable to group companies	43.53	-
Loan payable	-	29,921.70
Interest payable	-	7,667.25
Unbilled Revenue	0.81	0.60
Financial / performance gaurantee	-	3,497.00

c. Fellow Subsidiary companies

Rs. in lakh

	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue		
Double Negative Limited UK	753.26	2,849.38
DNEG Australia Pty LTD	2,296.82	-
JAM8 Prime Focus LLP	-	0.84
Reimbursement of expenses (net)		
Prime Focus North America Inc	46.27	227.23
DNEG India Media Services Limited	(109.54)	10.90
PF World Ltd. (Mauritius)	6.25	
Deposit received from customers		
DNEG India Media Service Limited	4,970.00	-
Advances Given (net)		
Double Negative Limited UK	479.98	-
Assignment of Borrowing & Interest balance from PF World Ltd. (Mauritius)		
DNEG S.À R.L	11,056.77	

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

Rs. in lakh

	As at March 31, 2025	As at March 31, 2024
Balance outstanding at the year end		
Trade / other payables		
DNEG India Media Services Limited	-	12.69
Prime Focus North America Inc	254.84	249.61
Trade / other receivables		
Double Negative Limited UK	18.51	-
DNEG India Media Services Limited	-	0.58
JAM8 Prime Focus LLP	0.71	0.99
PF World Limited, Mauritius	6.23	-
Unbilled Revenue		
Double Negative Limited UK	2,233.45	2,403.15
DNEG India Media Service Limited	109.54	-
Deposit received from customers		
DNEG India Media Service Limited	4,970.00	-
Interest payable		
DNEG S.À R.L	617.24	-
PF World Ltd. (Mauritius)	-	602.05
Loan payable		
DNEG S.À R.L	10,439.53	-
PF World Ltd. (Mauritius)	-	10,136.69
Advances receivable (net)		
Double Negative Limited UK	490.30	

d. **Key Management Personnel of Ultimate Holding Company**

Rs. in lakh

	Year Ended March 31, 2025	Year Ended March 31, 2024
Personal guarantee given by Naresh Malhotra	10,439.27	43,555.39

* The figures of Key management personnel do not include provisions for gratuity / other employee benefit as separate actuarial valuation not available.

Under ESOP Scheme, Nil options were granted to Key management personnel in current year (previous year- Nil).

The stock options outstanding for KMP's as at March 31, 2025 is 27,050 and as at March 31, 2024 is 27,050 and employee stock option expense for the year March 31, 2025 is Rs. Nil (previous year Rs. Nil).

There is no provision for doubtful debt or amount written off or written back in respect of debts due from / in respect of related parties.

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32. Lease liabilities

Maturity profile of lease liabilities as at March 31, 2025: **Rs in lakhs**

Particulars	March 31, 2025		March 31, 2024	
	Carrying amount	Undiscounted cash flow	Carrying amount	Undiscounted cash flow
Within one year	1,582.07	1,771.92	1,768.90	1,892.37
Later than one year and not later than five years	2,904.27	3,643.12	4,028.41	4,895.83
Later than five years	252.76	498.91	374.92	740.02
Total	**4,739.10**	**5,913.95**	**6,172.23**	**7,528.22**

33. On August 13, 2018, Company acquired 100% shares of Apptarix Mobility Solution Private Limited, an OTT technology product innovator. The business acquisition was conducted by entering into a share purchase agreement for cash consideration of Rs. 125.00 lakhs and contingent consideration of up to Rs. 375.00 lakhs in the form of Non-convertible redeemable preference shares (NCRPS). The fair value of contingent consideration on the date of acquisition was Rs. 246.49 lakhs. Total fair value of consideration was Rs. 371.49 lakhs.

During the previous financial year, as per the agreed terms, redemption of NCRPS was done on July 31, 2023 which resulted into the redemption and agreed pay-out amount to Rs. 124.98 lakhs to the shareholders of Apptarix Mobility Solution Private Limited. The fair value of NCRPS as on date of redemption was Rs. 387.37 Lakhs. The excess liability over the fair value of consideration for NCRPS of Rs. 262.39 lakhs was written back in statement of profit & loss for the year ended March 31, 2024.

34. Contingent liabilities & commitments

Particulars	As at March 31, 2025	As at March 31, 2024
a. Capital Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for:	40.92	270.00
b. Contingent Liabilities	Nil	Nil

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

35. Capitalisation of expenditure

a. During the year, the Group has capitalised the following expenses to the cost of intangible asset under development (software). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Rs. in lakhs

Particulars	March 31, 2025	March 31, 2024
Opening Balance	779.19	2,143.93
Add:		
Employee Benefit expenses	3,182.21	2,683.37
Direct overheads	39.63	107.61
Exchange difference	1.56	6.70
	3,223.40	**2,797.68**
Less: Capitalised during the year	3,317.71	4,162.42
Closing Balance	**684.88**	**779.19**

b. Intangible Assets Under Development Aging Schedule

31-Mar-25	Less than 1 yr	1-2 yrs	2-3 yrs	more than 3 yrs
Project 9.a	684.88	-	-	-

31-Mar-24	Less than 1 yr	1-2 yrs	2-3 yrs	more than 3 yrs
Project 7	131.96	-	-	-
Project 8	538.88	-	-	-
Project 9	108.35	-	-	-

c. Capital work in progress (CWIP) ageing schedule:

	Less than 1 yr	1-2 yrs	2-3 yrs	more than 3 yrs
March 31, 2025	-	-	-	-
March 31, 2024	236.03	-	-	-

d. The Company does not have any CWIP or IAUD, whose completion is overdue or has exceeded its cost compared to its original plan.

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

36. Events after the reporting period

There were no events after the reporting period which require adjustments in amounts recognised/disclosures in the consolidated financial statements.

37. Disclosure relating to vendors registered under MSMED Act based on the information available with the Company:

Particulars	As at March 31,2025	As at March 31,2024
(a) Amount remaining unpaid to any vendor at the end of each accounting year:		
Principal	92.94	110.22
Interest		
Total	**92.94**	**110.22**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company.

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Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

37.1 Trade Payables - ageing and other details

Rs in lakhs

Trade payables - ageing schedule as on March 31, 2025

Outstanding for following period from due date	Undisputed dues-MSME	Undisputed dues - Others	Disputed dues-MSME	Disputed dues-others
Provisions	-	661.79	-	-
Not due	92.94	472.34	-	-
less than 1 year	-	2,815.02	-	-
1 to 2 years	-	524.42	-	-
2 to 3 years	-	6.52	-	-
more than 3 years	-	63.43	-	-
Total	**92.94**	**4,543.52**	-	-

Trade payables - ageing schedule as on March 31, 2024

Outstanding for following period from due date	Undisputed dues-MSME	Undisputed dues - Others	Disputed dues-MSME	Disputed dues-others
Provisions	-	640.14	-	-
Not due	110.22	381.10	-	-
less than 1 year	-	2,315.75	-	-
1 to 2 years	-	21.70	-	-
2 to 3 years	-	34.94	-	-
more than 3 years	-	12.03	-	-
Total	**110.22**	**3,405.66**	-	-

38. Additional Regulatory Information

(i) Other information

a. The Company and Indian subsidiary does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. The Company and Indian subsidiary has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

c. The Company and Indian subsidiary had no transactions with companies that are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

d. The Company and Indian subsidiary has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

e. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

f. The Company and Indian subsidiary has not traded or invested in crypto currency or virtual currency during the year.

g. Utilisation of borrowed funds and share premium :

(i) The Company and Indian subsidiary has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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Prime Focus Technologies Limited MUMBAI

Notes to the Consolidated Financial Statements for the year ended March 31, 2025
(All amounts in INR lakhs, unless otherwise stated)

(ii) The Company and Indian subsidiary has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

h. The Company and Indian subsidiary does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

39. Regrouping/ Reclassification

The Company has changed the classification / presentation as per below in the current year:

Bank Deposits - Bank Deposits is shown under "Non Current Other Financial assets" as compared to previous disclosure under "Current Financial assets".

The company has reclassified comparative amounts to confirm with current year presentation. Impact of such classification is summarised below:

Restated Statement of Assets and Liabilities

For the year ended 31 March 2024 (Consolidated)

(Rs. In lakhs)

Particulars	As at March 31, 2024 (Previously Reported)	Increase/ (Decrease)	As at March 31, 2024 (Reclassified)
Non-current assets			
Other financial assets	636.09	-291.06	927.15
Current assets			
Bank balances other than cash and cash equivalents	291.06	291.06	-

40. Approval of Consolidated Financial Statements

The Consolidated Financial Statements were approved for issuance by the Board of Directors on May 26, 2025

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Nitin Tiwari
Partner
Membership No: 118894
Place: Mumbai
Date: May 26, 2025

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director
DIN :- 02696897
Place: Los Angeles, USA
Date: May 26, 2025

Nishant Fadia
Director
DIN :- 02648177
Place: Mumbai
Date: May 26, 2025

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Prime Focus Technologies Limited MUMBAI