

Shemaroo Entertainment Limited
Annual Report 2021-22



PIONEERING • RE-INVENTING • PROGRESSING



60 YEARS OF
ENTERTAINING
INDIA

CORPORATE INFORMATION

Board of Directors

Mr. Raman Maroo
DIN: 00169152
Chairman & Managing Director

Mr. Atul Maru
DIN: 00169264
Jt. Managing Director

Mr. Hiren Gada
DIN: 01108194
CEO

Mr. Jai Maroo
DIN: 00169399
Executive Director

Mr. Gnanesh Gala
DIN: 00093008
Independent Director

Mr. Vasanji Mamania
DIN: 00013071
Independent Director

Mr. Shashidhar Sinha
DIN: 00953796
Independent Director

Dr. CA Reeta Bharat Shah
DIN: 07141304
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Amit Haria

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dipesh U. Gosar

STATUTORY AUDITORS

M/s. Mukund M Chitale & Co.

INTERNAL AUDITORS

M/s. VVMP & Co., Chartered Accountants

SECRETARIAL AUDITORS

M/s. Manish Ghia & Associates

BANKERS

State Bank of India
Bank of India
N.K.G.S.B. Co-op. Bank Limited
Deutsche Bank A.G.
HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited,
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
Tel No.: +91-22-4918 6000
Fax No.: +91-22-4918 6060
Website: www.linkintime.co.in/
Email: mumbai@linkintime.co.in

REGISTERED OFFICE

Shemaroo House, Plot No.18,
Marol Co-op. Indl. Estate,
Off. Andheri Kurla Road,
Andheri (East),

Mumbai - 400 059
Tel.: +91-22-40319911
Fax: +91-22-40319794
Website: www.shemarooent.com
Email: shemaroo@shemaroo.com

CORPORATE IDENTITY NUMBER

L67190MH2005PLC158288



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Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects, and are generally identified by forward-looking words such as 'believe,' 'plan,' 'anticipate,' 'continue,' 'estimate,' 'expect,' 'may,' 'will' or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



For over six decades, Shemaroo has been constantly reinventing itself to be at the forefront of entertainment; creating and delivering content which has brought unbridled joy to India and beyond. In this

journey, the Company has experienced distinct phases of growth, success, expansion and learnings. Over the years, Shemaroo has lived and breathed its ethos of making 'India Khush'

PIONEER RE-INVENTING PROGRESS

The Company has been a

PIONEER

in identifying the untapped consumer entertainment needs and has met those evolving and diversified consumer aspirations by delivering quality content across existing and new cutting-edge platforms. Though the media and

entertainment (M&E) landscape has evolved over the years, witnessing changes in consumer preferences, content delivery mechanisms and business models, Shemaroo has always remained ahead of this dynamic curve by constantly

RE-INVENTING

itself.

RING. NTING. SSING.



As Shemaroo steps into a new era, the Company is geared towards tapping into endless possibilities, business opportunities and new avenues; thereby continuing to create the magic of entertainment.

In the process, the Company strongly believes it will contribute to the

PROGRESS

of all its stakeholders by delivering long term and sustainable business growth that creates value for one and all.

Driving 60 years of excellence

1962



1962 - Marked the birth year of SHEMAROO as a book circulating library

1987 - Pioneered the distribution of home video rights in India

1987



2003 - Entered overseas markets for distribution

2003

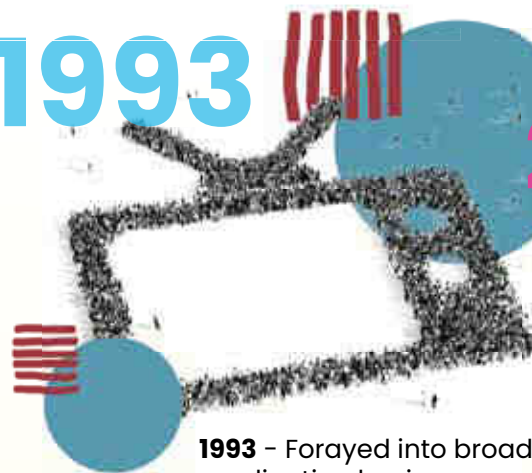


2008 - Entered digital distribution across multiple platforms

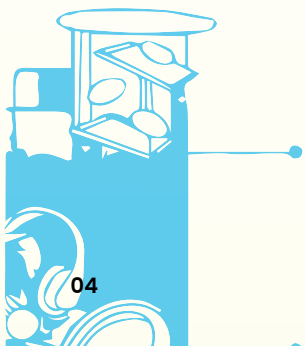
2008

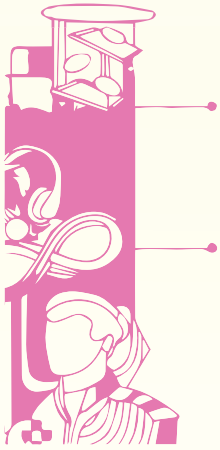
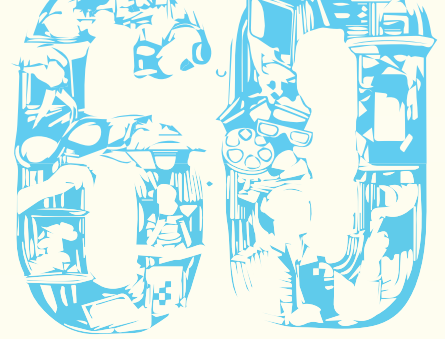


1993



1993 - Forayed into broadcast syndication business





2018 – Refreshed the brand identity



2018

2020



2020 – Forayed into broadcasting business

2019



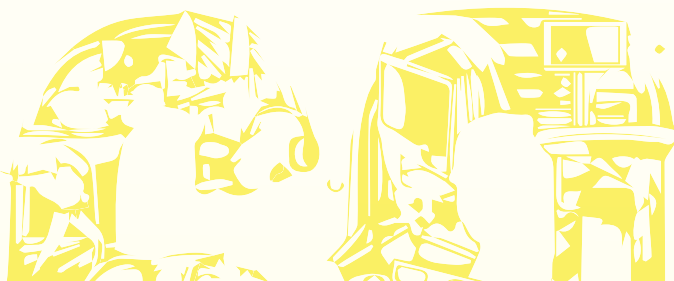
2019 – Launched ShemarooMe OTT platform

2022

YEARS OF ENTERTAINING INDIA

2022 – 60 years of making "India Khush"

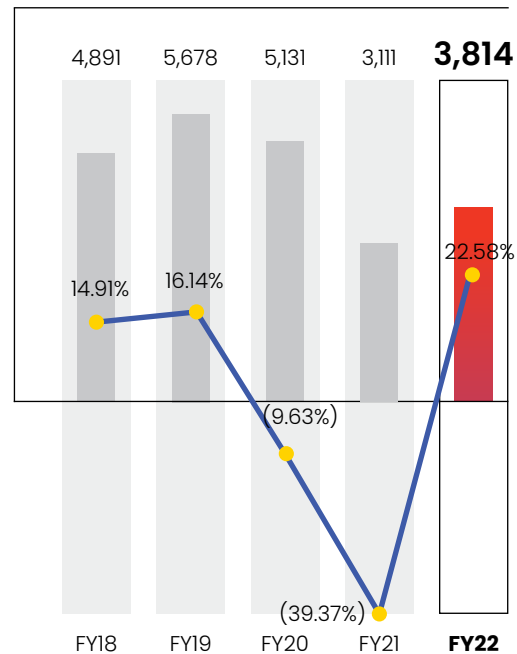
60



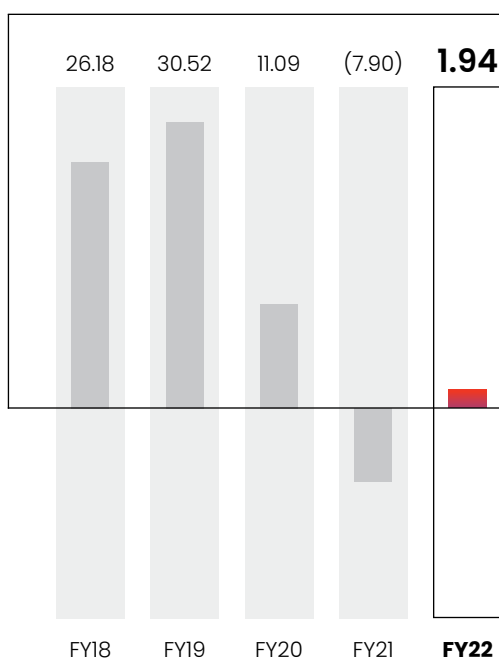
KEY PERFORMANCE INDICATORS



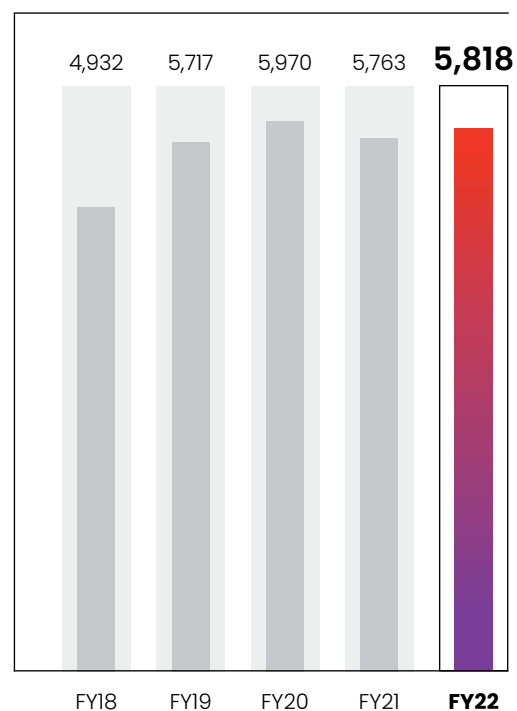
Revenue (INR Mn)
Revenue Growth (in %)



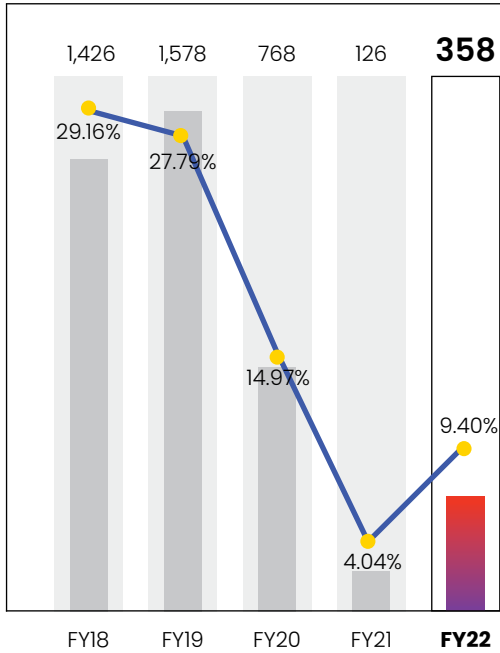
EPS
(in INR)



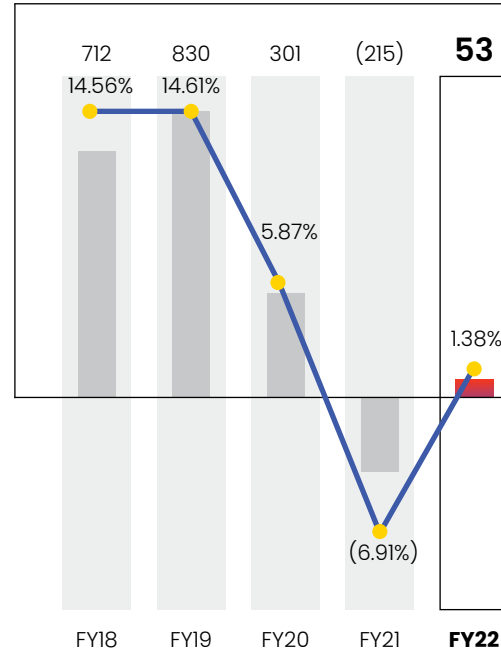
Net worth (INR Mn)



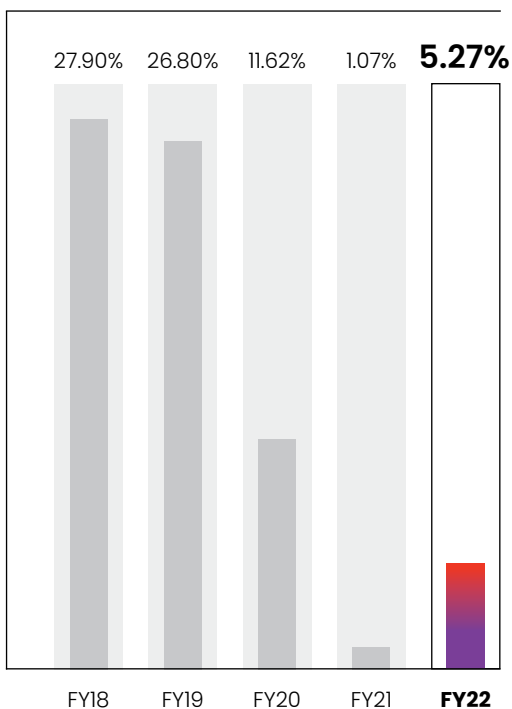
EBITDA (INR Mn)
EBITDA Margin (in %)



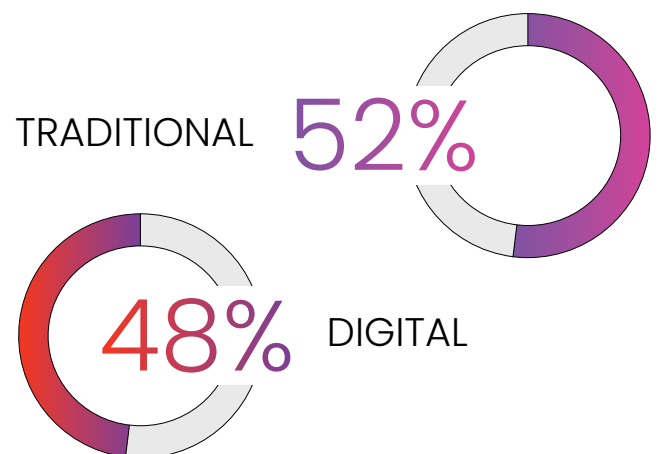
PAT (INR Mn)
PAT Margin (in %)



ROCE* (in %)

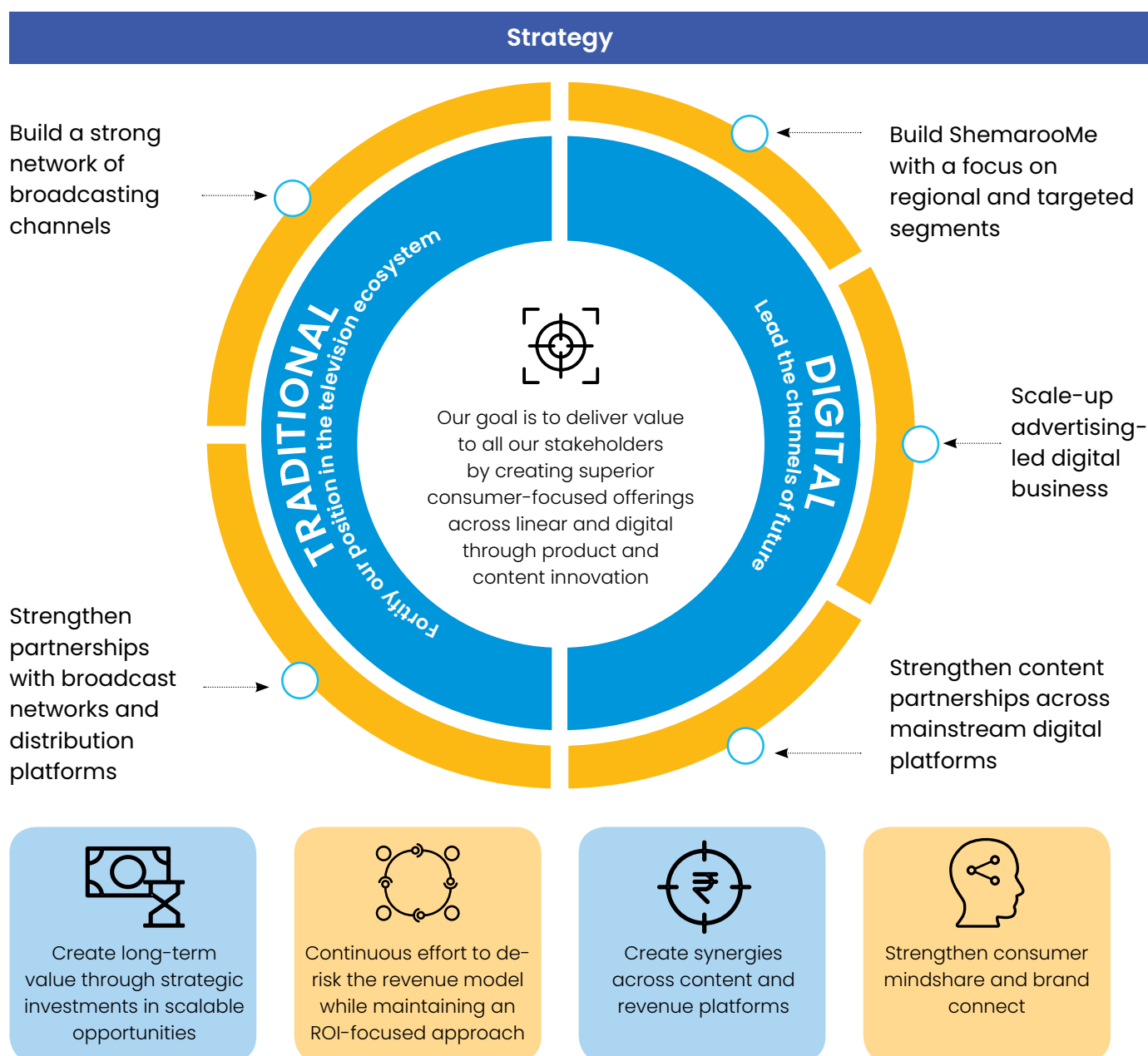


Revenue Breakdown FY22
(in %)



*Including other income

STRATEGY AND BUSINESS MODEL



Content Library

Sr. No.	Types of Content	Total Number of Perpetual Titles	Total Number of Limited Ownership Titles	Total Number of Titles
1	Hindi films	611	1,119	1,730
2	Regional Titles	847	1,144	1,991
3	Special Interest content i.e. Devotional Content, Kids Content, Motivational/ Spiritual Content, Classic Television Serials, Health Related Content etc.	143	302	445
	TOTAL	1,601	2,565	4,166

Right to Win



Brand

Built over 60 years



People

Strong management team with experienced industry professionals



Relationships

Strong relationships in the content creation and distribution ecosystem



Library/ IP

+4,000 titles

Across languages such as Hindi, Marathi, Gujarati, Punjabi

Across genres and formats

Key Monetization Avenues

Broadcasting Channels



ShemarooTV



Shemaroo Umang



Shemaroo MarathiBana

Digital SVOD Platform



ShemarooME

Digital AVOD Platform



Shemaroo operates more than 70 channels on YouTube garnering more than 100 mn views a day

Linear Subscription Services

Subscription services across Tata Sky, Airtel TV, Dish TV, D2h

Syndication

To all leading broadcasters such as Zee, Sony, Star and Viacom

To renowned digital platforms such as Netflix, Amazon Prime Video, Jio, MX Player amongst others

In-Flight

Presence across all leading airlines including Emirates, Qatar, Singapore Airlines, Etihad etc.



AVOD - Advertising video-on-demand
SVOD - Subscription video-on-demand

Stakeholders



Consumers



Employees



Advertisers



Partners



Shareholders

TRADITIONAL – FORTIFY OUR POSITION IN THE

Within two years, Shemaroo's broadcasting business has expanded its reach and entrenched its presence in the Free-to-air (FTA) market on the back of high-quality programming mix including movies and shows.

Shemaroo launched Shemaroo TV, a Hindi general entertainment channel (GEC), and Shemaroo Marathi Bana, a Marathi movie channel, in the year 2020. Despite market-led headwinds, both the channels witnessed steady revenue growth

during the year on the back of robust programming line-up, marketing, and distribution. The channels continued to deliver competitive ratings week-on-week despite the impact of COVID unlocking period on media viewership, thus exhibiting a strong mindshare the channels have developed amongst its core audience. To further strengthen its broadcasting offering, the Company added another Hindi GEC, Shemaroo Umang, to its portfolio of broadcasting channels.

The new channel has a focused programming strategy for women audiences.

The Company's broadcasting channels' growth on viewership and revenue is a testimony to how the investments made by Shemaroo over the last two years have yielded results. Further, the broadcast network of three channels has not only strengthened the brand's position amongst the advertising community but has also helped build a stronger mindshare

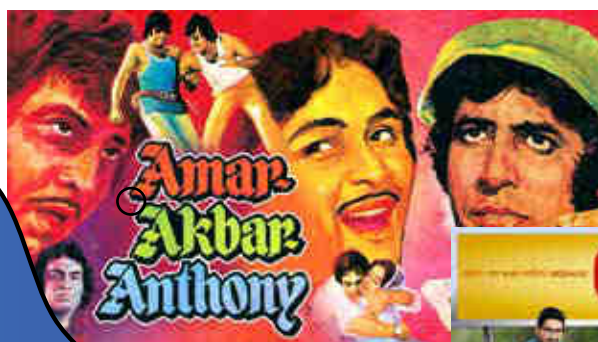


TELEVISION ECOSYSTEM

amongst the television audience. The Company truly believes that television will continue to remain the largest video consumption medium and grow, especially amongst the free audience base. Further it has been seen that advertisers' interest in television medium continues to soar as it helps reach the masses. Shemaroo's broadcasting business has helped it de-risk its revenue model to a more predictable and recurring advertisement-based revenue stream, thus creating long-term value for all its stakeholders.

In its quest to serve its audiences wherever they are present, Shemaroo is present across all traditional platforms with its rich content library. The Company syndicates its content to major domestic and international television channels, content distributors and aggregators. It has partnered with all leading DTH service providers to operate subscription-based, ad-free content services across various genres such as movies, tv shows and music in categories ranging from

devotion, thriller, comedy, Bollywood movies to regional content. The Company holds a leading position in the in-flight entertainment space and syndicates content to more than 100 major airlines. Shemaroo also monetizes its IP through pre-loaded devices with content spread across devotion, Bollywood, kids, amongst others.



DIGITAL – LEAD THE CHANNELS OF FUTURE

Shemaroo has been a pioneer in the Indian digital media space. The Company was early to identify the growth opportunity on YouTube and launch its content channels in 2007. With a diversified presence of more than 70 channels on YouTube and a cumulative subscriber base exceeding 200 million, the Company garners an average daily viewership of around 100 million. The Company's flagship channel Shemaroo Filmi Gaane crossed 60 million subscribers to become the 7th most subscribed channel in India and 20th most subscribed channel globally.

ShemarooMe is the Company's flagship subscription-based video streaming entertainment platform. The app is available in more than 150 countries globally and offers Shemaroo's vast content library across Bollywood, regional, devotional and kids genres. In the first two years of its launch, focus was given to building reach and awareness through partnerships; the app is integrated with telecom operators, e-commerce companies, OEMs, travel and hospitality players and e-wallets. During the year, the Company rolled out its

ShemarooMe B2C strategy on the back of ShemarooMe Gujarati with an impressive line-up of direct-to-digital movie releases, plays and original web-series with leading star cast. During the year, more than 52 new titles were released on the platform. Shemaroo originals such as Yamraj Calling, Goti Soda, Vaat Vaat Ma released on the platform, were well received by the audience. ShemarooMe Gujarati also expanded its footprint outside India with its presence in USA, the largest market for Gujarati diaspora.

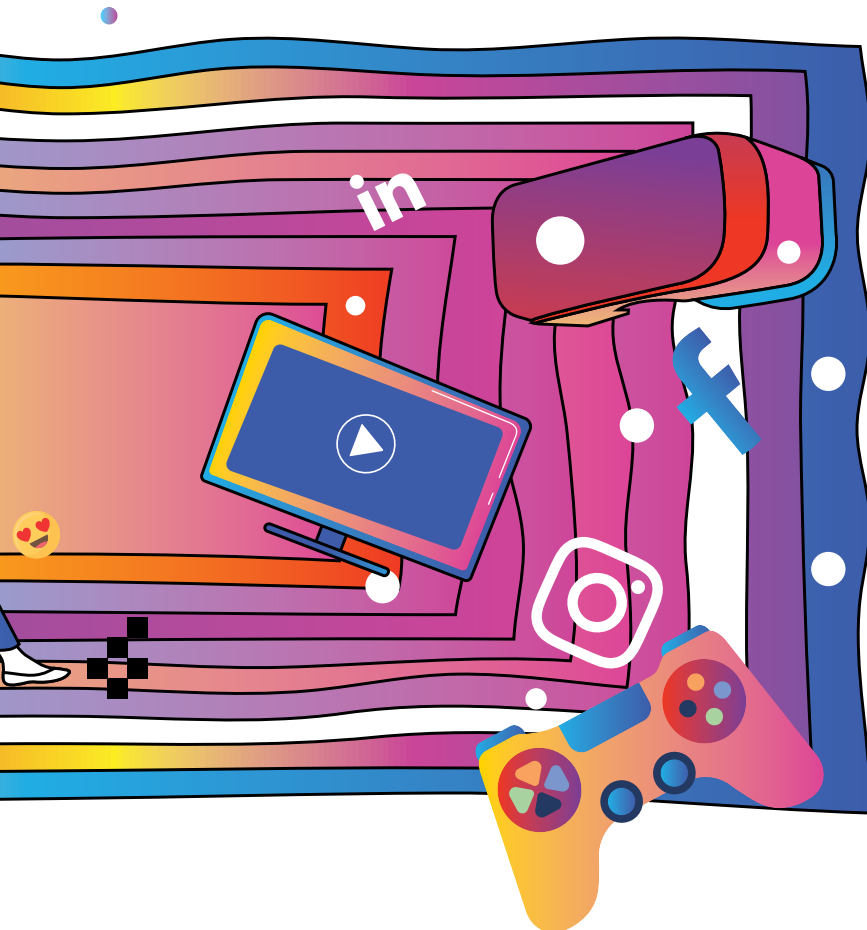


Shemaroo believes that the digital content consumption growth in the next decade will come from both, subscription-led and advertising-led platforms. The Company's successes so far on both these fronts has given the Company the confidence to be front footed in its investment approach for its digital businesses. The Company believes that along with favourable market infrastructure and evolved consumer preferences, the diverse Indian population across languages, demographics, and psychographics, offers multiple profitable segments

for creators like Shemaroo. Over the years, Shemaroo has successfully identified the gaps in content and consumer needs and fulfilled them with customised offerings both in terms of content and platform; thereby creating a differentiated and profitable value proposition for all its stakeholders in the digital space.

Shemaroo believes that strategic partnerships will play an important role as the digital media industry moves into the next phase of this explosive growth. Over the years, the

Company has become the trusted partner to all the major telecom platforms domestically as well internationally and has aggregated and distributed quality content from across the ecosystem. Furthermore, Shemaroo also distributes its library to major video platforms such as Amazon Prime, MX Player, Jio, Netflix, amongst others.



CHAIRMAN AND MANAGING DIRECTOR'S SPEECH

Six decades of delivering joy



Dear Shareholders,

For Shemaroo, 2022 is a year to celebrate 60 years of entertaining India. I can say with immense pride that for the last six decades we have fulfilled on the promise of delivering content that has resonated with an ever-evolving audience. We have managed to accomplish this by pioneering change, constantly re-inventing and relentlessly progressing towards making 'India Khush'.

Despite the year starting on a subdued note with the impact of the second wave of Covid-19 and the resulting lockdowns across the country, we witnessed a gradual economic recovery as consumer and business sentiments across sectors continued to improve, especially during the festive season. However, the optimism was dented to some extent in the last quarter of the year, with the Omicron wave, followed by the impact of the ongoing Russia-Ukraine war and other geopolitical tensions, resulting in rising input costs, uncertainty in global economic environment and supply chain disruptions. The impact on the media and entertainment sector has been somewhat mixed. As business and consumer sentiments improved on account of un-lockdown, there was a cautious revival of advertising spends by large and small advertisers

across industries. Unlocking also resulted in a slowdown in media consumption across both digital and traditional mediums. Nonetheless, we strongly believe that this is a temporary challenge and COVID-19 has brought a systemic shift in content demand and consumption habits which will positively impact the growth of M&E sector in years to come.

It has been more than two years since we launched our broadcasting business and have successfully managed to expand our presence and build mindshare amongst the FTA audience. We recently launched our third FTA channel Shemaroo Umang, a Hindi GEC, focusing on women-centric content. The channel's focus will be to offer relatable stories portraying various shades of relationships within one's family and loved ones. Addition of a new channel to our bouquet has not only helped us strengthen our network, but has also enriched our value proposition, for both, audiences and brands.

On the digital front, we launched our ShemarooMe B2C strategy at the start of the year with a focus on Gujarati, offering an impressive line-up of movies, plays and original web-series. It gives me great pleasure to inform that we have received unparalleled

love, appreciation and strong viewership from Gujarati audiences across India and abroad.

We firmly believe that our Company's success and performance depends on our employees. It gives me great satisfaction to see the commitment shown by each one of them throughout the year towards the growth of the Company. In order to align success and growth of Shemaroo with that of our employees, we launched 'Udaan', our ESOP scheme. We truly believe that this will not only help drive disruptive growth for our Company but will also help those with exemplary performance participate in the growth story of Shemaroo.

I would also like to thank the faith shown by our shareholders, banking partners and board members who have relentlessly helped steer your Company towards a better and brighter future.

This year, our Founder and Chairman, Mr. Buddhichand Maroo announced his decision to retire from the Board and hand over the responsibility of taking Shemaroo Entertainment forward to me. Being the founder of Shemaroo, he weathered initial turbulence and built the Company with a lot of passion and love. He led the company with foresight and vision and instilled our core values to ensure that we always remain a Company that is trusted by all our partners and stakeholders. His extensive and invaluable experience has seen the company grow from strength to strength, and we shall remain eternally grateful for his matchless contributions.

Shemaroo has remained steadfast in building a brand that holds the collective imagination of our audience for six decades. With the changing dynamics of our industry, we believe the coming years hold greater promise for us. Having established our role in delivering compelling media experiences, we will continue to build on that in the future.

Yours sincerely,
Raman Maroo

CEO'S SPEECH

Creating a future-ready business



Dear Shareholders,

The Indian M&E sector staged a comeback in 2021 by growing 16% over 2020. However, it was still short by 11% from the pre-pandemic levels of 2019. While television continues to remain the largest segment at INR 720 billion in 2021, contributing to 45% of the industry revenue, digital contributed the highest incremental revenue of INR 68 billion in 2021, to end the year at INR 303 billion. Advertising staged a recovery, growing 25% in 2021, with digital advertising revenue growing at 29% while television and print advertising revenue growing at 25% and 24% respectively. However, subscription revenue growth was muted at 2%, as television subscription revenues declined 6% due to fall in pay TV households and reduced ARPUs. Paid digital subscriptions increased to 80 million in 2021 from 63 million in 2020, across 40 million subscribing households (Source: FICCI-EY).

For the financial year 2021-22, your company's revenue was INR 3,814 million, an increase of 22.6% YoY while the EBITDA was INR 358 million and the net profit was INR 53 million. The primary contributors to revenue growth were our digital businesses and ramp-up in monetization of our broadcasting channels. Despite continued investments in our new

strategic initiatives, we managed to maintain positive margins during the year. Also, at the start of the year, we undertook several measures to optimize operations and rationalize those businesses that had been severely impacted due to Covid-19 which further helped improve our margins.

On the broadcasting front, continued focused efforts by the Company in terms of content creation and increasing the reach of Shemaroo TV, resulted in an upward trajectory of ratings for the channel. Despite increased competition, Shemaroo MarathiBana also maintained a steady position in the Marathi genre on the back of fresh programming. The last quarter of the year witnessed the exit of the four big broadcasters from the GEC space on DD Freedish, thereby creating an opportunity for the FTA focused broadcasters to gain viewership. Leveraging on this opportunity and to further strengthen our network, we launched Shemaroo Umang, our second Hindi GEC.

We launched ShemarooMe's Gujarati proposition at the start of the year. Throughout the year, we have delivered on the promise of one new Gujarati content piece every week with a mix of original web-series, plays

and movies. The year has seen us get great traction on our ShemarooMe platform from original web series such as Yamraj Calling, Vaat Vaat Ma, Poori Paani, etc. and theatrical blockbusters and critically acclaimed movies such as Swagatam, 21 Mu Tiffin, Shu Thayu, etc. Apart from India, we have also managed to build mindshare amongst the Gujarati diaspora across the world in countries such as US, Canada, UK and other markets.

We continued to be one of YouTube's trusted partners in India with a cumulative subscriber base of over 200 million across our various YouTube channels. We garner a daily viewership of more than 100 million. Our flagship channel 'Shemaroo FilmiGaane' became the 7th most subscribed channel in India and the 20th most subscribed channel globally.

The efforts taken by your Company in the past three years of its B2C journey have put us on a path to achieve phenomenal heights in the years to come. I am confident that as we move forward on this journey of capitalizing on the novel opportunities for growth, we will continue to thrive and keep delivering sustainable value to all our stakeholders. I thank you all for your continued commitment and support.

Yours sincerely,
Hiren Gada

BOARD OF DIRECTORS

Raman Maroo

Chairman & Managing Director

He has an experience of approximately 48 years, out of which he has spent around 39 years in the Media and Entertainment Industry. He has been instrumental in the Group's expansion into television rights syndication as well as transformation of Shemaroo into an established filmed entertainment content house. He has always remained the driving force in the Company, taking it into new directions and is currently serving as the Chairman & Managing Director on the Board of Shemaroo.

Atul Maru

Joint Managing Director

He has around 42 years of experience in the Media and Entertainment industry. He has managed the transition of the Company from VHS days to today's multi-platform operations. He has been actively involved in the operations of the Company and has spearheaded various initiatives including the home video division of our Company.

Hiren Gada

CEO

He has been at the helm of driving the corporate & financial growth, digital direction, strategy, and the transformation of the company from a family run business to a professional corporate firm. He has approximately 26 years of work experience, out of which, he has around 19 years of experience in the Media and Entertainment Industry. He is an industry thought leader and brings a fresh perspective to the M&E space in India.

Jai Maroo

Executive Director

He has experience in the technology industry in USA and Singapore and approximately 19 years of experience in the Media and Entertainment industry. Given his strong technical background, he has catalyzed Shemaroo's expansion on digital distribution platforms such as Mobile, Internet, OTT etc. Currently, he is steering the Organization Transformation & Excellence portfolio for the Company.

Gnanesh Gala

Independent Director

He has around 39 years of experience in the Educational Publishing Industry. He was the President (Finance) of Navneet Publications (India) Limited for more than 23 years and is presently the Managing Director of the said company.

Dr. CA Reeta Bharat Shah

Independent Director

She has over 34 years of experience in the field of education and administration in various capacities. DR. CA Reeta is a Ph.D. from IIT Bombay, a member of Institute of Chartered Accountants of India, Masters in Philosophy, Masters in Commerce, Masters in Business Administration (HRM), Bachelors of Law (General) and Bachelors of Commerce (Hons.). She is engaged as Growth strategist, Tedx and International Keynote Speaker. She has worked as Head of Department (Accountancy) at SIES College of Commerce & Economics for 27 years.

Vasanji Mamania

Independent Director

He has around 60 years of experience in various industrial sectors including Film Processing, Civil Constructions, Heavy Engineering and Non-ferrous Metals. He was the Co-Founder of Adlabs. Mr. Mamania has handled responsibilities ranging from operations to financial planning and engineering inputs in design and processes.

Shashidhar Sinha

Independent Director

He is an alumni of IIT Kanpur IIM Bangalore. He has over 33 years of experience in media and advertising. He is presently the CEO of IPG Mediabrands India and also unanimously got elected as the Chairman of Broadcast Audience Research Council India (BARC). He is widely recognized for his strategic approach to media solutions across a wide portfolio of over 100 blue chip clients. He is actively involved and drives key industry bodies like the Advertising Standards Council of India, AAAI's, Audit Bureau of Circulation, Readership Studies Council of India (RSCI), the Broadcast Audience Research Council India (BARC). He is also an honorable member of the prestigious Facebook India Client Council.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The global economy grew by 5.7 percent in 2021 following a contraction of 3.3 percent in 2020 (Source: World Bank). Countries across the globe focused on vaccination and implemented various economic stimuli to minimise the impact of COVID-19 and accelerate economic recovery.

As per June 2022 estimate, the global economy is expected to grow by 2.9 percent in 2022, significantly lower than 4.1 percent that was anticipated in January 2022 (Source: World Bank). The growth momentum started slowing towards the end of 2021, as the effects of fiscal and monetary stimuli dissipated along with the onset of the Omicron variant of COVID-19. Compounding the damage from the COVID-19 pandemic, the recent geo-political tensions and conflict in Ukraine has slowed down the global growth projections. Other risks magnifying the slowdown in the global economy include emergence of new COVID-19 variants, increasing inflation on account of energy and commodity price volatility caused by supply chain disruptions and increased occurrence of extreme climate events.

Indian Economy

The financial year 2021-22 was a year of recovery for the country. The Indian economy successfully faced the challenges posed by the second and third waves of the pandemic, owing to successful implementation of world's largest vaccination program, combined with continuing fiscal and monetary support and stimulus measures of Reserve Bank of India, central and state governments which gave a much-needed cushion for the stability of the economy. All of the above helped the economy bounce back with an estimated real GDP growth of 8.7 percent in FY22 compared to a contraction of 6.6 percent in the previous fiscal year.

The consumer and business confidence stayed strong with removal of COVID-19 restrictions, improvements in general economic situation, household incomes, and spending. The economic recovery continued its positive momentum throughout the festive season. Indicators such as GST collections and toll and e-way bills demonstrated recovery to pre-pandemic levels.

The macro-economic indicators suggest that the Indian economy is well on its way to achieve its pre-pandemic growth levels. While initial forecasts of real GDP growth for fiscal 2023 are in the range of 6.9 percent to 7.5 percent, the recent geo-political developments in Ukraine pose a downside risk. Inflation is also expected to remain elevated in the near term. Other key factors which can impact growth in the coming year are energy prices and the future trajectory of the COVID-19 pandemic. Though these issues may result in capital outflows, a rapid devaluation of the currency and other economic turbulences in the short-term, the country's growth is expected to rebound by the end of 2022.

Media & Entertainment Industry:

The year 2021 witnessed a recovery in the fast-evolving Indian Media and Entertainment (M&E) industry as the economy bounced and the country went through gradual phases of un-lockdowns. Digital media engagement continued to remain strong, evidence that the pandemic has only accelerated the pre-pandemic trends. This was backed by growth in internet penetration, smartphones and the time spent on consuming online content. Apart from digital, the other fast-growing segments in 2021 were animation and VFX, filmed entertainment (although from a shrunk base) and online gaming.

During 2021, the M&E sector grew by 16% to INR 1.61 trillion (USD 21.5 billion), still 11% below the pre-pandemic levels of 2019. As per estimates, the M&E sector is expected to surpass the 2019 number in 2022 and subsequently grow at a CAGR of 11% to reach INR 2.32 trillion by 2024.

The Covid-19 pandemic has brought about some major changes in trends which will probably change the very DNA of the sector for time to come. The most important change has been an increase in digital consumption. Television continued to remain the largest segment, while digital media reduced the gap and further consolidated its position over print. All segments of M&E witnessed a growth in 2021 on account of un-lockdown. Largest absolute contributors to the growth were digital (INR 68 billion), print (INR 37 billion) and television (INR 35 billion).

All figures in INR billion

	2019	2020	2021	2022E	2024E	CAGR 2021-24
Television	787	685	720	759	826	5%
Digital Media	221	235	303	385	537	21%
Print	296	190	227	241	251	3%
Online gaming	65	79	101	120	153	15%
Filmed Entertainment	191	72	93	150	212	32%
Animation and VFX	95	53	83	120	180	29%
Live events	83	27	32	49	74	32%
Out of Home media	39	16	20	26	38	25%
Music	15	15	19	21	28	15%
Radio	31	14	16	18	21	9%
Total	1,822	1,386	1,614	1,889	2,320	13%

Source: EY FICCI

The share of traditional media (television, print, filmed entertainment, OOH, radio, music) was more than two-thirds of the M&E sector revenue in 2021. Television continues to be the largest segment accounting for a 45% share of the M&E industry, followed by digital and print. Television advertising increased 25% in 2021, primarily driven by ad volumes increasing 21%, while ad rates increased by only 3%. On the contrary, there was a 6% fall in the subscription income due to the growth of free television and a reduction in ARPUs.

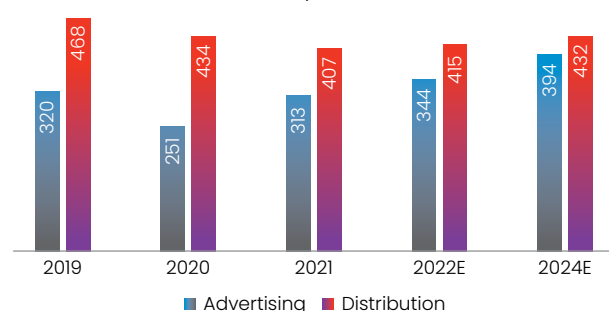
Digital advertising revenue increased 29% in 2021 due to the traditional advertisers increasing their investments in digital sales channels. 40 million households paid for 80 million video OTT subscriptions in 2021, contributing to 27% growth in the number of subscriptions and 27% growth in revenue. Audio subscription also grew 49% in 2021, with 3 million paying consumers. Also, digital video and audio platforms saw an uptick in consumption due to telco bundling; 322 million Indians consumed content which came bundled with their data plans.

Television Segment:

The gradual un-lockdown during the year did bring about a recovery, albeit volume driven, in the television ad spends. Ad insertions were significantly higher in the first three quarters of the year, before dropping below the 2020 number in Q4. The growth in average ad rate was a mere 3% in 2021. The television advertising grew by 25% and ad volumes increased 21% in 2021 as compared to 2020. The television subscription revenue continued to fall for the second year in a row, dropping by 6% due to reduction in Pay TV homes and a fall in ARPUs. The number of Free TV households increased to 43 million while connected TV sets increased to 10 million during the year. Television households are expected to continue to grow at 1% till 2025, with growth expected to be contributed by connected TVs which could cross 40 million and Free

TV which is likely to cross 50 million. DD Free Dish, which currently hosts 164 channels, will have a significant role to play in the growth of television in the country for the next decade. We recently witnessed the exit of the four big broadcasters i.e. Star India, Viacom18 Media, Zee Entertainment Enterprises and Sony Pictures Networks India from the GEC space on DD FreeDish, thereby creating an opportunity for the FTA focused broadcasters to gain viewership.

Television Industry Revenue (in INR Bn)



Source: FICCI-EY Report

Television is expected to remain the largest revenue segment of the Media and entertainment industry in India in the near future. Television revenue is expected to grow at a CAGR of 5% to reach INR 826 billion by 2024, driven primarily by increased TV household penetration, especially in the Free TV space and continued importance and effectiveness of TV advertising. TV advertising is expected to grow by more than 8% p.a. to reach INR 394 billion in 2024 on the back of fresh sports content, regional channels, and continued growth of free television. Television subscription revenue is expected to grow by 2% p.a. till 2024 to reach INR 432 billion.

Digital Segment:

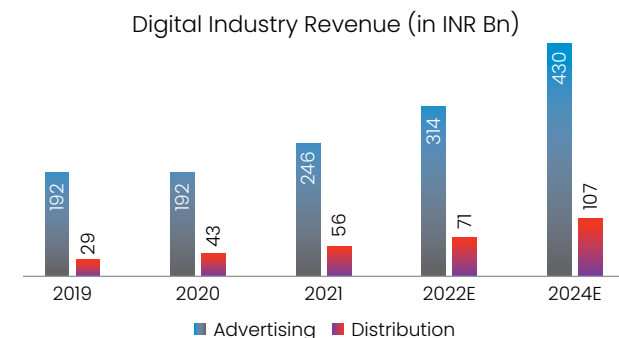
Digital media grew by 29% in 2021 on the back of increased internet penetration (834 million), growth in smartphone

base to 503 million and increasing time spent by Indians i.e., 4.7 hours a day on their phones. The year 2021 witnessed close to 500 million digital video viewers which is expected to grow to 600 million by 2024.

Digital advertising increased by 29% to reach INR 246 billion in 2021. Digital now contributes 33% to the overall advertising pie in the country. The digital advertising segment had overtaken print in 2020 and we expect it to reduce the gap to television advertising in the years to come on the back of improved digital infrastructure, changing consumer habits and availability of content. Digital subscription grew 29% to reach INR 56 billion in 2021. Paid video segment generated revenue of INR 54 billion in 2021 through 80 million paid subscriptions across 40 million households. The key drivers for growth included direct to digital films, over 2,500 hours of original content, live sports, exclusive reality content, etc.

The digital media segment is projected to grow at a CAGR of 21 percent till 2024 to reach INR 537 billion. Digital

advertising revenue is expected to outpace all other media formats to become equal to television advertising by 2023. Subscription revenues are expected to grow at 24% CAGR till 2024 as paid subscriptions will reach 114 million across 60 million subscribing households by 2024. Demand for original content will increase from 2,500 hours to 4,000 hours by 2024. The share of regional languages in original content will surpass Hindi by 2024.



Key Financial Ratios:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the key financial ratios along with reason for changes are given below:

Ratios	Standalone			Consolidated		
	FY21-22	FY20-21	FY19-20	FY21-22	FY20-21	FY19-20
Debtors Turnover Ratio	6.67	5.83	5.95	6.77	5.70	4.92
Inventory Turnover Ratio	0.51	0.43	0.73	0.53	0.43	0.78
Interest Coverage Ratio	1.26	0.29	2.96	1.20	0.22	2.96
Current Ratio	2.99	3.07	3.25	2.88	2.97	3.08
Debt Equity Ratio	0.42	0.45	0.38	0.44	0.47	0.42
Operating Profit Margin (%)	8.5%	2.5%	14.4%	8.1%	2.0%	14.0%
Net Profit Margin (%)	1.7%	-6.3%	4.9%	1.3%	-7.0%	5.9%
Return on Net Worth	5.3%	1.3%	11.6%	5.4%	1.1%	12.1%

The increase in Debtors Turnover ratio is attributable to lower credit period. The inventory turnover Ratio is increased due to increase in sales and better market conditions. Interest Coverage Ratio is increased due to increase in earnings in current year. The decrease in Current Ratio is primarily on account of increase in trade payables. The decrease in Debt Equity Ratio is primarily on account of decrease in borrowings. The increase in Operating Profit Margin is primarily because the percentage of increase in turnover is higher than

percentage of increase in operating expenses. The increase in Net Profit Margin is primarily because the percentage of increase in turnover is higher than percentage of increase in total expenses. Return on Net Worth is increased due to high net profit of the Company.

To avoid duplication and repetition, certain heads of information required to be disclosed in the Management Discussion and Analysis Report have been included in the Board's Report/other parts of this Report.

BOARD'S REPORT

Dear Members,

Your Directors' take pleasure in submitting their 17th Annual Report on the business and operations of your Company together with the Audited Financial Accounts for the financial year ended March 31, 2022.

In the year 2022, Shemaroo completes journey of 60 years of entertaining India. In this journey, the Company has experienced distinct phases of growth, success, expansion and learnings. Shemaroo has been constantly reinventing itself to be at the forefront of entertainment; creating and delivering content which has brought unbridled joy to India and beyond. Over the years, Shemaroo has lived and breathed its ethos of making 'India Khush'.

1. FINANCIAL RESULTS

(Rs in Lakhs)

Particulars	Current year 2021-22	Previous year 2020-21
Total Income	36,989	30,648
Total expenditure	36,335	32,568
Profit /Loss Before Taxation	654	(1,949)
Tax Expenses	9	(24)
Profit After Taxation	645	(1,925)
Other Comprehensive Income	(17)	86
Total comprehensive income/(loss) for the year	628	(1,839)

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

During the year under review, the Standalone Revenue from Operations & Other Income has increased to ₹ 36,989 Lakhs as against ₹ 30,648 Lakhs in the previous year and the Consolidated Revenue from Operations & Other Income has increased to ₹ 38,326 Lakhs as compared to ₹ 31,214 Lakhs in the previous year.

Your Company had a standalone Net profit after tax of ₹ 645 Lakhs as compared to the Net Loss after tax of ₹ 1,925 Lakhs in the previous financial year and a consolidated Net Profit after tax of ₹ 527 Lakhs as compared to the Net Loss after tax of ₹ 2,148 Lakhs in the previous financial year.

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

3. SUBSIDIARIES AND ASSOCIATE COMPANIES

During the year under review, the Company has 4 subsidiaries. There has been no change in the nature of business of the subsidiaries / associate, during the year under review.

With a view to prioritising investments in Company's own growth initiatives, Company and Dominiche Production Private Limited (Dominiche) have mutually decided not to proceed with the completion of 50% acquisition of shares of Dominiche in multiple tranches (which was approved by Board on April 15, 2019). As on date, the Company holds 13.88% of the shareholding of Dominiche.

Pursuant to Section 129(3) of the Act, a statement in Form AOC- 1 containing the salient features of the financial positions of the subsidiaries / associate company forms part of this Report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents, and separate audited accounts in respect of subsidiaries, are available Company's website www.shemarooent.com under Investors section.

During the year ended March 31, 2022, the Company does not have any material subsidiary companies as defined in the SEBI Listing Regulations. The Policy for determining Material Subsidiaries of the Company is available on the Company website at www.shemarooent.com under Investors section.

4. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report is presented in a separate section, which forms part of this Report.

5. DIVIDEND

With a view to conserve the resources, your Directors have not recommended any dividend for the year ended March 31, 2022.

6. TRANSFER TO RESERVE

The Company do not proposes to transfer any amount to General Reserve.

7. PUBLIC DEPOSITS

During the Financial Year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.

8. ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and administration) Rules, 2014, the Annual Return in Form MGT 7 will be available on the website of the Company at General Meeting Corner <https://www.shemarooent.com/investors/>

9. SHEMAROO ENTERTAINMENT LIMITED EMPLOYEES STOCK OPTION SCHEME-2021 ("UDAAN / ESOP SCHEME")

The Company has launched UDAAN - an Employees Stock Option Scheme, which was passed by Shareholders through postal ballot on January 16, 2022, to rewards the employees on the basis of their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

The certificate from the Secretarial Auditor on the implementation of the scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and/or re-enactment(s) thereof) is given as an annexure to this report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees given and investments made during the year as required under Section 186 and any other provisions of the

Act and Schedule V of the SEBI Listing Regulations are provided in Notes 5a and 8d of the Standalone Financial Statements.

11. CREDIT RATING

During the year under review, CARE Ratings revised and assigned their rating of "CARE BBB; Outlook: Stable", for Long Term Bank Facilities of ₹ 221 Crore

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS

During the year under review, there were no significant or material orders passed by Regulators / Courts / Tribunals against the Company impacting its going concern status and operations in future.

13. DIRECTORS RESPONSIBILITY STATEMENT

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

1. in the preparation of the Annual Accounts for the year ended March 31, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a fair view of the state of affairs of the Company at the year ended March 31, 2022 and of the profit of the Company for that period;
3. proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Annual Accounts for the year ended March 31, 2022 have been prepared on a going concern basis;
5. proper internal financial controls to be followed by the Company has been laid down and that such internal controls are adequate and were operating effectively; and
6. proper systems to ensure compliance with the provisions of all applicable laws has been devised and that such systems were adequate and operating effectively.

14. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

a. Directors

During the year under review, Your Chairman, Mr. Buddhichand Maroo has announced his decision to retire from the Board w.e.f. December 07, 2021 due to his advancing age and handed over the responsibility of taking Shemaroo Entertainment forward to Mr. Raman Maroo, Managing Director.

Mr. Buddhichand Maroo, the founder of Shemaroo, has built the Company with a lot of passion and love. His extensive and invaluable experience has seen the company grow from strength to strength.

Mr. Raman Maroo has taken over as the new Chairman along with his existing responsibilities as Managing Director w.e.f. December 07, 2021. His vision and determination have made Shemaroo a household name that it has become today.

Mr. Kirit Gala, Independent Director on the Board has also resigned w.e.f. December 07, 2021 due to pre-occupations.

The Board places on record its deep appreciation for the valuable contributions made by them during their tenure on the Board.

Mr. Hiren U Gada (DIN: 01108194), CEO is liable to retire by rotation at the 17th Annual General Meeting (AGM) and being eligible, offer himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI Listing Regulations. Further, in the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations.

b. Key Managerial Personnel

During the year under review, the Company has re-designated the following existing Key Management Personnel to Non-Key Management Personnel/regular Head of Departments of the Company w.e.f. December 07, 2021:

- i. Ms. Kranti Gada – Chief Operating Officer
Arambhan
- ii. Ms. Smita Maroo – Sr. VP – Animation, Kids
Digital, L&M

- iii. Ms. Mansi Maroo – Producer – Film
- iv. Mr. Vinod Karani – EVP – Broadcast
Syndication &
Acquisition
- v. Mr. Hemant Karani – Sr. VP – Studio
- vi. Mr. Ketan Maru – Sr. VP – Film Production
- vii. Mr. Bipin Dharod – Sr. VP – Physical Sales &
Distribution

Pursuant to Section 203 of Companies Act, 2013; the Key Managerial Personnel of the Company as on date are:

- i. Mr. Raman Maroo – Chairman & Managing
Director
- ii. Mr. Atul Maru – Jt. Managing Director
- iii. Mr. Hiren Gada – Chief Executive Officer
- iv. Mr. Amit Haria – Chief Financial Officer
- v. Mr. Dipesh Gosar – Company Secretary &
Compliance Officer

c. Meetings of Board of Directors

During the year under review, the Board met five times. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this report.

d. Audit Committee

The Audit Committee comprises of four members. The Chairman of the Committee is an Independent Director. The Committee met five times during the year. The details pertaining to composition of the Audit Committee and terms of reference are included in the Corporate Governance Report, which forms part of this Report.

e. Performance Evaluation of the Board

As per the provision of the Act and Regulation 17 of the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and that of its Committees as well as performance of the Directors individually, was carried out internally. The performance evaluation of the Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors.

Feedback was sought by way of a structured questionnaire, based on criteria approved by the Nomination and Remuneration Committee, for evaluation of performance of Board, Committees of Board and Individual Directors. The outcome of the evaluation was shared with the Nomination and

Remuneration Committee, Board and the Directors expressed their satisfaction with the evaluation process.

f. Familiarisation Programme of Independent Directors

The Company undertook familiarization programme for familiarizing Director's with the Company's operations and other relevant information, which would enable them to take well informed decisions, discharge the responsibilities and functions conferred on them. Details of familiarization programme imparted are placed on Company's website at www.shemarooent.com under Investors section.

g. Policy on Appointment and Remuneration

In accordance with the provisions of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Nomination & Remuneration of Directors and Senior Management Employees on the recommendation of Nomination & Remuneration Committee. The main objective of the said policy is to identify person for appointing on the Board and at senior management level of the Company, level and composition of remuneration is reasonable and sufficient to attract, retain and motivate. The details of the Policy are given in the Corporate Governance Report.

15. AUDITORS AND AUDITORS REPORT

a. Statutory Auditors

M/s Mukund M. Chitale & Co., Chartered Accountants, (ICAI Firm Registration Number 106655W) were appointed as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the 16th Annual General Meeting held in the year 2021, till the conclusion the 21st Annual General Meeting to be held in the year 2026.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Further, Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

b. Secretarial Auditors

The Company has appointed M/s. Manish Ghia & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is given as an annexure to this report.

The Secretarial Compliance Report for the financial year ended March 31, 2022, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations, was submitted to Stock Exchange(s).

There are no qualifications, reservations, or adverse remarks in the Secretarial Audit and Secretarial Compliance Report issued by them for the financial year 2021-22.

16. RELATED PARTY CONTRACTS OR ARRANGEMENTS

All Related Party Transactions executed in financial year 2021-22 were on arms' length basis and in the ordinary course of business. All related party transactions are placed before the Audit Committee for their prior approval and the details of the related party transactions undertaken during a particular quarter are placed at the meeting of the Audit Committee held in the succeeding quarter.

During the year, there were no related party transactions which were materially significant and that could have a potential conflict with the interests of the Company at large. Accordingly, there are no transactions that are required to be reported in Form AOC 2. All related party transactions are mentioned in the notes to the accounts.

The policy on Related Party Transactions as approved by the Board is placed on the company's website at www.shemarooent.com under Investors section.

17. INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

The Company's Internal Control System are commensurate with nature of its business, size, scale and complexity of its operations. Internal auditing, of the Company, involves the utilisation of a systematic methodology for analysing business processes or organisational problems and recommending solutions to add value and improve the processes. The audit approach verifies compliance with the regulatory, operational and system related procedures and controls. It includes control processes both on manual and IT applications including the application wherein the transactions are approved and recorded. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls.

The Company has also appointed M/s. VVMP & Co., Chartered Accountants, Internal Auditors of the Company. It formulates the audit plan, scope,

functioning and methodology, which are reviewed every year, in a manner that they cover all areas of operations. The Audit Committee periodically deliberates on the operations of the Company with the Members of the Management. Reports of the internal auditors are regularly reviewed by the management and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

18. RISK MANAGEMENT

The Company has in place a Risk Management Policy, pursuant to the provisions of Section 134 of the Act and Regulation 17 of the SEBI Listing Regulations. The Company has a robust organisational structure for managing and reporting on risks.

The Senior management periodically reviews the risk management framework to keep updated and address emerging challenges. Risk assessment and management procedures and status are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

In terms of Regulation 21 of the SEBI Listing Regulations, the Constitution of Risk Management Committee was not applicable during the financial year 2021-2022.

19. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Vigil Mechanism as envisaged in the Act and the SEBI Listing Regulations is implemented through the Company's Whistle Blower Policy provides formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, actual / suspected fraud or wrongful conduct within the Company. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The details of the Whistle Blower Policy are available on the website of the Company at www.shemarooent.com under Investors section.

20. TRANSFER OF UNCLAIMED DIVIDEND / SHARE APPLICATION MONEY DUE FOR REFUND TO IEPF

Pursuant to applicable provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer

and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

Shareholders who have not claimed their dividend warrants due for refund are requested to immediately send their request for issue of duplicate warrants.

The details of unclaimed dividend as on March 31, 2022 are as follows:

Sr. No.	Particular	Date of declaration	Due date for transfer to IEPF
1.	Unclaimed Final Dividend for FY 2018-2019	24.09.2019	29.10.2026
2.	Unclaimed Final Dividend for FY 2017-2018	11.09.2018	17.10.2025
3.	Unclaimed Final Dividend for FY 2016-2017	27.09.2017	02.11.2024
4.	Unclaimed Final Dividend for FY 2015-2016	26.09.2016	01.11.2023
5.	Unclaimed Final Dividend for FY 2014-2015	21.09.2015	28.10.2022

Pursuant to section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, ('the Rules'), the Company has remitted the unclaimed share application money of ₹ 1,55,295/- being the amount remaining unpaid in the IPO Refund Account relating to the financial year 2014 to the 'Investor Education and Protection Fund (IEPF) Authority established by the Central Government.

The Company has placed on its website www.shemarooent.com, the information on dividends and application money which remain unclaimed with the Company. The information is also available on the website of the Ministry of Corporate Affairs i.e. www.mca.gov.in.

21. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the year under review, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

22. SHARE CAPITAL

During the year under review, Company has increased Authorised Share Capital from ₹ 30,00,00,000/- (Thirty crores i.e. 3,00,00,000 (Three Crores) Equity Shares of Rs 10/-) to ₹ 60,00,00,000/- (Sixty crores i.e. 6,00,00,000 (Six Crores) Equity Shares of Rs 10/-) each ranking pari passu in all respect with the existing Equity Shares of the Company.

As on March 31, 2022, the authorized share capital of the Company was ₹ 60,00,00,000/- and the paid-up equity share capital was ₹ 27,18,22,390/- comprising of 2,71,82,239 equity shares of ₹ 10 each.

23. CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under SEBI Listing Regulations. The Report on Corporate Governance, alongwith Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance, as stipulated under the SEBI Listing Regulations is annexed and forms part of this Report.

24. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

25. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information relating to the Conservation of Energy and Technology Absorption required under Rule 8(3)(A) and 8(3)(B) of Companies (Accounts) Rules, 2014 are not applicable to the Company due to the very nature of the industry in which it operates. However, we endeavour to support the environment by adopting environment friendly practices in our office premises.

In view of the nature of activities which are being carried on by the Company, the information in connection with technology absorption is Nil.

The particulars regarding foreign exchange earnings and outgo during the year are given in Note 27.2 of the Standalone Financial Statements forming part of this Report.

26. HUMAN RESOURCES

At Shemaroo, we believe that our employees are valuable resources working to drive the organization's growth. The strategic alignment of the Human

Resource department to our business priorities is therefore critical. The Company takes pride in the commitment, competence, and dedication of its employees in all areas of the business. Attracting, developing, and retaining the right talent will continue to be a key strategic imperative, and the organization continues to maintain a steady focus towards that.

With the onset of the second wave of COVID-19, we consciously postponed our return to work to protect our employees. In an environment where vaccine availability was scarce, we tied up with leading hospitals to provide vaccinations to our employees and their family members. We then phased out our return to work over several months, helping employees adjust to the new normal and get their home systems in place. We also rolled out medical insurance for all our employees, providing them with financial protection and reassurance. We launched Reach Out, a program to build awareness on mental wellness and to encourage employees to take action to maintain the same. Physical wellness continued to be an area of focus, with our monthly fitness challenges and medical activities. Upskilling was another focus area, with several open trainings being conducted on Microsoft Excel, PowerPoint, and Written Communication skills. On Women's Day, we launched Femme Power, our forum for women at Shemaroo to support their professional and personal growth, encouraging them to find and pursue their passions, while also supporting them in maintaining their health.

Your Company has well laid down, objective and transparent processes for Recruitment, Selection, Performance Management and Talent Management. To maintain its competitive edge in a highly dynamic industry, it recognizes the importance of having a workforce which is consumer-focused, performance-driven, and future-capable. The Company is committed to nurturing, enhancing, and retaining its top talent through superior learning and organizational development, and by shaping a performance culture that brings out the best in our people.

The total employee strength at the end of financial year 2021-22 is 502.

27. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The disclosure with respect to remuneration as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure 'A' to the Board's Report.

The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, as per Section 136(1) of the Act, the Annual Report and Financial Statements are being sent to the shareholders of the Company excluding the aforesaid information. The said information is available for inspection by shareholders at the Registered Office of the Company during working hours for a period of 21 days before the ensuing Annual General Meeting and shall be made available to any shareholder on request.

28. SEXUAL HARASSMENT

The Company has in place policy for the prevention of sexual harassment at workplaces in line with the requirements of the Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder and conducted sessions for employees across the organization to sensitise employees and build awareness on Prevention of Sexual Harassment at workplaces. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review no complaints were received in regard to sexual harassment.

29. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The role of the committee is to review the CSR Policy, indicate activities to be undertaken by the Company towards CSR and formulate a transparent monitoring mechanism to ensure implementation of projects and activities undertaken by the Company towards CSR.

A brief outline of the CSR Policy of the Company, the CSR initiatives undertaken during the financial year 2021-22 together with progress thereon and the report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in Annexure 'B' to the Report.

The CSR policy is available on our website at www.shemarooent.com under Investors section.

30. CAUTIONARY STATEMENT

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis,

describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations includes but not limited to changes in exchange rate fluctuations, tax laws, litigation, labour relations, interest costs, political and economic environment.

31. ACKNOWLEDGEMENT

As Shemaroo steps into a new era, the Company is geared towards tapping into endless possibilities, business opportunities and new avenues; thereby continuing to create the magic of entertainment. In the process, the Company strongly believes it will contribute to the progress of all its stakeholders by delivering long term and sustainable business growth that creates value for one and all.

Your Directors take this opportunity to express their sincere appreciation for the support and co-operation extended by the shareholders, customers, bankers, financial institutions, government authorities and other business associates.

The Board also gratefully acknowledges for the exemplary contribution made by the employees of the Company at all levels for achieving business goals. Their dedicated efforts and enthusiasm have been pivotal to enable the Company to navigate this period with confidence. The Board of Directors would also like to thank all stakeholders for the continued confidence and trust placed by them with the Company. We look forward to continued support of all these partners in progress.

For and on behalf of the Board of Directors

Raman Maroo

Chairman & Managing Director
DIN: 00169152

Atul Maru

Jt. Managing Director
DIN: 00169264

Mumbai
May 10, 2022

Annexure A

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- A. Ratio of remuneration of each Director to the median remuneration of all the employees and Details of percentage increase in the remuneration of each Director and CFO & Company Secretary for the financial year 2021-22 is as follows:

(₹ in lakhs)

Sr. No.	Name	Total Remuneration for financial year 2021-22	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1.	Buddhichand Maroo*# Chairman & Non-Executive Director	-	-	-
2.	Raman Maroo Chairman & Managing Director	90.00	75.54	13.82
3.	Atul Maru Joint Managing Director	90.00	75.54	13.82
4.	Hiren Gada Chief Executive Officer & Chief Financial Officer	120.00	134.05	18.43
5.	Jai Maroo Executive Director	59.82	150.71	9.19
6.	Gnanesh Gala* Independent Director	-	-	-
7.	Kirit Gala*# Independent Director	-	-	-
8.	Vasanji Mamanian* Independent Director	-	-	-
9.	Shashidhar Sinha* Independent Director	-	-	-
10.	Reeta Shah* Independent Director	-	-	-
11.	Dipesh Gosar Company Secretary & Compliance Officer	17.42	8.30	2.67

* The Non-Executive Directors of the Company are entitled to sitting fee and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report.

Ceased to be directors w.e.f December 7, 2021.

- B. The median remuneration of employees of the Company during the financial year was ₹ 6,51,081/-
- C. The percentage increase in the median remuneration of Employees for the financial year was 7.83%.
- D. There were 502 permanent employees on the rolls of Company as on March 31, 2022.
- E. Average percentile increase in the salaries of employees other than Managerial Personnel was 16.37% whereas the increase in the Managerial Remuneration was 94.81%. Average Remuneration increase/decrease is dependent on the Company's performance as a whole, individual performance level aligning with market benchmarks and economy scenario.
- F. It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

Annexure B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR THE FINANCIAL YEAR 2021-2022

1	A brief outline of the company's CSR policy.	The Company has a CSR policy in place which endorses the idea of improving quality of lives of people in the communities in which it operates, as it believes that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies. The thrust areas of the Company's CSR activities are as under: 1. Livelihood security and enhancement 2. Education 3. Healthcare and Social welfare 4. Arts/Sports and culture The above areas are mapped with the activities as prescribed in Schedule VII of the Companies Act, 2013 in the Annexure. The policy elucidates the responsibilities of the Board & CSR Committee and implementation & monitoring process towards achieving the Company's CSR goals. The CSR Policy of the Company has been uploaded on the website of the Company at www.shemarooent.com
2	The Composition of the CSR Committee/Meetings held and Attendance	1. Mr. Atul Maru (Chairman and Jt. Managing Director) 2. Mr. Hiren Gada (Member and CEO) 3. Mr. Vasanji Mamania (Member and Independent Director) During the FY 2021-2022, CSR Committee was held four times (4) i.e. 08.06.2021; 27.07.2021; 26.10.2021 and 24.01.2022. All the members of CSR committee attended the aforesaid meetings.
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	www.shemarooent.com
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	NOT APPLICABLE
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	NOT APPLICABLE
6	Average net profit of the company for last three financial years	₹ 5289.91 Lakhs
7	A. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) B. Surplus arising out of the CSR projects or Programmes or activities of previous financial years C. Amount required to be set off for the financial year, if any D. Total CSR obligation for the financial year	₹ 105.80 Lakhs NIL ₹ 105.80 Lakhs

8a.	CSR amount spent or unspent for the financial year	Refer Annexure 1
8b.	Details of CSR amount spent against ongoing projects for the financial year	Nil
8c.	Details of CSR amount spent against other than ongoing projects for the financial year.	Refer Annexure 3
8d.	Amount spent in Administrative Overheads	Nil
8e.	Amount spent on Impact Assessment, if applicable	NOT APPLICABLE
8f.	Total amount spent for the Financial Year (8b+8c+8d+8e)	INR 108.15 Lakhs
8g.	Excess amount for set off, if any	Refer Annexure 2
9a.	Details of Unspent CSR amount for the preceding three financial years	NOT APPLICABLE
9b.	Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):	NOT APPLICABLE
10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year	NOT APPLICABLE
11.	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	NOT APPLICABLE

Raman Maroo

Chairman & Managing Director
DIN: 00169152

Atul Maru

Chairman, CSR Committee & Jt. Managing Director
DIN:00169264

Mumbai
May 10, 2022

8a. CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR**Annexure 1**

Total Amount spent for the Financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
108,15,000	-	-	-	-	-

8g. Excess amount for set off, if any**Annexure 2**

Sr. No.	Particular	Amount
1	Two percent of average net profit of the company as per section 135(5)	1,05,79,811
2	Total amount spent for the Financial Year	1,08,15,000
3	Excess amount spent for the financial year [(ii)-(i)]	2,35,189
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,35,189

8c Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the Current Financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementing Agency	
				State	District						Name	CSR & other Registration number
1	School Support Programs like providing benches & desks, potable water facility, providing scholarships, vocational training, and promoting education to girl child & also to differently abled.	Improving & Promoting Quality Education	No	Maharashtra, Gujarat	Mumbai Surendranagar	NOT APPLICABLE	10 Lakhs to 80 Lakhs	55,00,000	NIL	No	1) Vidya Prasarak Mandal 2) Shri Jagatbharti Education and Charitable Trust	1) CSR000004805 2) CSR000007065
2	Health awareness camp - for organising Blood Donation camp, health check-up for poor people, providing free medicines, drinking water supply, supplementing efforts of hospitals through a range of patient welfare services, infrastructure support for cancer diagnosis, aiding medical research & construction of sanitary facilities viz., toilets, etc.	Health care, Hygiene & Medical Facilities	No	Maharashtra, Gujarat	Mumbai Kutch	NOT APPLICABLE	10 Lakhs to 80 Lakhs	18,05,000	NIL	No	1) Jeevan Jyot Cancer Relief & Care Trust 2) The Bandra Holy Family Hospital Society 3) Shree Bhajay Sarvodaya Trust 4) Shree Kutchi Bhanushali Seva Samaj Trust	1) CSR000002659 2) CSR000001516 3) CSR000003335 4) CSR000004385
3	Promoting gender equality, empowering women, support to old age homes, orphanages, addressing poverty, hunger and malnutrition, support to rural cultural programmes, Festivals & Melas, disaster management, including relief, rehabilitation and reconstruction activities.	Rural Transformation & Protection of natural heritage, art & culture, draught relief	No	Maharashtra, Gujarat	Mumbai Kutch	NOT APPLICABLE	1 Lakhs to 50 Lakhs	35,10,000	NIL	No	1) Shree Kutchi Bhanushali Seva Samaj Trust 2) Shri Vivekanand Research & Training Institute	1) CSR000004385 2) CSR000000008
Total								1,08,15,000				

ESOP COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Shemaroo Entertainment Limited

We Manish Ghia & Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 8th June, 2021 by the Board of Directors of Shemaroo Entertainment Limited (hereinafter referred to as 'the Company'), having CIN L67190MH2005PLC158288 and having its registered office at Shemaroo House, Plot No. 18, Marol Co-operative Industrial Estate, Off. Andheri Kurla Road, Andheri (East), Mumbai- 400059. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), for the year ended 31st March, 2022.

We have been requested by the Company to certify in terms of Regulation 13 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the regulations") that "Shemaroo Entertainment Limited Employees Stock Option Scheme - 2021" hereinafter referred to as ('the Scheme') which was approved by the board of directors of the company at their meeting held on December 07, 2021 and by the members vide special resolution passed through postal ballot held on January 16, 2022, has been implemented by the company in accordance with the regulations and the approval of members.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

For the purpose of verifying that the implementation of the Scheme by the company is in accordance with the Regulations and in accordance with the approval of members, we have examined the following documents:

1. The Scheme received from the Company;
2. The Memorandum and Articles of Association of the Company;
3. Minutes of the meeting of the Board of Directors;

4. Minutes of the Postal Ballot held for approving the scheme;
5. Minutes of the meetings of the Committee;
6. Detailed Terms and Conditions of the Scheme as approved by Committee; and
7. Relevant provisions of the Regulations, Companies Act, 2013 and the rules made thereunder.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the implementation of the Scheme is in accordance with the regulations to the extent applicable, and in accordance with the resolution passed by the members of the company by Postal Ballot.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Manish Ghia & Associates

Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai

Date: May 10, 2022

UDIN: F006252D000294012

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of governance

Effective Corporate Governance practice is about commitment to values, ethical business conduct and constitutes strong fundamentals on which a successful commercial enterprise is built to last.

The Corporate philosophy of Shemaroo is to promote corporate fairness, transparency and accountability with the objective of maximizing long term value for all stakeholders.

Shemaroo has a strong legacy of fair, transparent and ethical governance practices and we adhere to the fact that the Corporate Governance norms are dynamic in nature and that the Company constantly endeavors to improve on these aspects.

At Shemaroo, we consider stakeholders as partners in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers.

The Principles of Corporate Governance at Shemaroo are grounded on the following:

- Ensuring the constitution of Board of Directors at all times represents an appropriate mix of executive, non-executive and independent directors, and of optimum size, with diversified experience.
- Constitution of Committees of the Board of Directors, like, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Executive Committee, in compliance with the provisions of the applicable laws, as amended, to enable the Board of Directors to discharge their functions effectively.
- Adoption and adherence to the adopted code of conducts by all related parties for a good Corporate Governance.
- Proactive compliance with all applicable Rules and Regulations, as amended.
- Dissemination of all material information concerning the Company to the stakeholders of the Company in a timely manner.

- A comprehensive and robust system of risk management and internal control.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

2. Board of Directors

As on March 31, 2022, the Company has a balanced Board of Director's, which primarily takes care of the business needs and stakeholder's interest. The Executive and Non-Executive Directors including Independent Directors on the Board are competent and experienced from various fields. They actively participate at the Board and Committee meetings and provide valuable guidance to the management on various aspects relating to business decisions.

The Composition of the Board complies with the provisions of the Companies Act, 2013 ('the Act') and Regulation 17 of SEBI Listing Regulations. The total Board strength comprises of 8 (Eight) Directors, out of which 4 (four) are Executive Directors (50% of the Board strength) and 4 (Four) are Independent Non-Executive Directors (50% of the Board strength) including 1 (One) Women Independent Director.

Except, Mr. Raman Maroo, Mr. Atul Maru being brothers, none of the other Directors are related to any other Director on the Board.

Mr. Buddhichand Maroo, Non-Executive Director and Mr. Kirit Gala, Independent Director, has resigned during the Financial Year.

During the financial year, the Board of the Company met 5 (five) times i.e. on June 08, 2021; July 27, 2021; October 26, 2021, December 07, 2021 and January 24, 2022. The necessary quorum was present for all the meetings. The maximum interval between any two meetings was within the maximum allowed gap pursuant to the Companies Act, 2013 and SEBI Listing Regulations.

None of the Directors on the Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees, across Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

The Board's composition, attendance and their directorship / committee membership, chairmanship in other Companies as on March 31, 2022 is given below:

Sr. no	Name, DIN	Category	Attendance at Board meeting	Attendance at last AGM held on September 20, 2021	No. of other Directorships and Committee memberships/Chairmanships held		
					Other Directorships #	Chairmanships@	Memberships of Committees@
1.	Mr. Raman Maroo, Managing Director (DIN:00169152)	Promoter Executive Director	5/5	YES	NIL	NIL	NIL
2.	Mr. Atul Maru, Jt. Managing Director (DIN : 00169264)	Promoter Executive Director	5/5	YES	NIL	NIL	1
3.	Mr. Hiren Gada, CEO & CFO (DIN:01108194)	Promoter Executive Director	5/5	YES	1	NIL	1
4.	Mr. Buddhichand Maroo, Chairman (DIN:00169319)**	Promoter Non-Executive Director	4/4	YES	NIL	NIL	NIL
5.	Mr. Jai Maroo, Executive Director (DIN:00169399)	Promoter Executive Director	5/5	YES	NIL	NIL	NIL
6.	Mr. Gnanesh Gala, Independent Director (DIN: 00093008)	Non-Executive Director	5/5	YES	1	1	1
7.	Mr. Shashidhar Sinha, Independent Director (DIN:00953796)	Non-Executive Director	4/5	YES	2	NIL	2
8.	Mr. Vasanji Mamania, Independent Director (DIN:00013071)	Non-Executive Director	5/5	YES	NIL	NIL	1
9.	Mr. Kirit Gala, Independent Director (DIN:01540274)*	Non-Executive Director	3/4	NO	NIL	NIL	1
10.	Dr. CA Reeta Shah, Independent Director (DIN:07141304)	Non-Executive Director	5/5	YES	NIL	1	1

Excludes directorship in Shemaroo Entertainment Limited and also excludes Alternate directorships, directorship in Private Limited Companies, Foreign Companies and Companies registered under Sec.8 of the Act.

@ As per Regulation 26(1)(b) of SEBI Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

** Due to his advancing age, Mr. Buddhichand Maroo, Chairman Non-Executive Director ceased to be a Director w.e.f. December 07, 2021, there was no material reason for his resignation except his advanced age.

* Due to his pre-occupation, Mr. Kirit Gala, Independent Non-Executive Director ceased to be a Director w.e.f. December 07, 2021, there was no material reason for his resignation except his pre-occupation.

a. Name of other Listed Entities in which the Directors are the Directors and the Category of Directorship:

Sr. No.	Name of the Director	Other Listed Entity in which he/she is a Director	Category of Directorship:
1.	Mr. Gnanesh Gala	Navneet Education Limited	Managing Director
2.	Mr. Shashidhar Sinha	Jagran Prakashan Limited	Independent Director

b. Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2022:

Name of the Director(s)	Shares Held (Nos.)
Mr. Vasanji Mamania	50,636

c. Requirement of Core Skills/Expertise/Competence for the Board of Directors as Identified for Entertainment Business :

The following is the list of core skills/ expertise/ competencies identified by the Board members as required in the perspective of the growth of business and that the said skills are available with the Board of Directors:

Sr. No.	Area of Core skills/Expertise/Competence
1.	Business Strategic Expertise, Administration and Decision making
2.	Marketing and Advertisement
3.	Information Technology
4.	Financial and Management skills, Accountancy and Audit
5.	Legal
6.	Human Resource Management
7.	Risk Management

In the table below, the core areas of focus or expertise of individual Board members have been highlighted:

Name, Designation	Business Strategic Expertise, Administration & Decision making	Marketing and Advertisement	Information Technology	Financial & Management skills, Accountancy and Audit	Legal	Human Resource Management	Risk Management
Mr. Raman Maroo, Managing Director	✓	✓	-	-	-	-	✓
Mr. Atul Maru, Jt. Managing Director	✓	✓	-	-	-	-	✓
Mr. Hiren Gada, CEO & CFO	✓	✓	-	✓	-	-	✓
Mr. Jai Maroo, Executive Director – Transformation & Excellence	✓	-	✓	-	-	✓	✓
Mr. Gnanesh Gala, Independent Director	✓	-	-	✓	-	-	✓
Mr. Shashidhar Sinha, Independent Director	✓	✓	✓	-	-	-	✓
Mr. Vasanji Mamania, Independent Director	✓	-	-	✓	-	-	✓
Dr. CA Reeta Shah, Independent Director	✓	-	-	✓	✓	-	✓

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

d. Board Independence:

All Independent Directors of the Company have been appointed as per the provisions of the Act. The maximum tenure of independent directors is in compliance with the Act. Formal letters of appointment have been issued to the Independent Directors.

Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Act and Regulation 16(1)(b) SEBI Listing Regulations. The Code for Independent Directors is available on Company's website at www.shemarooent.com

e. Board Procedure:

The Board Meetings are pre-scheduled and a tentative annual calendar of the Board Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule. The Board Meetings of the Company are conducted as per well designed and structured agenda. All the agenda items, are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting), are sent well in advance of the date of the Board meeting(s) to enable the Board members to take informed decision. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. During the financial year, the minimum information as mentioned in Part A of Schedule II of SEBI Listing Regulations were placed before the Board for its consideration. Any Board Member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. In addition, for any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for ratification / approval.

The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

After the Board meeting, Company has a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and subcommittees of the Board. Action-taken report on decisions taken in a meeting is placed at the succeeding meeting of the Board / Committee for noting.

f. Separate Independent Directors' Meetings:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on January 24, 2022, as required under Schedule IV of the Act (Code for

Independent Directors) and Regulation 25 (3) of the SEBI Listing Regulations. At the Meeting, the Independent Director reviewed and evaluated the performance of the Chairman, Managing Director and other Non-Independent Directors, the Board and flow of information between the management and the Board.

g. Familiarization programmes:

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The Company's Policy of conducting the Familiarisation Programme and the details of Familiarisation Programmes imparted to Independent Directors are disclosed on the Company's website at www.shemarooent.com

h. Board Evaluation:

Details of methodology adopted for Board evaluation have been provided in the Board's Report.

3. COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting. The Board Committees can request special invitees to join the meeting, as appropriate. The composition of various Committees of the Board of Directors is available on the website of the Company at www.shemarooent.com

The Board has currently established the following statutory and non-statutory Committees:

- A. Audit Committee;
- B. Nomination and Remuneration Committee;
- C. Stakeholders' Relationship Committee;
- D. Corporate Social Responsibility (CSR) Committee; and
- E. Executive Committee

A. Audit Committee:**i. Composition and Attendance at the Meeting**

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations. The members of the Audit Committee possess financial / accounting expertise / exposure.

The Audit Committee was re-constituted by the Board at its meeting held on December 07, 2021. The Audit Committee met 5(five) times during the year under review. The Committee Meetings were held on the following dates June 08, 2021; July 27, 2021; October 26, 2021; December 07, 2021 and January 24, 2022.

The Composition and attendance at the Meetings was as under:

Sr. No.	Name of the Member	Designation	Category	No. of meetings	
				Held during their tenure	Attended
1.	Mr. Gnanesh Gala	Chairman	Independent Director	5	5
2.	Mr. Kirit Gala*	Member	Independent Director	4	3
3.	Mr. Hiren Gada	Member	Executive Director	5	5
4.	Mr. Vasanji Mamania	Member	Independent Director	5	5
5.	Dr. CA Reeta Shah**	Member	Independent Director	1	1

* Ceased to be Member of the Committee w.e.f. December 07, 2021

** Appointed as Member of the Committee w.e.f. December 07, 2021

Mr. Gnanesh Gala, Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on September 20, 2021.

ii. General

The representatives of the Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings. Executives of Accounts Department, Finance Department, and representatives of internal auditors attend Audit Committee Meetings. The Company Secretary of the Company acts as the secretary to the Audit Committee.

iii. Powers of Audit Committee

- To investigate any activity within its term of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

iv. Role of the Audit Committee

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment and removal of statutory auditors, fixation of audit fee and approval for payment of any other services
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;

- b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - Calling for comments of the auditors about internal control systems, scope of audit (including observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the internal and/or statutory auditors and management of the company.
 - Approval or any subsequent modification of transactions of the company with related parties.
 - Scrutiny of inter-corporate loans and investments.
 - Valuation of undertakings or assets of the company, wherever it is necessary.
 - Evaluation of internal financial controls and risk management systems.
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow up there on.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - To review the functioning of the Whistle Blower mechanism / Vigil Mechanism.
 - Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Reviewing the following information:
 1. The Management, Discussion and Analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee) submitted by the management;
 3. Management Letters/Letters of internal control weaknesses issued by statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to the review by the Audit Committee.
 6. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI Listing Regulation 32(1).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of SEBI Listing Regulation 32(7).
 7. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

B. Nomination and Remuneration Committee

i. Composition and Attendance at the Meeting

The Committee's constitution and terms of reference are in compliance with the provision of Section 178 of the Act, read with Regulation 19 of the SEBI Listing Regulations.

The Nomination & Remuneration Committee was re-constituted by the Board and also revised the scope, terms of reference/roles of Nomination and Remuneration Committee at its meeting held on December 07, 2021. The Nomination & Remuneration Committee comprises of the members as stated below. The Committee met 3 (three) times i.e. on June 08, 2021; December 07, 2021 and January 24, 2022 during the year under review. The attendance of the members was as under:-

Sr. No.	Name of the Member	Designation	Category	No. of meetings	
				Held during their tenure	Attended
1.	Mr. Vasanji Mamania	Chairman	Independent Director	3	3
2.	Mr. Shashidhar Sinha	Member	Independent Director	3	2
3.	Mr. Buddhichand Maroo*	Member	Non-Executive Director	2	2
4.	Dr. CA Reeta Shah**	Member	Independent Director	1	1

* Ceased to be Member of the Committee w.e.f. December 07, 2021

** Appointed as Member of the Committee w.e.f. December 07, 2021

Mr. Vasanthi Mamania, Chairman of the Nomination & Remuneration Committee attended the last Annual General Meeting of the Company held on September 20, 2021. The Company Secretary of the Company acts as the Secretary of the Nomination & Remuneration Committee.

Terms of Reference of the Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The Committee, while formulating such policy shall ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
 - d. to evaluate the balance of skills, knowledge and experience on the Board during every appointment of an independent director and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. to establish and from time to time review the policy for ESOP as well as issuance of equity shares and recommend the grants to be made under ESOP, to perform all powers and duties as mentioned in the ESOP scheme, all kind of administration and superintendence of the Scheme & related all kind of activities; and
9. such other matters as may from time to time required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

ii. Nomination & Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Act, read with Regulation 19(4) – Part D of Schedule II of the SEBI Listing Regulations.

- **Board Membership Criteria**

The Nomination & Remuneration Committee has laid down criteria for identifying persons who are qualified to become directors on the Board. The Board has delegated the screening and selection process involved in selecting new directors to the nomination and remuneration committee. The nomination and remuneration committee in turn makes recommendations to the Board on the induction of any new directors.

The criteria for appointment to the Board include:

- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business;
- desired age and diversity on the Board.

The Board has also adopted a policy on Board Diversity pursuant to the provisions of SEBI Listing Regulations.

- **Performance Evaluation**

The Committee makes recommendations to the Board on appropriate performance criteria for the directors. Formulate the criteria and framework for evaluation of performance of every director on the Board of the Company.

- **Remuneration framework**

The Committee is responsible for reviewing and making recommendations to the Board on remuneration to Managing Director / Whole time Director / Non – Executive Director / Independent Director and Senior Management Personnel. It is designed to create a high performance culture which enables to attract, retain and encourage employees to achieve results.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Executive Directors and Senior Management Personnel. Annual increments are decided by the nomination and remuneration committee within the salary limit approved by the Company or the members, as may be required. The committee decides on the commission payable to Executive Director/ Non-Executive Director / Independent Director out of the profits for the financial year and within the ceilings prescribed under the Act based.

iii. Details of Remuneration

The details of remuneration paid to Executive Directors and to Non-Executive Directors for the Financial Year ended March 31, 2022 is provided hereinafter:

Details of Remuneration of Executive Directors for the Financial Year ended March 31, 2022:

(₹ in lakhs)

Name	Salary	Sitting Fees	Commission	Benefits Perquisites and allowances	TOTAL
Mr. Raman Maroo	89.60	-	-	0.61	90.21
Mr. Atul Maru	89.60	-	-	0.61	90.21
Mr. Hiren Gada	120.00	-	-	0.61	120.61
Mr. Jai Maroo	59.42	-	-	0.61	60.03

Details of Remuneration paid to Non-Executive Directors for the Financial Year ended March 31, 2022:

(Amount in ₹)

Name of Director	Sitting Fees for attending Board Meeting
Mr. Buddhichand Maroo [^]	80,000
Mr. Vasanji Mamanian	100,000
Mr. Gnanesh Gala *	Nil
Mr. Kirit Gala* [^]	Nil
Mr. Shashidhar Sinha*	40,000
Dr. CA Reeta Shah	100,000
TOTAL	3,20,000

Notes:

1. No commission was paid to the Non-Executive Directors during the financial year ended on March 31, 2022.
2. *No sitting fees was paid to Mr. Gnanesh Gala and Mr. Kirit Gala, Independent Directors, who have decided not to accept any sitting fees for attending meetings of the Board. Further, Mr. Shashidhar Sinha also decided to waive the sitting fees w.e.f. October 26, 2021.
3. Other than sitting fees, there is no other pecuniary relationship or transactions with any of the Non-executive Directors.
4. No Service contracts executed and No Severance Fee, Notice period is payable and no stock option has been given.
5. [^]Ceased as Director w.e.f. December 07, 2021.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities, satisfactory redressal of shareholders' / investors' / security holders' complaints and recommends measures for overall improvement in the quality of investor services. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholders Relationship Committee composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI Listing Regulations and provisions Section 178 (5) of the Act.

i. Composition and Attendance at the Meeting

The Stakeholders Relationship Committee comprises of the members as stated below. The Committee met 4 (four) times during the year under review. The Committee Meeting was held on June 08, 2021; July 27, 2021; October 26, 2021 and January 24, 2022.

The attendance at the Meeting was as under:

Sr.	Name of the Member	Designation	Category	No. of meetings	
				Held during their tenure	Attended
1.	Dr. CA Reeta Shah	Chairman	Independent Director	4	4
2.	Mr. Shashidhar Sinha	Member	Independent Director	4	4
3.	Mr. Atul Maru	Member	Executive Director	4	4

The Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on September 20, 2021.

ii. Compliance Officer

Mr. Dipesh U. Gosar, Company Secretary and Compliance Officer, is appointed as the Compliance Officer to resolves the complaints of Shareholders/Investors.

iii. The role of Stakeholders' Relationship Committee is as follows

- a. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- b. Review of measures taken for effective exercise of voting rights by shareholders.
- c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- e. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment.

iv. Investor Grievance Redressal

As per the below mentioned table, the detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under:

Type of Complaints	Number of Complaints
Non – receipt of Annual Reports	0
Non- receipt of Dividend Warrants	0
Non-Receipt of Shares lodged for Transfer	NIL
Non – receipt of IPO application money	0
TOTAL	0

As on March 31, 2022, no complaints were outstanding.

D. Corporate Social Responsibility Committee (CSR):

i. Composition and Attendance at the Meeting

The Company has constituted a CSR Committee as required under Section 135 of the Act. The CSR Committee comprises of the members as stated below. The Committee during the year under review met 4 (four) times on June 08, 2021, July 27, 2021, October 26, 2021 and January 24, 2022.

Sr. No.	Name of the Member	Designation	Category	No. of Meetings	
				Held during their tenure	Attended
1.	Mr. Atul Maru	Chairman	Executive Director	4	4
2.	Mr. Hiren Gada	Member	Executive Director	4	4
3.	Mr. Vasanji Mamanian	Member	Independent Director	4	4

ii. The Terms of Reference of the Committee are as follows:-

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties;

- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget; and
- Ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

E. Executive Committee

Apart from the above statutory Committees, the Board of Directors has constituted the following Functional Committees to raise the level of governance as also to meet the specific business needs.

The Executive Committee comprises of 3 (three) Directors of the Board and has been set up inter alia to oversee routine operations that arise in the normal course of the business, such as decision on banking relations, delegation of operational powers, appointment of nominees, etc. The Committee reports to the Board and the minutes of the meetings are placed before the Board for confirmation.

Sr. No.	Name of the Member	Designation	Category
1.	Mr. Raman Maroo	Chairman	Executive Director
2.	Mr. Atul Maru	Member	Executive Director
3.	Mr. Hiren Gada	Member	Executive Director

Terms of reference

The Executive Committee exercises powers in relation to the matters listed below:

- To open and operate Bank Accounts.
- To authorize change in signatories.
- To give instructions relating to the transactions of the Company with the Banks.
- To give necessary instructions for closure of Bank Accounts.
- To issue / revalidate / cancel Powers of Attorney.
- To authorize persons to act on behalf of the Company in relation to legal proceedings, appearing before any government authorities/agencies, dealing with the outside parties or in relation to any other matter where such authorization is required.
- To invest the funds of the Company within the limits approved by the Board in Shares, Debentures, Mutual Funds, FDRs and Bonds of Bodies Corporate and Government or Semi Government agencies.
- To avail loans, credit facilities, lease arrangements, inter corporate borrowings and other borrowing from Banks / Financial Institutions within the limits approved by the Board.
- To accept the terms and conditions for availing the said financial assistance.
- To authorize execution of documents and affix the Common Seal of the Company, wherever necessary.
- To request Banks or Financial Institutions for disbursement of funds.
- To create security on the assets of the Company for availing of the above-mentioned facilities.
- To do all acts, deeds and things, as may be required or considered necessary or incidental thereto.
- Any other related matters.

4. CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGERIAL PERSONNEL OF THE COMPANY

The Company has instituted a Code of Conduct for Members of the Board and Senior Management of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work.

The Code of Conduct is available on the website of the Company at www.shemarooent.com. All Board members and senior management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Managing Director (MD) and Chief Executive Officer and Chief Financial Officer (CEO & CFO) to this effect is placed at the end of this report.

5. SUBSIDIARY COMPANIES

The audit committee reviews the consolidated financial statements of the Company. The minutes of the Board meetings of the subsidiary companies are placed at the meeting of the Board of Directors of the Company on periodical basis. The Company has framed a policy for determining 'material subsidiaries' which is placed on the website of the Company at the following link: www.shemarooent.com. Shemaroo does not have any unlisted material subsidiary, incorporated in India. It also does not have a listed subsidiary.

6. GENERAL BODY MEETINGS

a) Annual General Meetings

During the FY 2019-2020 and FY 2020-2021, the Company's Annual General Meeting was held through Video Conferencing ("VC")/ Other Audio-Visual Means("OAVM") and during the Financial year 2018-2019, the Company's Annual General Meetings was held at M.C. Ghia Hall (Royal Banquet), 4th Floor, Bhogilal Hargovindas Building, 18/20 K Dubash Marg, Kala Ghoda, Mumbai-400001 on the following dates and times, wherein the following special resolution were passed.

Financial Year	Day, Date	Time	Brief Description of Special Resolution
2020-2021	Monday, September 20, 2021	04:00 PM	- Approval of payment of remuneration to Mr. Raman Maroo (DIN:00169152) Managing Director of the Company. - Approval of payment of remuneration to Mr. Atul Maru (DIN: 00169264) Jt. Managing Director of the Company. - Approval of payment of remuneration to Mr. Hiren Gada (DIN: 01108194) Whole Time Director, CEO & CFO of the Company. - Approval of payment of remuneration to Mr. Jai Maroo (DIN: 00169399) Executive Director of the Company.
2019-2020	Tuesday, September 29, 2020	04:00 PM	- Re-appointment of Mr. Raman Maroo as Managing Director of the Company. - To provide an option to the lenders to convert their outstanding facilities/debts, if any, into Equity Shares.
2018-2019	Tuesday, September 24, 2019	04:00 PM	- Re-appointment of Dr. CA Reeta Bharat Shah (DIN: 07141304) as an Independent Director of the Company. - Appointment of Mr. Jai Buddhichand Maroo (DIN: 00169399) as Executive Director of the Company.

b) Postal Ballot:

During the financial year 2021-2022, the Company has successfully completed the process of obtaining approval of its shareholders through postal ballot/ e-voting. The details of these special resolutions alongwith the voting pattern are as follows:

Date of passing of Resolution	Business	Total No. of Valid Votes	No. of Votes Assenting the Resolution	% of Votes cast in favour	No. of Votes Dissenting the Resolution	% of Votes cast against
January 16, 2022	1. Approval of Shemaroo Entertainment Limited Employees stock option scheme-2021	1,91,78,157	1,91,70,174	99.96	7983	0.04
	2. Approval for grant of stock options to the employees of group company including subsidiary or its associate company, in India or outside India, of the company, under Shemaroo Entertainment Limited Employees Stock Option Scheme - 2021	1,91,77,520	1,91,70,152	99.96	7368	0.04
	3. To consider and approve re-appointment of Ms. Smita Maroo to hold office or place of profit as Senior Vice President - Animation, Kids Digital, Licensing & Merchandising and holding an office or place of profit in the Company.	1,91,78,157	1,82,84,513	95.34	893644	4.66
	4. Approval of payment of remuneration to Ms. Smita Maroo as Senior Vice - President Animation, Kids Digital, L & M of the company	191,77,510	1,82,84,201	95.34	893309	4.66
	5. To consider and approve Re-appointment of Ms. Kranti Gada Arambhan to hold office or place of profit as Chief Operating Officer and holding an office or place of profit in the company	1,91,78,417	1,82,85,521	95.35	892626	4.66
	6. Approval of payment of remuneration to Ms. Kranti Gada Arambhan as Chief Operating Officer	1,91,78,210	1,82,83,693	95.34	894517	4.66
	7. Approval of Enhance in the limit of remuneration payable to Mr. Raman Maroo (DIN: 00169152) Managing Director of the Company.	1,91,78,710	1,82,81,711	95.32	896999	4.68
	8. Approval of Enhance in the limit of remuneration payable to Mr. Atul Maru (DIN: 00169264) Jt. Managing Director of the Company.	1,91,78,710	1,82,83,784	95.33	894926	4.67
	9. Approval of Enhance in the limit of remuneration payable to Mr. Hiren Gada (DIN: 01108194) Whole Time Director, CEO & CFO of the Company	1,91,78,710	1,82,81,518	95.32	897192	4.68
	10. Approval of Enhance in the limit of remuneration payable to Mr. Jai Maroo (DIN: 00169399) Executive Director of the Company	1,91,79,347	1,82,81,562	95.32	897785	4.68

CS Mannish L. Ghia, Partner of M/s. Manish Ghia & Associates, Mumbai, Company Secretaries, (Certificate of Practice No. 3531) was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Postal Ballot procedure:

The Company emailed postal ballot notices to its shareholders whose names appear on the register of members/ list of beneficiaries as on cut-off date i.e. Friday, December 03, 2021. The Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

The scrutinizer submits his report to the Chairman of the Company, after the completion of scrutiny of the postal ballots (including remote e-voting) and the results of the postal ballot were announced by the Chairman on January 17, 2022. The results were intimated to NSDL and to the Stock Exchanges where the Company's shares are listed and also displayed along with the Scrutinizer's Report on the Company's website at www.shemarooent.com

c) Means of Communication with Shareholders

The Company regularly interacts with shareholders through various mediums of communication such as Results Announcement, Annual Report, Press releases and Company's website etc.

- **Results:** The Company's quarterly/half yearly/annual financial results are sent to the Stock Exchanges and also published in Financial express (English) and Mumbai Lakshadeep (Marathi) respectively and are also simultaneously displayed on its website at www.shemarooent.com.
- **News Releases/Presentations:** Official Press Releases, presentations made to media, analysts, institutional investors etc. are sent to the Stock Exchanges and are displayed on the Company's website at www.shemarooent.com.
- **Website:** The Company's website (www.shemarooent.com) contains a separate section "Investor Centre" where shareholders' information is available. The Company's Quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to the Analysts are promptly displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern, Unclaimed Dividends, Share price tools includes, inter-alia, share graphs, historical share price data and other Corporate Communications made to the Stock Exchanges are also available on the website. Annual Report of Subsidiary Companies are also posted on the website.
- **Communication to shareholders on Email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA), which helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
- **Annual Report:** The Annual Report containing, inter-alia, Audited Standalone Financial Statement, Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to shareholders and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Board's Report in the Annual Report. The Annual Report is displayed on the Company's website at www.shemarooent.com
- **NSE Electronic Application Processing System (NEAPS)/ Digital Exchange:** NEAPS/ Digital Exchange is a web-based application designed by NSE for listed entities. All periodical compliance filings like shareholding pattern, corporate governance report, media releases statement of investor complaints among others, are filed electronically on NEAPS
- **BSE Corporate Compliance & Listing Centre:** BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints among others, are also filed electronically on the Listing Centre.

- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a Centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports(ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

7. GENERAL SHAREHOLDER INFORMATION

a. Company Registration details:

The Company is registered in Mumbai, Maharashtra. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L67190MH2005PLC158288.

b. Company's Registered Office Address:

Shemaroo Entertainment Limited, Shemaroo House, Plot no. 18, Marol Co-op. Indl. Estate, Off. Andheri Kurla Road, Andheri (E), Mumbai-400059.

c. Annual General Meeting:

Day & Date	: Tuesday, August 09, 2022
Time	: 04:00 PM
Venue	: AGM will be held through video conferencing (VC) or other audiovisual means (OAVM).*
Book Closure Date	: Wednesday, August 03, 2022 to Tuesday, August 09, 2022 (both days inclusive)
Cut- off date	: Tuesday, August 02, 2022

*In terms of the MCA dated May 5, 2022 read with circulars dated April 8, 2020; April 13, 2020; May 05, 2020; June 15, 2020; December 31, 2020; January 13, 2021; December 8, 2021 and December 14, 2021, the 17th AGM of the members shall be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed to the AGM notice and available at the website of the Company at www.shemarooent.com.

d. Financial Calendar (Tentative):

The Company follows the period of 1st April to 31st March, as the Financial Year:

- First Quarter	: July/August, 2022
- Half yearly	: October/November, 2022
- Third Quarter	: January/February, 2023
- Fourth Quarter and Annual	: May/June, 2023
- Annual General Meeting	: August/September, 2023

e. Listing:

At present, the equity shares of the Company are listed at:

- **Bombay Stock Exchange Limited (BSE) – Stock Code:538685**
Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- **National Stock Exchange of India Limited (NSE) – Stock Code: SHEMAROO**
Address: Exchange Plaza, 6th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

The Annual listing fees for the financial year 2022-23 have been paid to the above Stock Exchanges.

- f. **Payment of Depository Fees:** Annual Custody / Issuer fee for the year 2022-23 has been paid by the Company to NSDL and CDSL.

g. **ISIN Number:** INE363M01019

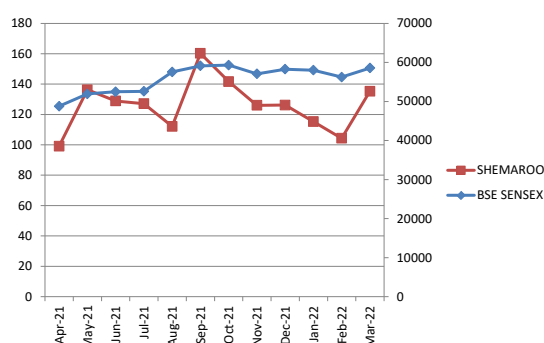
h. **Market Price Data:**

The high / low market price of the shares during the financial year 2021-2022 at the BSE Limited and at National Stock Exchange of India Ltd. were as under:-

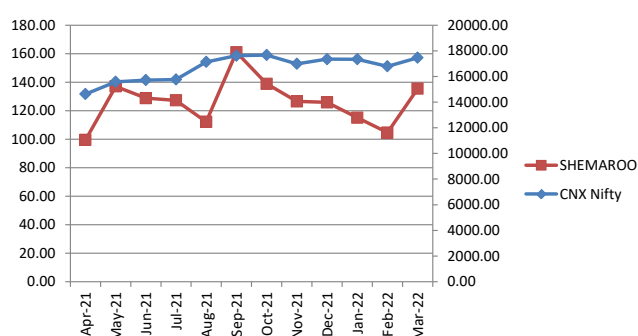
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr, 2021	107.35	64.95	6,49,820	107.45	64.35	61,64,129
May, 2021	181.00	85.50	9,57,912	180.95	85.25	1,02,64,643
Jun, 2021	145.00	114.60	4,07,042	140.00	116.65	28,12,018
Jul, 2021	132.50	121.50	5,04,595	151.40	121.60	26,36,649
Aug, 2021	127.10	100.00	2,64,259	140.00	100.20	17,45,527
Sep, 2021	111.70	109.75	7,93,214	177.75	110.00	47,56,399
Oct, 2021	161.80	136.00	1,51,411	163.50	136.35	10,72,957
Nov, 2021	141.80	125.65	98,284	150.00	125.10	4,47,921
Dec, 2021	125.50	112.55	89,594	139.55	112.20	5,09,990
Jan, 2022	123.50	113.95	2,16,295	134.85	114.45	11,56,263
Feb, 2022	115.95	101.85	4,15,688	129.40	101.55	20,57,296
Mar, 2022	106.10	104.40	2,85,894	151.45	104.00	23,78,989

i. **Performance in comparison to broad based indices:**

A. **PERFORMANCE OF SHARE PRICE IN COMPARISON TO BSE SENSEX:**



B. **PERFORMANCE OF SHARE PRICE IN COMPARISON TO CNX NIFTY:**



j. **Distribution of Shareholding:**

The Shareholding distribution of the equity shares as on March 31, 2022 is given below:-

No. of Shares	No. of Shareholders*	No. of Shares	% to Total Shares
1-5000	12648	11,74,958	4.32
5001-10000	717	5,81,761	2.14
10001 and above	872	2,54,25,520	93.54
Total	14237	27182239	100.00

*Total nos. of Folio of the Company as on March 31, 2022.

k. Shareholding Pattern:

The Shareholding of different categories of the shareholders as on March 31, 2022 is given below:-

Category	No. of Shares	% of Holdings
Promoters	16084080	59.17
Foreign Promoter	1822840	6.71
Foreign Portfolio Investor	68554	0.25
LLP	107249	0.39
Non -Resident Indians (Repatriable)	345039	1.27
Non -Resident (Non - Repatriable)	88437	0.33
Other Bodies Corporate	923322	3.40
Clearing Member	43373	0.16
Hindu Undivided Family	413171	1.52
Office Bearers	9502	0.03
Directors	50636	0.19
Public	7226036	26.58
TOTAL	27182239	100.00

l. Share Transfer System :

All share transfer and other communications regarding share certificates, change of address, and dividends etc., should be addressed to Registrar and Transfer Agents.

As per directives issued by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Listing Regulations 2015), effective from April 01, 2019, transfer of shares of a listed company can only be effected in dematerialised form in terms of the Shareholders holding shares in the certificate form, Therefore, requested to dematerialise their shares in their own interest.

Accordingly, Stakeholders' Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfer/transmissions etc., if any, so approved by officers of the Company is placed at every Committee meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations, and files a copy of the same with the Stock Exchanges.

m. Dematerialization of shares:

As on March 31, 2022, 99.81% of the Company's paid-up Equity Share Capital was held in dematerialized form with NSDL and CDSL. The Company's equity shares are regularly traded on NSE and BSE.

n. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments:

As of date, Company has not issued GDRs / ADRs / Warrants or any convertible instruments.

o. Commodity price risk or foreign exchange risk and hedging activities:

As such the nature of the business of the Company is not exposed to any commodity price risk/hedging activities.

p. Registrar and Share Transfer Agent:

The Company has appointed Link Intime India Private Limited as its Registrar. As required under Regulation 7(3) of the SEBI Listing Regulations, the Company has filed a Certificate issued by Registrar and the Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by its RTA.

q. Plant Locations:

The Company is not in the business of manufacturing, it operates from various offices in India and abroad for the purpose of business expansion with its registered and corporate office at Mumbai.

r. Address for Correspondence:

All shareholders' correspondence relating to share transfer / dematerialisation of shares, payment of dividend and any other queries of shares should be forwarded to M/s. Link Intime India Private Limited, the Registrar and Transfer Agent of the Company or to the Corporate Secretarial Department at the Registered Office of the Company at the addresses mentioned below.

Link Intime India Pvt. Ltd.

Unit: Shemaroo Entertainment Limited

C-107, 247 Park,

Lal Bahadur Shastri Road,

Vikhroli West, Mumbai-400083.

Tel No.:- 022-49186000; Fax: 022-49186060

E-mail Id: rnt.helpdesk@linkintime.co.in

Compliance Officer

Mr. Dipesh U. Gosar

Shemaroo House, Plot No. 18

Marol Co-op. Industrial Estate

Marol, Andheri (East) Mumbai – 400059.

Tel No.:022-40319911

E-mail Id: compliance.officer@shemaroo.com

The Company's dedicated e-mail address for Investors' Complaints and other communications is investors_services@shemaroo.com

s. Service of documents through Email:

Pursuant to the provisions of the Act service of documents to shareholders by a Company is allowed through electronic mode. Further, as per SEBI Listing Regulations, Listed Companies shall supply soft copies of entire annual reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like shareholders meeting notice/ other notices, Audited Financial Statements, Board's Report, Auditor's Report or any other document, to its shareholders in electronic form at the email address provided by them and/or made available to the Company by their depositories. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit.

Shareholders who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company/Registrar.

t. Nomination Facility:

As per the provisions of the Act, facility for making nomination is available for shareholders in respect of shares held by them. Shareholders holding shares in physical form may obtain nomination form, from the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

u. List of all credit ratings obtained by the Company:

Refer the Directors report for all credit ratings obtained by the Company.

8. OTHER DISCLOSURES**i. Related Party Transactions**

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing

with Related Party Transactions, in accordance with relevant provisions of the Act and SEBI Listing Regulations. The said policy is also available on the website of the Company at www.shemarooent.com.

During the financial year under review, all Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval for such transactions which are of repetitive nature and are approved by the Audit Committee on omnibus basis for one financial year at a time. The Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note no. 26 to the Standalone Financial Statements.

ii. Whistle Blower Policy/Vigil Mechanism:

The Company has established a Vigil mechanism / Whistle blower policy under which the employees are free to report about the unethical behaviour, fraud, violations of applicable laws and regulations and the Code of Conduct and also provides for adequate safeguards against victimization of persons who use such mechanism. This mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's website at www.shemarooent.com. The Audit Committee periodically reviews the existence and functioning of the mechanism. On a quarterly basis, the reportable matters may be disclosed to Vigilance and Ethics Officer which operates under the supervision of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

iii. Reconciliation of Share Capital Audit:

M/s. Manish Ghia & Associates, Practicing Company Secretaries, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Board for its noting.

iv. Compliance with mandatory requirements:

The Company has complied with all applicable mandatory requirements of the SEBI Listing Regulations as on March 31, 2022. Quarterly Compliance Report on Corporate Governance, in the

prescribed format, duly signed by the Compliance Officer is submitted with the Stock Exchanges where the shares of the Company are listed.

v. Details of non-compliance by the Company:

The Company has complied with all the requirements of regulatory authorities. No penalties and strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

vi. Adoption of Discretionary Requirements:

a. Chairman

Mr. Buddhichand Maroo was a Non-executive Chairman of the Company till December 07, 2021.

During his tenure, except payments of nominal sitting fees for attending meetings of the Board, no reimbursement of expenses was made by the Company on account of performance of his duties.

b. Shareholders' Rights

The Quarterly / Half-yearly / Annual financial results of the Company are published in the newspapers having circulation all over India and in a Marathi newspaper having circulation in Mumbai and also hosted on its website - www.shemarooent.com

A Physical copy of Annual Report are sent to those shareholders who has made specific request for the same.

c. Modified opinion(s) in audit report

The Company is in the regime of un-qualified financial statements with unmodified audit opinion.

d. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

Mr. Raman H. Maroo, Managing Director of the Company was appointed as Chairman w.e.f. December 07, 2021 and Mr. Hiren U. Gada is Chief Executive Officer of the Company.

Currently, Chairperson and Managing Director are same person.

e. Reporting of Internal Auditor

The Internal Auditor has the access of reporting directly to the Audit Committee. The Internal Auditors of the Company make quarterly presentations to the Audit Committee members on their Internal Audit reports.

vii. Disclosure on compliance with Corporate Governance Requirements specified in SEBI Listing Regulations

The Company has complied with the requirements of Part C of sub-para (2) to (10) of Schedule V of the SEBI Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

viii. Compliance with Regulation 39(4) of the SEBI Listing Regulations

Pursuant to Regulation 39(4) of SEBI Listing Regulations read with Schedule VI thereof, the Company reports that there are no outstanding unclaimed shares for the period April 01, 2021 to March 31, 2022.

ix. Code of Conduct for Prevention of Insider Trading

The Code of Conduct prohibits the Designated Persons of the Company dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons towards achieving compliance with the Regulations and to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large.

The Code of Conduct is available on the website of the Company at www.shemarooent.com

x. Details of Utilisation of funds raised through Preferential Allotment or Qualified Institutions Placement as Specified under Regulation 32(7A)

The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under regulation 32 (7A) of the SEBI (LODR) Regulations, 2015, during the financial year ended March 31, 2022.

xi. Certificate for Non-Disqualification of Directors:

A certificate from M/s. Manish Ghia & Associates, Company Secretaries in Practice, have been obtained certifying that none of the directors on the board of the Company have been debarred or

disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

xii. Review of Prevention of Sexual Harassment:

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]. The details of complaints received and redressed during the financial year 2021-22 are as under:

- number of complaints filed during the financial year : 0
- number of complaints disposed of during the financial year: 0
- number of complaints pending as on end of the financial year.: NIL

xiii. Loans and advances in the nature of loans by the Company and its subsidiaries to firms/companies in which directors are interested:

The Company has not provided any loans to other firms/companies in which directors are interested except its subsidiary:

(₹ in Lakhs)

Shemaroo Media & Entertainment LLC	318.30
Wholly Owned Subsidiary	

Further, subsidiaries of the Company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested.

xiv. Recommendation by the Committee of the Board:

During the financial year 2021-22, the Board has accepted all the recommendations of its Committees.

xv. Statutory Audit Fees:

Total fees paid by the Company and its subsidiaries to the statutory auditors of the Company and all other entities forming part of the same network, aggregate of ₹ 12.40 Lakhs.

xvi. CEO/CFO Certification:

The 'Managing Director (MD)' and 'Chief Executive Officer & Chief Financial Officer (CEO & CFO)' have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) read with Part B of Schedule II of SEBI Listing Regulations and the said certificate forms part of this Report.

xvii. Compliance Certificate of the Auditors

Certificate from the Auditors, M/s Manish Ghia & Associates, Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, and the said certificate forms part of this Report.

DECLARATION PURSUANT TO REGULATION 26(3) READ WITH SCHEDULE V OF SEBI LISTING REGULATIONS

In accordance with Regulation 26(3) read with Schedule V of SEBI Listing Regulations, We hereby declare that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them for the financial year March 31, 2022.

Mumbai
May 10, 2022

Raman Maroo
Chairman & Managing Director
DIN: 00169152

Hiren Gada
CEO & CFO
DIN: 01108194

**MANAGING DIRECTOR / CEO & CFO CERTIFICATION
CERTIFICATE UNDER REGULATION 17(8) THE SEBI (LODR), REGULATIONS, 2015**

To,
The Board of Directors
Shemaroo Entertainment Limited

We, the undersigned, in our respective capacities as Managing Director, Chief Executive Officer & Chief Financial Officer of Shemaroo Entertainment Limited ("the Company"), to the best of our knowledge and belief, we state that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee
 - i. significant changes, if any, in the internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Mumbai
May 10, 2022

Raman Maroo
Chairman & Managing Director
DIN: 00169152

Hiren Gada
CEO & CFO
DIN: 01108194

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Shemaroo Entertainment Limited
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Shemaroo Entertainment Limited, for the year ended on 31st March 2022 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

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

For Manish Ghia & Associates

Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 10, 2022
UDIN: F006252D000281331

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shemaroo Entertainment Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shemaroo Entertainment Limited (CIN:L67190MH2005PLC158288) and having its registered office at Shemaroo House, Plot No. 18, Marol Co-operative Industrial Estate, Off. Andheri Kurla Road, Andheri (East), Mumbai- 400059 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (applicable upto August 12, 2021); and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (applicable w.e.f. August 13, 2021);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (applicable up to August 8, 2021); and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (applicable w.e.f. August 9, 2021); (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (vi) Cinematograph Act, 1952, Copyright Act, 1957, Information Technology Act, 2000, Food Safety and Standards Act, 2006 and the rules, regulations made thereunder, being laws that are specifically applicable to the Company based on their sector/industry.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards Guidelines etc. mentioned above and in respect of laws specifically applicable to the company based on their sector/industry, in so far as requirement relating to licencing/certification, submission of returns etc. based on test checking.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under reporting.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period:

1. The board of directors vide their resolution passed at the meeting held on October 26, 2021 have accorded their approval for further Investment of 7.5% in addition to existing 65% investment in Shemaroo Contentino Media LLP (formerly known as Contentino Media LLP), subsidiary company:
2. The Board of Directors vide their resolution passed at the meeting held on December 7, 2021 have accorded their approval for execution of Addendum cum Amendment to Share Purchase Agreement and Shareholders Agreement between Shemaroo Entertainment Limited & Others and Dominiche Productions Private Limited; to discontinue the further acquisition i.e. beyond 13.88% of Dominiche Productions Private Limited by the Company
3. the shareholders of the company have vide resolutions passed through postal ballot have approved:
 - a. Shemaroo Entertainment Limited Employees Stock Option Scheme - 2021 and for grant of stock options to the employees of group company including subsidiary or its associate company, in India or outside India, of the Company under the said scheme;
 - b. re-appointment of Ms. Smita Maroo to hold office or place of profit as Senior Vice- President Animation, Kids Digital, Licensing & Merchandising and holding an office or place of profit in the Company;
 - c. re-appointment of Ms. Kranti Gada Arambhan to hold office or place of profit as Chief Operating Officer and holding an office or place of profit in the Company;

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

For Manish Ghia & Associates

Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 10, 2022
UDIN: F006252D000281241

'Annexure A'

To,
The Members,
Shemaroo Entertainment Limited
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. On account various restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid19 pandemic during the year under review, we for the purpose of completion of our audit have relied on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

For Manish Ghia & Associates

Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 10, 2022
UDIN: F006252D000281241

INDEPENDENT AUDITOR'S REPORT

To the Members of Shemaroo Entertainment Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Shemaroo Entertainment Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements") for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Valuation & amortization of inventory of copyrights– The copyrights are stated at cost/ unamortised cost or realizable value. The Company evaluates the realizable value and revenue potential of respective rights based on management estimate of market condition & demand of those respective rights. An accelerated impairment is considered if needed. We have considered this as key audit matter due to the amount of inventory balance and company's assessment of the fair value considering dynamic market conditions. This assessment involves judgements about future predictions of business and cash flows.	Our procedures consisted of evaluating management's methodology & key assumptions and included following audit procedures – Evaluated the design of internal controls relating to review of inventory impairment testing performed by management. Designed & performed audit procedures with respect to impairment testing workings including the assumptions and estimates used in evaluation of carrying values of assets where there is an indication of impairment. Assessing the appropriateness of any changes to assumptions since the prior period.

INDEPENDENT AUDITOR'S REPORT

Information other than the Ind AS standalone financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our Auditor's Report thereon.

The Directors Report & Annual Report is expected to be made available to us after the date of our audit report.

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

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

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility for the Ind AS standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies;

making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS standalone financial statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

Figures for the year April 1, 2020 to March 31, 2021 and as at March 31, 2021 were audited by another firm of chartered accountants who have issued their unmodified opinion vide their report dated June 8, 2021.

We have relied upon these reports for the purpose of our audit report on accompanying audited standalone financial statements of the Company.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of standalone Financial Statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

INDEPENDENT AUDITOR'S REPORT

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in

"Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which thereany material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or

indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. (a) The Company has not paid any dividend during the year.

- (b) The Board of Directors of the Company has neither proposed nor paid any dividend for the year.

For **Mukund M. Chitale & Co.**
Chartered Accountants
(Firm's Registration No. 106655W)

M. M. Chitale Partner
Membership no - 14054
UDIN - 22014054AMIABR8793

Mumbai
May 10, 2022

Annexure A to the Independent Auditor's Report

**of even date on the standalone financial statements of Shemaroo Entertainment Limited
Referred to in paragraph [7(i)] under Report on Other Legal and Regulatory Requirements of our report of even date**

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
 - a)
 - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
 - B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Property, Plant and Equipment, capital work-in-progress including right-of-use assets, are physically verified by the management according to a programme of phased verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the Property, Plant and Equipment have been physically verified by management during the year and no material discrepancies were noticed on such verification.
 - c) Based on the examination of the registered sale deed and name change documents of the Company provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
 - e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - (a) As explained to us, the nature of the inventories of the Company are such that clause (ii) of paragraph 3 of the Order is not applicable to the Company.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements filed by the Company with such banks are in agreement with the books of account of the Company except for certain differences which has been duly reconciled as stated in Note 15 to the standalone financial statements and are not material.
- iii. The Company has made investments in, provided guarantees (letter of comfort) and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
 - a) The Company has provided loans or advances in the nature of loans to one of its subsidiary company during the year. Details of which are as given below –

(₹ in Lakhs)

Company	Loan given during the year	Balance outstanding as at 31 st March 2022
Subsidiary Company	182.94	318.30

- b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated.

- d) In respect of loans granted by the Company, there is no stipulated repayment schedule so the balance outstanding cannot be called as overdue.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has granted loan either repayable on demand or without specifying any terms or period of repayment during the year. Following are details of the same

Company	Balance outstanding as at 31 st March 2022	Percentage to total loans granted
Subsidiary Company	318.30 Lakhs	100%

- iv. The Company has not granted any loans or made any investment, or provided any guarantees or security to the parties covered under Section 185. In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans and investments made, and guarantees and security provided by it, as applicable.
- v. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder apply. Hence reporting under clause 3 (v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3 (vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax goods and services Tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities.
- (b) According to the records of the Company, the dues outstanding of income-tax, sales tax, service tax, duty of customs, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Involved (₹ Lac)	Amount Unpaid (₹ Lac)	Period to which the amount relates	Forum where dispute is pending
Maharashtra VAT	VAT	153.13	153.13	FY 10-11	Joint commissioner of Sales Tax
Central Sales Tax	CST	15.38	15.38	FY 10-11	Joint commissioner of Sales Tax
Maharashtra VAT	VAT	32.66	32.66	FY 16-17	Joint commissioner of Sales Tax

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to banks or financial institutions. The Company did not have any borrowings from the government during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- x. (a) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given by the management, there have been no instances of fraud on the Company by its customers. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management. Hence reporting under clause 3(xi)(a) of the Order is not applicable to the Company.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year by the Statutory Auditors and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have taken into consideration, the reports of the Internal Auditors received by the company during the year and provided to us while determining the nature, timing and extent of audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or person connected with them. Accordingly provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the Group and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit but has incurred cash losses of ₹ 755.36 Lakhs in the immediately preceding financial year.

- xviii. There has been change in the statutory auditors of the Company during the year due to rotation and there has been no issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Mukund M. Chitale & Co.**
Chartered Accountants
(Firm's Registration No. 106655W)

M. M. Chitale
Partner
Membership No. 14054
UDIN: 22014054AMIABR8793

Mumbai
May 10, 2022

Annexure B to the Independent Auditor's Report
of even date on the Ind AS standalone financial statements of Shemaroo Entertainment Limited
Referred to in paragraph [7(ii)(f)] under Report on Other Legal and Regulatory
Requirements of our report of even date

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

1. We have audited the internal financial controls over financial reporting of Shemaroo Entertainment Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

5. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukund M. Chitale & Co.**
Chartered Accountants
(Firm's Registration No. 106655W)

M. M. Chitale
Partner
Membership No. 14054
UDIN: 22014054AMIABR8793

Mumbai
May 10, 2022

Balance Sheet

as at 31st March 2022

(₹ in Lakhs)

Particulars	Notes	As at 31 st March 2022	As at 31 st March 2021
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	3 (a)	2,149.86	2,539.74
(b) Investment property	3 (b)	14.57	-
(c) Intangible assets	3 (c)	70.44	81.27
(d) Right of use Assets	4	12.57	93.07
(e) Financial assets			
(i) Non-Current Investments	5 (a)	478.61	612.03
(ii) Loans and Advances	5 (b)	8.87	5.19
(iii) Other Financial assets	5 (c)	81.47	60.68
(f) Other non-current assets	6	109.23	186.14
Total Non-Current Assets		2,925.62	3,578.13
II Current assets			
(a) Inventories	7	71,458.54	72,986.01
(b) Financial assets			
(i) Trade receivables	8 (a)	5,549.31	5,253.45
(ii) Cash and Cash Equivalents	8 (b)	6.37	8.26
(iii) Other Bank Balances	8 (c)	670.31	649.10
(iv) Loans and Advances	8 (d)	325.21	228.54
(v) Other Financial assets	8 (e)	50.86	71.30
(c) Current Tax Assets (Net)		4,188.32	2,451.00
(d) Other current assets	9	3,626.91	2,299.95
Total Current Assets		85,875.83	83,947.62
Total Assets		88,801.45	87,525.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	2,718.22	2,718.22
(b) Other Equity	11	56,036.21	55,408.11
Total Equity		58,754.43	58,126.33
Liabilities			
I Non-current liabilities			
(a) Financial Liabilities			
(i) Non-Current borrowings	12	1,156.19	1,740.66
(ii) Lease Liability	29	8.23	13.84
(b) Provisions	13	77.58	107.79
(c) Deferred tax Liabilities (Net)	14	36.51	182.59
Total Non-Current Liabilities		1,278.51	2,044.88
II Current liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	15 (a)	22,752.03	23,651.55
(ii) Trade payables	15 (b)		
- Due to Micro and Small Enterprises		549.25	210.02
- Due to Others		4,267.94	2,302.03
(iii) Other Financial Liabilities	15 (c)	712.51	723.87
(iv) Lease Liability	29	5.62	90.63
(b) Other Current Liabilities	16	437.25	295.66
(c) Provisions	17	43.91	80.78
Total Current Liabilities		28,768.51	27,354.54
Total Liabilities		30,047.02	29,399.42
Total Equity and Liabilities		88,801.45	87,525.75

See accompanying notes forming part of the financial statements

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022**For and on behalf of the Board of
Shemaroo Entertainment Limited****Raman Maroo**Chairman & Managing Director
DIN 00169152**Dipesh Gosar**Company Secretary
Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022**Atul Maru**Jt. Managing Director
DIN 00169264**Hiren Gada**CEO & CFO
DIN 01108194

Statement of Profit and Loss

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 st March 2022	Year ended 31 st March 2021
I. Income			
Revenue from operations	18	36,800.95	30,518.35
Other income	19	187.56	129.42
Total Income		36,988.51	30,647.77
II. Expenses			
Operational Cost	20	23,631.02	20,869.51
Employee benefits expense	21	6,569.50	5,724.94
Finance costs	22	2,474.43	2,697.23
Depreciation and amortization expense	3 & 4	661.70	722.31
Other expenses	23	2,998.16	2,553.65
Total Expenses		36,334.81	32,567.65
III. Profit/(Loss) before exceptional items and tax		653.70	(1,919.88)
IV. Exceptional Items		-	29.18
V. Profit/(Loss) before Tax for the period (III-IV)		653.70	(1,949.06)
VI. Tax expense			
Current tax pertaining to current year (Refer Note 2 n)		11.46	-
Short/(Excess) provision of the earlier years		143.50	0.19
Deferred tax Liability/ (Asset)	14	(146.08)	(24.41)
Total Tax expense		8.88	(24.22)
VII. Profit/(Loss) for the year (A) (V-VI)		644.82	(1,924.84)
VIII. Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
Remeasurements of defined benefit plans		(16.72)	86.14
Tax relating to items that will not be reclassified to Profit and Loss		-	-
Total Other Comprehensive Income for the year (B)		(16.72)	86.14
IX. Total comprehensive income for the year (A + B)		628.10	(1,838.70)
X. Earnings per equity share [face value of share ₹ 10]	24		
(a) Basic (₹)		2.37	(7.08)
(b) Diluted (₹)		2.37	(7.08)

See accompanying notes forming part of the financial statements

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022

**For and on behalf of the Board of
Shemaroo Entertainment Limited**

Raman Maroo

Chairman & Managing Director

DIN 00169152

Dipesh Gosar

Company Secretary

Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022

Atul Maru

Jt. Managing Director

DIN 00169264

Hiren Gada

CEO & CFO

DIN 01108194

Standalone Cash Flow Statement

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	653.70	(1,919.88)
Adjustments for :		
Other Comprehensive Income	(16.72)	86.14
Depreciation & Amortisation	661.70	722.31
Financial Cost	2,474.43	2,697.23
Interest Income	(105.91)	(51.37)
Unrealised foreign exchange (Gain)/Loss	2.22	5.67
Loss on sale of Assets	117.09	22.90
Loss on disposal of Investments in Subsidiaries	-	108.96
Remeasurement of Lease Liability	(0.02)	(20.58)
Provision for Compensated leave absences	(57.16)	(50.82)
Provision for Gratuity	56.65	17.22
Bad Debts written off	67.45	359.05
Operating profit before working capital changes	3,853.42	1,976.83
Adjustments for :		
Decrease/(Increase) in Trade or Other Receivable	(1,705.47)	2,273.18
Decrease/(Increase) in Inventories	1,527.47	(1,886.48)
Increase/(Decrease) in Trade or Other Payable	2,393.29	(1,911.52)
Cash generated from/(used in) operations	6,068.71	452.00
Direct Taxes paid (net)	1,890.49	1,329.20
Net cash from/(used in) operating activities	4,178.22	(877.20)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Plant and Equipment	-	0.43
Purchase of Property, Plant & Equipment including Capital WIP and Intangible assets under development	(314.08)	(89.80)
Investment in/Withdrawal from Subsidiaries	133.42	754.45
Loan to Subsidiaries	(107.58)	(51.74)
Interest Income	105.91	51.37
Net cash from/(used in) investing activities	(182.33)	664.71
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability	(97.14)	(94.19)
Increase/(Decrease) in Non-Current Borrowings	(532.65)	(1,016.73)
Increase/(Decrease) in Current Borrowings	(900.49)	3,973.98
Financial Cost	(2,467.50)	(2,680.58)
Net cash from/(used in) financing activities	(3,997.78)	182.48
Net increase/(decrease) in cash and cash equivalents	(1.89)	(30.01)
Cash and cash equivalents as at the beginning of the year	8.26	38.27
Cash and cash equivalents as at the end of the year	6.37	8.26

Note :

Cash & Cash equivalents consists of cash and bank balances and other bank balances as under :

S. no.	Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
i)	Balances with banks		
	- Current accounts in Indian rupees	0.46	2.72
ii)	Cash on Hand	5.91	5.54
	Total	6.37	8.26

See accompanying notes forming part of the financial statements

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022**For and on behalf of the Board of
Shemaroo Entertainment Limited****Raman Maroo**Chairman & Managing Director
DIN 00169152**Dipesh Gosar**Company Secretary
Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022**Atul Maru**Jt. Managing Director
DIN 00169264**Hiren Gada**CEO & CFO
DIN 01108194

Statement of Changes in Equity

for the year ended 31st March 2022

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Note	Balance as at 1 st April 2020	Changes in equity share capital during the year	Balance as at 31 st March 2021	Changes in equity share capital during the year	Balance as at 31 st March 2022
Equity Share Capital	10	2,718.22	-	2,718.22	-	2,718.22

B. Other Equity

Particulars	Note	Reserves & Surplus			Other Comprehensive Income	Total
		Securities premium account	General reserve	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1st April 2020		14,340.81	2,112.81	40,624.42	168.77	57,246.81
Total Comprehensive Income for the year		-	-	(1,924.84)	86.14	(1,838.70)
Balance as at 31st March 2021		14,340.81	2,112.81	38,699.58	254.91	55,408.11
Total Comprehensive Income for the year	11	-	-	644.82	(16.72)	628.10
Balance as at 31st March 2022		14,340.81	2,112.81	39,344.39	238.19	56,036.21
See accompanying notes forming part of the financial statements	1-31					

Note : There are no changes in equity share capital due to prior period errors.

As per our report of even date

For Mukund M. Chitale & Co.
Chartered Accountants
ICAI Firm Registration No. 106655W

M. M. Chitale
Partner
Membership No. 14054

Place: Mumbai
Date : 10th May, 2022

For and on behalf of the Board of Shemaroo Entertainment Limited

Raman Maroo
Chairman & Managing Director
DIN 00169152

Dipesh Gosar
Company Secretary
Membership No.: A23755

Place: Mumbai
Date : 10th May, 2022

Atul Maru
Jt. Managing Director
DIN 00169264

Hiren Gada
CEO & CFO
DIN 01108194

Notes to Standalone Financial Statements

for the year ended 31st March 2022

1 Corporate information

Shemaroo Entertainment Limited ('Shemaroo' or 'the Company') is a public company domiciled in India and incorporated on 23rd December, 2005, in the state of Maharashtra. The Company's registered office is at Shemaroo House, Plot No. 18, Marol Co-operative Industrial Estate, Off. Andheri Kurla Road, Andheri East Mumbai - 400059, Maharashtra, India. The Company's equity shares are listed on both BSE Limited and National Stock Exchange of India Limited. Shemaroo is engaged in the distribution of content for Broadcasting of Satellite Channels, Physical Formats and Digital Technologies like Mobile, Internet, Broadband, IPTV and DTH among others.

These financial statements were approved by the Company's Board of Directors on May 10, 2022.

2 Significant accounting policies

2.1 Statement of Compliance

The financial statements of the company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 (the Act).

2.2 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value.

Company's financial statements are presented in Indian Rupees (₹), which is its functional currency.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.3 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses

during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.4 Summary of Significant Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if deemed appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future

Notes to Standalone Financial Statements

for the year ended 31st March 2022

economic benefits associated with the items will flow to the Company and cost can be measured reliably. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Depreciation and amortisation

Depreciation on property, plant and equipment is provided using straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under Part C of Schedule II of the Companies Act, 2013, whichever is lower.

Useful lives are derived after considering estimated residual value of 5 %.

Depreciation for property, plant and equipment purchased/sold during a period is proportionately charged. Fixed Assets individually costing ₹ 5,000/- or less are fully depreciated in the year of acquisition. The Company has estimated the useful lives for the fixed assets as follows :

Office Building	58 years
Plant & Machinery	3 - 15 years*
Furniture & Fixtures	10 years
Motor Vehicle	8 - 10 years

* In case of office equipments, useful life is estimated to approximate their expected wear & tear, which is higher than the one prescribed under Part C of Schedule II.

Software acquired initially together with hardware is capitalised along with the cost of hardware and depreciated in the same manner as the hardware.

The Company has estimated the useful lives for the intangible assets as follows :

Computer Software	5 years
-------------------	---------

(d) Borrowing Costs

Borrowing Cost includes interest expense calculated using the effective interest method under Ind AS 109 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 an asset

that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Impairment of non-financial assets - property, plant and equipment, investment property and intangible assets

The Company assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Investments

Investments in subsidiaries are carried at cost.

(g) Inventories

The media content (copyrights) are stated at lower of cost/unamortised cost or net realisable value. The Company evaluates the net realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate impairment is made in cases where accelerated impairment is warranted.

The copyrights are valued at a percentage of cost based on the nature of rights, as estimated by the Management. The Company evaluates the net realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate write down is made in cases where accelerated write down is warranted.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

Inventories of Raw material Stock are valued at cost or estimated net realizable value whichever is lower.

Projects in progress and movies under production are stated at cost. Cost comprises the cost of materials, the cost of services, labour and other expenses, to the extent they are incurred for creating an asset.

Inventories of physical media which consists of DVDs, Blu-ray, Physical Equipments & Merchandising are valued on FIFO basis.

The borrowing costs directly attributable to a movie is capitalised as part of the cost.

(h) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(i) Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in a manner which is most appropriate to the business.

(j) Financial Assets

A. Initial recognition and measurement :

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement :

a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect

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

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in the above categories are fair valued through profit or loss.

C. Investment in subsidiaries, associates and joint ventures :

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

D. Impairment of Financial assets :

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(k) Financial Liabilities

A. Initial recognition and measurements :

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement :

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(l) Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that the option to extend will be exercised and the option to terminate will not be exercised.

The right-of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(m) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation.

Post-employment Benefits

Defined Contribution Plans

A Defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund and

Notes to Standalone Financial Statements

for the year ended 31st March 2022

Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans :-

Gratuity

The liability in respect of gratuity and other post employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Re-measurement of Defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(n) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent they arise from the initial recognition of goodwill or from initial recognition of an asset or liability in a transaction which is not a business combination & at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient

taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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 tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(o) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement or translation of monetary item are recognised in Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(p) Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales of Media content - Revenue is recognised, when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.

Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television / digital broadcasting service to subscribers.

Sale of goods

Revenue from sale of goods (ACDs/VCDs/DVDs/ACS/BRDs) is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade

Notes to Standalone Financial Statements

for the year ended 31st March 2022

discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Income from Services

Revenues from services are recognised when contractual commitments are delivered net of returns, trade discounts and rebates. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

(q) Other income

i) Interest Income

Interest Income from a financial asset is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "other income" in the statement of profit and loss.

ii) Dividend Income

Dividend income is recognised when the Company's right to receive the payment has been established.

iii) Rent Income is recognised on accrual basis as per the agreed terms on straight line basis.

(r) Income in relation to rights purchased

In respect of satellite rights: As per the terms and conditions of the agreement with producer/seller, with respect to the date of agreement of purchase and the existence of Censor Certificate.

In respect of other rights like Video and other rights: On the date of the agreement of purchase with producer/seller, provided the Censor Certificate is in existence.

(s) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For calculating diluted earnings per share, the profit or (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares.

(t) Provisions, contingent liabilities & contingent assets

Provisions are recognised when the Company has a present obligation as a result of a past events; it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Provisions and contingent liabilities are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Contingent assets are neither recognised nor disclosed in the financial statements.

(u) Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, are classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the straight-line basis over its estimated useful lives. Useful life of the same is estimated as 58 years after considering estimated residual value as 5%.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer note 3b). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Non-Current Assets

3(a) Property, Plant & Equipment

	Plant & Machinery	Motor Vehicle	Furniture & Fixtures	Office Building	Total
Gross Carrying Value					
At 1st April 2021	5,919.52	269.95	584.36	984.13	7,757.96
Additions	223.67	69.13	-	-	292.80
Transfer to Investment property	-	-	-	(32.10)	(32.10)
Disposals	(1,198.67)	(18.47)	(9.40)	-	(1,226.54)
At 31st March 2022	4,944.52	320.61	574.96	952.03	6,792.12
Accumulated Depreciation					
At 1st April 2021	4,315.40	164.56	468.13	270.13	5,218.22
Charge for the year	483.19	30.13	19.77	16.02	549.11
Transfer to investment property	-	-	-	(17.54)	(17.54)
Disposals	(1,079.87)	(18.37)	(9.29)	-	(1,107.53)
At 31st March 2022	3,718.72	176.32	478.61	268.61	4,642.26
Net Carrying Value					
At 1st April 2021	1,604.12	105.39	116.23	714.00	2,539.74
At 31st March 2022	1,225.80	144.29	96.35	683.42	2,149.86

	Plant & Machinery	Motor Vehicle	Furniture & Fixtures	Office Building	Total
Gross Carrying Value					
At 1st April 2020	5,911.64	275.01	584.36	984.13	7,755.14
Additions	71.02	-	-	-	71.02
Disposals	(63.14)	(5.05)	-	-	(68.19)
At 31st March 2021	5,919.52	269.95	584.36	984.13	7,757.97
Accumulated Depreciation					
At 1st April 2020	3,840.83	140.61	447.68	254.11	4,683.22
Charge for the year	536.36	29.01	20.45	16.02	601.84
Disposals	(61.78)	(5.05)	-	-	(66.84)
At 31st March 2021	4,315.40	164.56	468.13	270.13	5,218.23
Net Carrying Value					
At 1st April 2020	2,070.81	134.40	136.68	730.02	3,071.91
At 31st March 2021	1,604.12	105.39	116.23	714.00	2,539.74

- Note: (i) Office Building Include ₹ 98,000 (Previous Year ₹98,000) in shares of Co-operative Housing Societies with right to hold and use certain area of Buildings.
- (ii) There is no immovable property where title deed of such immovable property is not held in name of the Company or jointly held with others.
- (iii) The Company has not revalued its Property, Plant and Equipment during FY 2021-22.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

3(b) Investment property (Refer Note 2 u)

Particulars	Amount
Net Block as on 1st April, 2020	-
Add: Transfer from Property, Plant & Equipment	-
Less: Depreciation	-
Net Block as on 31st March, 2021	-
Add: Transfer from Property, Plant & Equipment	15.09
Less: Depreciation	0.52
Net Block as on 31st March, 2022	14.57
Fair value	
As at 31st March, 2022	594.09

Note: Company's Investment Property consists of a commercial property whose fair value is as mentioned above. This valuation is based on valuations performed by registered valuer.

3(c) Other Intangible assets

	Software	Total
Gross Carrying Value		
At 1st April 2021	457.49	457.49
Purchase	21.28	21.28
Disposals	(15.48)	(15.48)
At 31st March 2022	463.29	463.29
Accumulated amortisation		
At 1st April 2021	376.22	376.22
Charge for the year	32.07	32.07
Disposals	(15.44)	(15.44)
At 31st March 2022	392.85	392.86
Net Carrying Value		
At 1st April 2021	81.27	81.27
At 31st March 2022	70.44	70.44

Note: (i) The Company has not revalued its Intangible Assets during FY 2021-22

	Software	Total
Gross Carrying Value		
At 1 st April 2020	438.71	438.71
Purchase	18.79	18.79
Disposals	-	-
At 31st March 2021	457.49	457.49

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

	Software	Total
Accumulated amortisation		
At 1 st April 2020	343.81	343.81
Charge for the year	32.41	32.41
Disposals	-	-
At 31st March 2021	376.22	376.22
Net Carrying Value		
At 1 st April 2020	94.90	94.90
At 31st March 2021	81.27	81.27

4 Right of use Asset

	Office Building	Total
Right of use Assets		
Gross Carrying Value		
At 1 st April 2021	340.83	340.83
Additions	-	-
Deductions	-	-
At 31st March 2022	340.83	340.83
Accumulated amortisation		
At 1 st April 2021	247.75	247.75
Charge for the year	80.51	80.51
Disposals	-	-
At 31st March 2022	328.26	328.26
Net Carrying Value		
At 1 st April 2021	93.07	93.07
At 31st March 2022	12.57	12.57

	Office Building	Total
Gross Carrying Value		
At 1st April 2020	306.46	306.46
Additions	34.36	34.36
Deductions	-	-
At 31st March 2021	340.83	340.83
Accumulated amortisation		
At 1st April 2020	92.09	92.09
Charge for the year	88.06	88.06
Disposals	67.61	67.61
At 31st March 2021	247.75	247.75
Net Carrying Value		
At 1st April 2020	214.38	214.38
At 31st March 2021	93.07	93.07

Note : The Company has not revalued its Right to Use Assets during the year.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
NON-CURRENT ASSETS			
5	Financial Assets		
(a)	Investments measured at Cost		
	In Subsidiaries, Unquoted		
(i)	1,000,000 (31 st March 2021: 1,000,000) Equity shares of ₹ 10/- each fully paid up of Canopy Entertainment Private Limited, a wholly owned subsidiary.	100.00	100.00
(ii)	1,000 (31 st March 2021: 1,000) units of Shemaroo Media & Entertainment LLC, USA, a wholly owned subsidiary.	33.57	33.57
(iii)	Capital Account in Shemaroo Think Tank Entertainment LLP		
	- in fixed capital account	1.00	1.00
	- in current capital account	(555.74)	(486.24)
(iv)	Capital Account in Shemaroo Contentino Media LLP		
	- in fixed capital account	0.73	0.65
	- in current capital account	644.22	708.21
	In Equity shares, Unquoted, fully paid up		
(v)	50,000 (31 st March 2021: 50,000) Equity shares of ₹ 10/- each fully paid up of The N.K.G.S.B. Co-op. Bank Limited.	5.00	5.00
(vi)	1,388 (31 st March 2021: 1,388) Equity shares of ₹ 10/- each fully paid up of Dominiche Productions Private Limited.	249.83	249.84
	Total	478.61	612.03
	OTHER DISCLOSURES		
	Aggregate amount of unquoted Investment	478.61	612.03
(a.i)	Category-wise Non-Current Investments		
	Financial Assets measured at amortised cost	478.61	612.03
	Total	478.61	612.03
(a.ii)	Share in Interest of Profit/(Loss) Ratio in Limited Liability Partnership		
	Shemaroo Think Tank Entertainment LLP		
i.	Shemaroo Entertainment Limited	99.99%	99.99%
ii.	Raman Hirji Maroo	0.01%	0.01%
	Total share	100.00%	100.00%
	Shemaroo Contentino Media LLP		
i.	Shemaroo Entertainment Limited	72.50%	65.00%
ii.	Murtuza Fakhruddin Kagalwala	25.00%	17.50%
iii.	Rajesh Kumar Das	0.00%	17.50%
iv.	Pulkit Sood	2.50%	0.00%
	Total share	100.00%	100.00%
(b)	Loans & Advances		
	Unsecured, considered good		
	Loans to employees	8.87	5.19
	Total	8.87	5.19

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
(c)	Other Financial Assets		
	Bank Deposits with more than 12 months maturity (refer note below)	20.76	24.04
	Trade Deposits	50.09	33.82
	Lease Deposits	10.62	2.82
	Total	81.47	60.68
	Note:		
	Deposits includes balances with banks held as margin money deposits against business guarantees.	17.08	16.54
6	Other Non- Current Assets		
	Balance with Customs and Central Excise Authorities (Refer Note 31.6)	106.91	106.91
	Prepaid Expenses	2.32	0.63
	Gratuity plan asset (net of provisions)	-	78.61
	Total	109.23	186.14
CURRENT ASSETS			
7	Inventories		
	Work-in-Progress		
	Media content under Production	305.19	277.67
	Stock-in-Trade		
	Copyrights	70,991.98	72,387.26
	Physical Media	161.37	321.08
	Total	71,458.54	72,986.01

Notes :

- The entire book value (carrying amount) of inventories is pledged as security for Cash Credit Facilities taken from banks.
- Disclosures as to the amendment of Schedule III :-
 - Whether quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts - Refer Note 15 (a);
 - If not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed - Refer Note 15 (a).

8	Financial Assets		
(a)	Trade receivables		
	Unsecured Trade receivables*		
	- considered good	5,839.77	5,299.04
	Less: Expected Credit loss allowance	(290.46)	(45.59)
	Total	5,549.31	5,253.45
	* Includes receivables from related parties - refer note 26	131.49	171.95
	Note: Movement in expected credit loss allowance		
	Opening Balance	45.59	47.15
	Movement in expected credit loss allowance during the year	244.87	(1.56)
	Closing Balance	290.46	45.59

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Ageing of trade receivables :-

FY 2021-22

Category	<6m	6m-1y	1-2y	2-3y	>3y	Total
Undisputed Trade Receivables – considered good	5,437.09	77.85	34.37	-	-	5,549.31
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	8.64	30.28	130.33	69.12	238.37
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	4.12	2.32	6.82	0.97	37.86	52.09
Total Trade Receivables (Gross)						5,839.77
Less: Expected Credit loss allowance						290.46
Total Trade Receivables (net)						5,549.31

FY 2021-22

Category	<6m	6m-1y	1-2y	2-3y	>3y	Total
Undisputed Trade Receivables – considered good	4,554.96	109.49	182.89	-	-	4,847.35
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	8.84	161.07	56.12	173.10	399.12
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	7.59	0.67	2.65	15.55	26.11	52.57
Total Trade Receivables (Gross)						5,299.04
Less: Expected Credit loss allowance						45.59
Total Trade Receivables (net)						5,253.45

Particulars		As at 31 st March 2022	As at 31 st March 2021
(b) Cash and Cash Equivalents			
i) Balances with banks			
- Current accounts in Indian rupees		0.46	2.72
ii) Cash on Hand		5.91	5.54
Total		6.37	8.26
(c) Other Bank Balances			
i) Deposits with original maturity of more than 3 months and remaining maturity less than 12 months		640.14	627.25
ii) Earmarked balances with Banks for :			
- Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months		29.65	18.09

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
- Balances with bank for unpaid dividend	0.52	0.52
- Balances with bank for Refund of Share Application Money	-	3.24
Total	670.31	649.10
Note :		
(i) No amount out of unpaid dividend is required to be transferred to investor education & protection fund		
(ii) Margin money deposits are held for providing bank guarantees for the business purpose.		
(d) Loans & Advances		
Unsecured, considered good		
Loans to subsidiaries (Refer Note 26 (a))	318.30	210.71
Loan to employees	6.91	17.83
Total	325.21	228.54
(e) Other Financial Assets		
Trade Deposits	28.86	43.30
Lease Deposits	22.00	28.00
Total	50.86	71.30
9 Other Current Assets		
Advance to vendors	1,014.55	296.04
Other Taxes Receivable	1,707.52	1,408.74
Prepaid Expense	895.02	584.30
Others	9.82	10.87
Total	3,626.91	2,299.95
10 Equity Share capital		
Authorized shares capital		
6,00,00,000 equity shares of ₹ 10/- each (Previous Year 3,00,00,000)	6,000.00	3,000.00
Issued, subscribed and paid-up capital		
2,71,82,239 (Previous year 2,71,82,239) equity shares of ₹ 10/- each fully paid up	2,718.22	2,718.22
Total	2,718.22	2,718.22

OTHER DISCLOSURES

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of shareholders, except in case of interim dividend. In the event of liquidation, the share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

a) Reconciliation of no. of equity shares & share capital

	31 st March 2022		31 st March 2021	
	Numbers	₹ Lakhs	Numbers	₹ Lakhs
At the beginning of the year	2,71,82,239	2,718.22	2,71,82,239	2,718.22
Outstanding at the end of the year	2,71,82,239	2,718.22	2,71,82,239	2,718.22

b) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31 st March 2022		31 st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Raman Hirji Maroo	40,17,271	14.78%	48,09,520	17.69%
Mr. Atul Hirji Maru	40,17,271	14.78%	48,09,520	17.69%
Mr. Buddhichand Hirji Maroo	27,83,061	10.24%	35,75,320	13.15%
Fidelity Funds - Asian Smaller Companies Pool	-	-	17,64,841	6.49%
Hiren Uday Gada	26,58,155	9.78%	10,93,680	4.02%
Technology and Media Group PTE Limited	18,22,840	6.71%	18,22,840	6.71%
Total	1,52,98,598	56.28%	1,78,75,721	65.76%

c) Details of promoters' shareholding

Name of Shareholder	31 st March 2022			31 st March 2021	
	No. of Shares held	% of Holding	% change	No. of Shares held	% of Holding
Atul Hirji Maru	40,17,271	14.78%	-16.47%	48,09,520	17.69%
Raman Hirji Maroo	40,17,271	14.78%	-16.47%	48,09,520	17.69%

11 Other Equity

Particulars		As at 31 st March 2022	As at 31 st March 2021
(a) Reserves & Surplus			
I Securities premium account			
Opening balance		14,340.81	14,340.81
Closing Balance (A)		14,340.81	14,340.81
II General reserve			
Opening balance		2,112.81	2,112.81
Closing Balance (B)		2,112.81	2,112.81

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
III	Retained Earnings		
	Opening balance	38,699.58	40,624.42
	Profit/(Loss) for the year	644.82	(1,924.84)
	Closing Balance	39,344.40	38,699.58
(b)	Other Comprehensive Income		
	Items that will not be reclassified to profit or Loss		
	- Remeasurements of defined benefit plans		
	Opening Balance	254.91	168.77
	Remeasurements during the year	(16.72)	86.14
	Deferred tax on remeasurements during the year	-	-
	Closing Balance	238.19	254.91
	Total Retained Earnings (C)	39,582.59	38,954.49
	Total (A + B + C)	56,036.21	55,408.11
	Notes :		
	i) General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.		
	ii) Retained earnings represent the accumulated earnings net of Losses if any made by the Company over the years.		

Non-Current Liabilities

Financial Liabilities

12 Non-Current Borrowings

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 st March 2022	As at 31 st March 2021
(a) Secured Bank Loan - at amortised cost					
(i) Term Loan, secured by hypothecation of motor vehicle	6.75%	08-Dec-24	Repayment monthly in 36 equal installments of INR 1,79,000/- as per repayment schedule of the Bank	53.57	-
(ii) Term Loan, secured by hypothecation of motor vehicles	8.61%	15-Sep-21	Repayment monthly in 37 equal installments of INR 1,01,690/- as per repayment schedule of the Bank	-	5.95
(iii) Term Loan, secured by hypothecation of motor vehicles	9.25%	10-Dec-21	Repayment monthly in 36 equal installments of INR 17,537/- as per repayment schedule of the Bank	-	1.52
(iv) Term Loan, secured by hypothecation of motor vehicles	9.25%	10-Dec-21	Repayment monthly in 36 equal installments of INR 44,683/- as per repayment schedule of the Bank	-	3.87
(v) Term Loan, secured by hypothecation of motor vehicles	9.25%	10-Dec-21	Repayment monthly in 36 equal installments of INR 44,683/- as per repayment schedule of the Bank	-	3.87

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 st March 2022	As at 31 st March 2021
(b) Unsecured Bank Loan – at amortised cost					
(i) Unsecured Term Loan	9.40%	05-Dec-24	Repayment monthly in 60 equal installments of INR 62,08,382/- as per repayment schedule of the Bank	1,744.43	2,315.33
Total Non-Current Borrowings				1,798.00	2,330.55
Less: Current Maturities of Secured long-term debt (included in Note 15 (c))				18.42	15.22
Less: Current Maturities of Unsecured long-term debt (included in Note 15 (c))				623.39	574.67
Non-Current Borrowings				1,156.19	1,740.66

Notes: (i) Assets pledged as Security:

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
Non Financial Assets			
Office Building	3 (a)	697.99	714.00
Plant and Machinery	3 (a)	1,225.80	1,604.12
Motor Vehicles	3 (a)	58.00	58.19
Inventories	7	71,458.54	72,986.01
Financial Assets			
Trade Receivables	8 (a)	5,549.31	5,253.45
Total		78,989.64	80,615.77

Notes :

- (i) The Company is not declared as a willful defaulter by any of the banks.
- (ii) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken during the year.
- (iii) Unsecured Term Loan is secured against the personal property of the Director.

Particulars	As at 31 st March 2022	As at 31 st March 2021
Non-Current Liabilities		
13 Provisions		
Provision for employee benefits:		
- Gratuity (Refer note 25)	9.45	-
- Compensated leave absences	68.13	107.79
	77.58	107.79

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
14 Deferred Tax Liabilities/(Assets)		
Balances comprises temporary differences attributable to:		
Property, Plant & Equipment & Intangible Assets	115.05	206.83
Provision for Gratuity and Leave Encashment	(19.52)	(22.99)
Lease Liability	(0.29)	(2.87)
Other Financial Liability at amortised cost	(58.73)	1.61
Net Deferred Tax Liability	36.51	182.59

Note: Movements in Deferred Tax Liabilities/(Assets)

Particulars	Property, Plant and Equipment & Intangible Assets	Financial Liability at amortised cost	Provision for Gratuity and Leave Encashment	Net Balance
Opening Balance as on 1 st April 2021	206.83	(1.26)	(22.99)	182.59
Charge or (Credit) to the Statement of Profit and Loss	(91.78)	(57.76)	3.46	(146.08)
Closing Balance as on 31st March 2022	115.05	(59.02)	(19.52)	36.51

Current Liabilities		
15 Financial Liabilities		
(a) Current Borrowings		
Loan Repayable on Demand		
Secured Loan from Bank	15,658.21	16,304.86
{Secured by hypothecation of stock, book debts and collaterally secured by mortgage of property owned by the company and personal guarantee of some of the directors of the company}		
Unsecured Bank Overdraft	-	1,851.12
Unsecured Bank Short Term Loan	4,600.00	2,763.67
Loans & Advances (Unsecured)		
- Intercompany Deposits from others	-	150.00
- Directors	2,493.82	2,581.90
Total	22,752.03	23,651.55

Notes:

- i) Quarterly statements of current assets are filed by the company with State Bank of India, Bank of India and NKSGB Cooperative Bank Limited from whom the company has borrowings on the basis of security of current assets.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Instances of material differences in value of current assets between the books of account and the statements submitted to banks are given below :

Reconciliation of inventory :

Quarter Ended	As per books	As per statement shared with bank	Difference	Reasons
	(A)	(B)	(A - B)	
Jun-21	72,664.22	72,501.75	162.47	Content expenses transferred to Work-in-Progress post submission of report to the bank - ₹ 60L, Stock in transit - ₹ 99.10L.
Sep-21	70,558.15	70,459.11	99.04	Content expenses transferred to Copyrights inventory post submission of report to the bank
Dec-21	69,959.76	69,959.01	0.75	
Mar-22	71,458.54	71,458.54	-	

- (ii) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken during the year.
- (iii) Unsecured Bank Short Term Loan is against the collateral of the standby letter of credit (SBLC).

Particulars	As at 31 st March 2022	As at 31 st March 2021
(b) Trade payable		
(a) Due to Micro and Small Enterprises (Refer Note No. 31.5)	549.25	210.02
(b) Due to Others	4,267.94	2,302.03
Total	4,817.19	2,512.05
Due to others include payable to related parties - refer note 26	70.11	137.46

Ageing of Trade Payable :- FY 2021-22

	<1y	1-2y	2-3y	>3y	Total
Undisputed Trade Payables - MSME	549.25	-	-	-	549.25
Undisputed Trade Payables - Others	4,029.86	32.76	48.11	111.46	4,222.19
Disputed Trade Payables - MSME	-	-	-	-	-
Disputed Trade Payables - Others	20.76	8.12	4.49	12.38	45.75
Total Trade Payables	4,599.87	40.88	52.60	123.84	4,817.19

FY 2020-21

	<1y	1-2y	2-3y	>3y	Total
Undisputed Trade Payables - MSME	210.02	-	-	-	210.02
Undisputed Trade Payables - Others	1,926.50	321.60	(56.91)	76.57	2,267.76
Disputed Trade Payables - MSME	-	-	-	-	-
Disputed Trade Payables - Others	19.10	6.76	(2.63)	11.04	34.27
Total Trade Payables	2,155.62	328.36	(59.54)	87.61	2,512.05

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
(c) Other Financial Liabilities			
Current Maturities of Secured long-term debt (Note 12)		18.42	15.22
Current Maturities of Unsecured long-term debt (Note 12)		623.39	574.67
Security Deposit Received		20.70	22.09
Interest accrued but not due on borrowings		49.48	108.13
Others		-	3.24
Unclaimed Dividend Payable		0.52	0.52
Total		712.51	723.87
16 Other Current Liabilities			
Advances received from Customers		88.85	5.00
Statutory Dues Payable		319.82	259.66
Others		28.58	31.00
Total		437.25	295.66
17 Provisions			
(a) Provision for Employee Benefits			
- Gratuity (Refer note 25)		9.45	40.85
- Compensated leave absences		3.79	21.30
- E S I C		0.36	0.26
- Provident Fund		18.83	18.34
- Maharashtra Labour Welfare Fund		0.02	0.02
Total		32.45	80.78
(b) Other Provisions			
Provision for tax (Net of Advance Tax)		11.46	-
Total		11.46	-
Total Provisions		43.91	80.78
Note: Income Tax expenses for the year can be reconciled to accounting profit as follows:			
Profit/(loss) before tax		653.70	(1,919.88)
Reconciling items :			
Depreciation as per Income Tax Rules		(394.65)	(441.63)
Deductions		(55.82)	(95.62)
Other comprehensive income		(16.72)	-
Expenses disallowed		1,154.15	940.21
		1,340.66	(1,516.91)
Less : Loss of previous year b/f		(1,290.63)	-
		50.03	(1,516.91)
Applicable Tax Rate		23%	25%
Current tax expenditure for the year		11.46	-
Tax Deduction at Source		(1,415.91)	(982.84)
		(1,404.45)	(982.84)

Notes to Standalone Financial Statements

for the year ended 31st March 2022

The Government of India has reduced the corporate tax rates from 30% to 22% through the Taxation Laws (Amendment) Act, 2019 which is effective from 1st April 2019. As per the same if assessee opts new corporate tax rate, Minimum Alternative Tax provisions (MAT) provisions are not applicable. Shemaroo Entertainment Limited has opted for new corporate tax rate from the financial year 2019-20 and the tax liability above has been calculated accordingly.

(₹ in Lakhs)

Particulars		Year ended 31 st March 2022	Year ended 31 st March 2021
18	Revenue from Operations		
	Sale of Rights	31,229.40	26,936.08
	Sale of Products	258.07	227.02
	Income from Services	5,313.48	3,355.25
	Total	36,800.95	30,518.35
19	Other Income		
	Interest	105.91	51.37
	Expected Credit Gain (Ind-AS) (Note 8a)	-	1.56
	Foreign Exchange Gain	28.23	-
	Other	53.42	76.49
	Total	187.56	129.42
20	Operational Cost		
	Inventories at the beginning of the year	72,986.01	71,099.53
	Purchases	14,483.03	15,902.63
	Works Cost	7,620.52	6,853.37
	Less: Inventories at the end of the year	(71,458.54)	(72,986.01)
	Total	23,631.02	20,869.51
21	Employee Benefit Expense		
	Salaries, Bonus and Allowances	6,227.78	5,420.94
	Contribution to Provident & Other funds	205.33	204.77
	Staff Welfare Expenses	136.39	99.23
	Total	6,569.50	5,724.94
22	Finance costs		
	Interest on Borrowings	2,340.18	2,467.16
	Bank & Other Finance Charges	119.97	188.29
	Interest on Statutory Dues	7.75	25.13
	Finance Cost on Lease Assets	6.53	16.65
	Total	2,474.43	2,697.23
23	Other expenses		
	Bad Debts written off	67.45	359.05
	Business Development expenses	39.13	23.26
	Communication expenses	72.94	38.30
	Donations	3.49	0.37
	Electricity Expenses	100.38	94.70

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Foreign Exchange Loss	-	25.97
General Expenses	358.04	302.97
Expected Credit Loss (Ind-AS) (Note 8a)	244.87	-
Loan written off	-	108.96
Insurance Expenses	49.56	74.75
Legal, Professional and Consultancy expenses	693.62	512.88
Payment to Auditors (refer note (a) below)	15.08	17.15
Repairs and Maintenance		
- Building	18.90	11.68
- Machinery	31.43	23.95
- Others	71.28	73.97
Rents, Rates and Taxes	90.92	67.70
Security Charges	27.97	24.28
Selling and Marketing Expenses	794.13	543.30
Travelling and Conveyance	92.05	58.43
Loss due to damage of Assets	-	0.37
Loss on sale of Assets	118.77	0.89
Expenditure towards Corporate Social Responsibility Activities (Refer Note 30)	108.15	190.72
Total	2,998.16	2,553.65
Note (a): Details of payments made to auditor (excluding taxes):		
As auditor:		
Statutory Audit fee (excluding taxes)	15.00	15.00
In other capacity:		
Other Services	-	2.15
Reimbursement of expenses	0.08	-
Total	15.08	17.15
24 Earnings per share (EPS)		
Following reflects the net profit after tax and no. of shares data used in the Basic and Diluted EPS computations:		
Total Operations for the year		
Profit/(Loss) after tax	644.82	(1,924.84)
Net Profit for calculation of basic EPS	644.82	(1,924.84)
Net Profit/(Loss) as above	644.82	(1,924.84)
Net Profit/(Loss) for diluted EPS	644.82	(1,924.84)
Weighted average number of equity shares in calculating diluted EPS	271.82	271.82
(a) Basic (₹)	2.37	(7.08)
(b) Diluted (₹)	2.37	(7.08)

Notes to Standalone Financial Statements

for the year ended 31st March 2022

25 Employee Benefits

The Disclosures as defined in the Indian Accounting Standard 19 "Employee benefits", are given below :

a) Defined Contribution Plans

Contribution to provident and other funds is recognised as an expense in note 21 "Employee benefit expense" of the Statement of Profit and Loss.

b) Defined Benefit Plan

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method.

(₹ in Lakhs)

Particulars		2021-22	2020-21
		Gratuity (Funded)	
I)	Reconciliation of opening and closing balances of Defined Benefit Obligation		
	Defined Benefit obligation at beginning of the year	396.98	422.40
	Current Service Cost	59.12	51.37
	Interest Cost	26.05	27.18
	Past Service Cost	-	-
	Actuarial (Gain)/Loss	34.81	(56.18)
	Benefits paid	(26.64)	(47.79)
	Defined Benefit obligation at year end	490.32	396.98
II)	Changes in Fair value of Assets & Reconciliation with Present Value of Defined Benefit Obligation		
	Fair Value of Plan Assets at the beginning	434.73	404.70
	Interest Income	31.80	27.48
	Employer Contributions	30.87	44.51
	Benefit Payments from Plan Assets	(24.30)	(44.36)
	Other (Employee Contribution, Taxes, Expenses)	(2.35)	(3.42)
	Re measurements - Return on Assets	0.65	-
	(Excluding Interest Income)	-	5.82
	Fair Value of Plan Assets at the end	471.42	434.73
	Defined Benefit obligation at year end	490.32	396.98
	Net (Asset)/Liability at the end of year	18.90	(37.76)
III)	Reconciliation of Net (Asset)/Liability recognised in the Balance Sheet as at 31 st March 2022:		
	Net (Asset)/Liability at the beginning of year	(37.76)	17.70
	Expenses Recognized in Statement of Profit and Loss	53.37	51.06
	Expenses Recognized in OCI	34.16	(62.00)
	Benefit paid	(30.87)	(44.51)
	Net (Asset)/Liability at the end of year	18.90	(37.76)

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		2021-22	2020-21
		Gratuity (Funded)	
IV)	Amount recognised in Balance Sheet		
	Present value of defined benefit obligation	18.90	(37.76)
	Amount recognised in Balance Sheet	18.90	(37.76)
V)	Expenses recognised during the year		
	Current Service Cost	59.12	51.37
	Net Interest Cost	(5.75)	(0.31)
	Past Service Cost	-	-
	Actuarial (Gain)/Loss	-	-
	Other Transfer	-	-
	Net Cost	53.37	51.06
VI)	Expenses recognised in Other Comprehensive Income		
	Actuarial (Gains)/Losses on Obligation For the Year	34.81	(56.18)
	Return on Plan Assets, Excluding Interest Income	(0.65)	(5.82)
	Change in Asset Ceiling	-	-
	Net (Income)/Expense For the Period Recognized in OCI	34.16	(62.00)
VII)	Actuarial assumptions		
	Mortality Table	IAL (2012-14)	IAL (2012-14)
	Discount rate (per annum)	7.26%	6.79%
	Expected rate of salary increase (per annum)	5.00%	4.00%
	Rate of Employee Turnover	3.00%	3.00%

VIII) The defined benefit plans expose the Company to actuarial risks such as interest rate risk, longevity risk and salary risk:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

IX) Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points:

Sensitivity Analysis	2021-22	2020-21
Projected Benefit Obligation on Current Assumptions	490.32	396.98
Delta Effect of +1% Change in Rate of Salary Increase	545.22	442.75
Delta Effect of -1% Change in Rate of Salary Increase	443.06	355.63
Delta Effect of +1% Change in Rate of Employee Turnover	504.55	409.68
Delta Effect of -1% Change in Rate of Employee Turnover	473.95	382.24
Delta Effect of +1% Change in Rate of Discounting	438.77	354.80
Delta Effect of -1% Change in Rate of Discounting	551.80	447.46

Notes:

The current service cost recognised as an expense is included in Note 21 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

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.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

c) Other long term benefits

The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 21 'Employee benefits expense'.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

26 Related party disclosures

Related Party relationship	Name of Related Parties
i) Subsidiaries	Canopy Entertainment Private Limited Shemaroo Contentino Media LLP (Formerly known as Contentino Media LLP) Shemaroo Think Tank Entertainment LLP Shemaroo Media & Entertainment LLC, USA
ii) Key Management Personnel	Mr. Buddhichand Maroo, Chairman (Up to 7 th December, 2021) Mr. Raman Maroo, Managing Director Mr. Atul Maru, Joint Managing Director Mr. Jai Maroo, Executive Director Mr. Hiren Gada, CEO & CFO Mr. Vinod Karani (Up to 7 th December, 2021) Mr. Hemant Karani (Up to 7 th December, 2021) Mr. Bipin Dharod (Up to 7 th December, 2021) Mr. Ketan Maru (Up to 7 th December, 2021) Mrs. Kranti Gada (Up to 7 th December, 2021) Mrs. Smita Maroo (Up to 7 th December, 2021) Ms. Mansi Maroo (Up to 7 th December, 2021) Mr. Dipesh Gosar, Company Secretary
iii) Relatives of Key Management Personnel	Mr. Buddhichand Maroo (father of Mr. Jai Maroo) Mrs. Leelaben Maroo (mother of Mr. Jai Maroo) Mrs. Smita Maroo (wife of Mr. Jai Maroo) (wef 8 th December 2021) Mrs. Kastur Maroo (wife of Mr. Raman Maroo) Mrs. Radhika Maroo (daughter of Mr. Raman Maroo) Ms. Mansi Maroo (daughter of Mr. Raman Maroo) (wef 8 th December 2021) Mrs. Sangeeta Maru (wife of Mr. Atul Maru) Ms. Nirvi Maru (daughter of Mr. Atul Maru) Ms. Urvi Maru (daughter of Mr. Atul Maru) Mrs. Madhuri Gada (wife of Mr. Hiren Gada) Mrs. Kranti Gada (Sister of Mr. Hiren Gada) (wef 8 th December 2021) Mr. Denzil Arambhan (Husband of Mrs. Kranti Gada Arambhan) (Up to 7 th December 2021) Mr. Chirag Karani (son of Mr. Vinod Karani) (Up to 7 th December 2021) Mrs. Varsha Karani (wife of Mr. Vinod Karani) (Up to 7 th December 2021) Mrs. Harashada Karani (wife of Mr. Hemant Karani) (Up to 7 th December 2021)
iv) Entities having Common Control	Atul H. Maru (HUF) Buddhichand H. Maroo (HUF) Raman H. Maroo (HUF) Jai Maroo (HUF) Hiren Gada (HUF) Shemaroo Corporation Shemaroo Trading Private Limited (Formerly Shemaroo Holdings Private Limited) Canonical Trading LLP Think Walnut Digital Private Limited Technology and Media Group PTE. Ltd. Braj Holdings Pte. Ltd. Dominiche Productions Private Limited Sneha Creation (Up to 7 th December, 2021)

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

The following table provides the total amount of transactions that have been entered into with related parties/ outstanding balances as at the year end :

Particulars	Subsidiaries As on		Key Management Personnel As on		Relatives of Key Management Personnel As on		Entities having common control As on		Total As on	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
Transaction with Related Parties :										
Purchase of Goods & Services	-	-	-	-	-	-	30.98	16.59	30.98	16.59
Sale of Goods & Services	158.90	155.13	-	-	-	-	-	-	158.90	155.13
Interest Accrued on Loan Given	31.17	31.75	-	-	-	-	-	-	31.17	31.75
Investment in Subsidiary written-off	-	29.18	-	-	-	-	-	-	-	29.18
Salaries	-	-	315.84	379.66	114.41	36.75	-	-	430.25	416.41
Directors Sitting Fees	-	-	0.80	0.80	-	-	-	-	0.80	0.80
Remuneration to Directors	-	-	359.42	177.26	-	-	-	-	359.42	177.26
Interest Accrued on Loans Taken	-	-	266.83	308.19	-	-	-	-	266.83	308.19
Loans Given during the year	182.94	27.96	-	-	-	-	-	-	182.94	27.96
Repayment of Loans Given during the year	106.53	-	-	-	-	-	-	-	106.53	-
Loans Taken during the year	-	-	201.57	612.09	-	-	-	-	201.57	612.09
Repayment of Loans Taken during the year	-	-	289.65	370.85	-	-	-	-	289.65	370.85
Investment Made During The Year	0.08	-	-	-	-	-	-	-	0.08	-
Current Account Transactions During The Year :	133.50	97.10	-	-	-	-	-	-	133.50	97.10
Year end Balances with Related Parties :										
Dues from Related Parties	131.49	171.95	-	-	-	-	-	-	131.49	171.95
Dues to Related Parties	59.98	63.30	-	-	-	-	10.13	74.17	70.11	137.46
Loans Given	318.30	210.71	-	-	-	-	-	-	318.30	210.71
Loans Taken	-	-	2,493.82	2,581.90	-	-	-	-	2,493.82	2,581.90
Investment Made	135.30	135.22	-	-	-	-	249.84	249.84	385.14	385.06
Current Account Balances	88.48	221.97	-	-	-	-	-	-	88.48	221.97

Notes :

Company has taken collective personal guarantee from related parties to the tune of ₹ 17,500 lakh, against its borrowings from the banks.
The above loans from related parties are unsecured and payable on demand.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

27 Financial Instruments

27.1 Fair value measurements

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31 st March'22				As at 31 st March'21			
	Level of inputs used in				Level of inputs used in			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
I. Financial Assets								
- At amortised cost								
Investments	478.61	-	-	478.61	612.03	-	-	612.03
Trade Receivables	5,549.31	-	-	5,549.31	5,253.45	-	-	5,253.45
Loans & Advances	334.08	-	-	334.08	270.37	-	-	270.37
Cash & Cash Equivalents	6.37	-	-	6.37	8.26	-	-	8.26
Other Bank Balances	670.31			670.31	649.10			649.10
Other Financial assets	132.33	-	-	132.33	131.98	-	-	131.98
II. Financial Liabilities								
- At amortised cost								
Borrowings	23,908.21	-	-	23,908.21	25,392.21	-	-	25,392.21
Lease Liability	13.84			13.84	104.48			104.48
Trade Payables	4,817.19	-	-	4,817.19	2,512.05	-	-	2,512.05
Security Deposit Received	20.70	-	-	20.70	22.09	-	-	22.09
Other Financial Liabilities*	691.81	-	-	691.81	701.78	-	-	701.78

Other financial liabilities includes current maturities of long term borrowings carried at amortised cost.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Inputs are Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e, derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

27.2 Foreign exchange exposure

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at the end of reporting period is as follows :

(in Lakhs)

Particulars	Currency	As at 31 st March 2022	As at 31 st March 2021
Financial Assets			
Trade Receivables	USD	14.77	11.73
	AED	0.07	-
	CAD	0.08	-
	KWD	0.37	-
	NZ	3.80	-
	OMN	0.03	-
	RP	5.72	-
	SGD	0.03	-
	THB	0.27	-
Loans to subsidiaries	USD	4.22	2.87
Other Current Assets			
Advances paid for Supply of Goods and Rendering of Services	USD	1.07	0.67
	EURO	-	0.25
	AUD	0.39	-
	GBP	-	0.27

28 Financial Instruments

(i) Financial risk management objective and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates. The Company's exposure to the risk of changes in market interest rates primarily to the Company's long-term debt obligations.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(₹ in Lakhs)

Particulars	Interest impact (pre tax)			
	Year ended 31 st March'22		Year ended 31 st March'21	
	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%
Impact on profit or loss for the year	11.70	(11.70)	11.46	(11.46)
Impact on total equity as at the end of the reporting Year	11.70	(11.70)	11.46	(11.46)

c) Foreign Currency risk

The Company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

d) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers, deposits and loans given, investments and balances at bank.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected credit loss is based on actual credit loss experienced and past trends based on the historical data.

Ageing of trade receivables

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Trade receivables (Unsecured)		
over six months	398.56	613.45
less than six months	5,441.21	4,685.59
Total	5,839.77	5,299.04

e) Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provided adequate liquidity in short terms as well in the long term.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments.

Particulars	31 st March 2022		31 st March 2021	
	Due in 1 year	Due in 2 - 3 years	Due in 1 year	Due in 2 - 3 years
Financial Liabilities				
Trade Payable and other financial liabilities	28,105.30	176.43	26,887.47	-
Borrowings	-	1,156.19	-	1,740.66
Lease Liability	5.62	8.23	90.63	13.84
Total	28,110.92	1,340.85	26,978.10	1,754.50

*Current maturities of borrowings forms part of other financial liabilities. Hence, same is not considered separately in borrowings.

(ii) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

Gearing ratio

The gearing ratio at end of the reporting period was as follows :

Particulars	As at 31 st March 2022	As at 31 st March 2021
Debt		
Long Term Borrowings (Including Current Maturity of Long Term Debts)	1,798.00	2,330.55
Short Term Borrowings	22,752.03	23,651.55
Cash & Bank Balances	(758.15)	(681.40)
Total debt (A)	23,791.88	25,300.69
Equity		
Equity Share Capital	2,718.22	2,718.22
Other Equity	56,036.21	55,408.11
Total equity (B)	58,754.43	58,126.33
Net Debt to Equity Ratio (A/B)	40.49%	43.53%

29 Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 and entered into during the year.

The company adopted modified retrospective method for the all lease contracts existing on April 1, 2019 and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

- a) The summary of information showing the effect of “Leases” on the financial position, financial performance and cash flows are given below:

Particulars	As at 31 st March 2022	As at 31 st March 2021
Right of use asset:		
a) Balance as at beginning of the year	93.07	214.38
b) Additions made during the year	-	34.36
- Office Buildings		
c) Depreciation charged to Statement of profit and loss	(80.51)	(88.06)
d) Disposal of Assets	-	(67.61)
a) Balance as at end of the year		
- Office Buildings	12.57	93.07
Lease Liability:		
a) Balance as at beginning of the year	104.48	235.84
b) Additions made during the year	-	34.36
c) Deletions during the year	-	(78.13)
d) Interest expenses charged to Statement of profit and loss	6.53	16.65
e) Reduction after reinstatement of Liability	-	(10.06)
f) Cash outflow for leases	(97.16)	(94.19)
g) Balance as at end of the year	13.85	104.47

Note:

- 1) The weighted average incremental borrowing rate applied to lease liability is 10 %.
- 2) The company has applied single discount rate to a portfolio of leases of similar assets.

- b) The following is the break-up of current and non-current lease liabilities:

Current lease liability	5.62	90.64
Non-current lease liability	8.23	13.83
Total	13.85	104.47

- c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Less than one year	5.62	90.64
One to five years	8.23	13.83
More than five years	-	-
Total	13.85	104.47

- d) The Company does not face a significant liquidity risk with regard to its lease liability as the current assets are sufficient to meet the obligations related to lease liability as and when they fall due.
- e) Rental expense charged to the Statement of profit and loss account applying paragraph 6 of Ind AS 116, on account of low-value asset is ₹ Nil and short-term leases is ₹ Nil.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

30 Details of Corporate social responsibility expenses:

- (i) The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 105.80 lakhs (previous year ₹ 189.41 lakhs).
- (ii) Amount approved by the board to be spent towards CSR activities during the year ₹ 108.15 lakhs.
- (iii) The details of amount recognized as expense in the Statement of Profit or Loss under Note 23 above on CSR related activities is given below:

Particulars	(₹ in Lakhs)
Amount spent during the year ending on March 31, 2022:	
i) Improving & Promoting Quality Education	55.10
ii) Health care, Hygiene & Medical Facilities	8.05
iii) Rural Transformation & Protection of natural heritage, art & culture, drought relief	45.00
	108.15
Amount spent during the year ending on March 31, 2021:	
i) Improving & Promoting Quality Education	101.00
ii) Health care, Hygiene & Medical Facilities	81.01
iii) Rural Transformation & Protection of natural heritage, art & culture, drought relief	8.71
	190.72

- (iv) Details of Excess CSR expenditure as at March 31, 2022:

Particulars	(₹ in Lakhs)
Opening Balance	-
Amount required to be spent during the year	105.80
Amount spent during the year	108.15
Shortfall at the end of the year	-
Total of previous years shortfall	-
Closing Balance (To be carried forward for next year)	2.35

31 Additional information to financial statements

31.1 Approval of financial statements

Financial statements were approved for issue by Board of Directors on 10th May, 2022.

31.2 Disclosure under IND-AS - 108

The Company has identified "Entertainment" as the only primary reportable business segment and hence business segment disclosure as per IND AS - 108 is not applicable. The Company has no reportable geographical segment other than India.

Two customer represents more than 10% of the Company's total revenue during the year as well as previous year.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

31.3 Details of Loans given, investment made and Guarantee given covered under section 186(4) of the Companies Act, 2013.

- (a) Loan given by company to body corporate as at 31st March'22. (Refer note 8(d))
- (b) Investment made by the company as at 31st March'22. (Refer note 5(a))
- (c) No Guarantee has been given by the company as at 31st March'22.

31.4 Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
Disputed Direct Tax Demands	-	45.69
Disputed Indirect Tax Demands	201.17	201.17
	201.17	246.86

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

31.5 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
(i) Principal amount remaining unpaid to MSME suppliers as on	549.25	210.02
(ii) Interest due on unpaid principal amount to MSME suppliers as on	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

31.6 Custom duty and interest thereon aggregating ₹ 106.91/- Lakhs (FY 202021 - ₹ 106.91/-), is paid under protest in the Financial Year ended 31.03.2008. The same is included in Other Non-Current Assets (Refer Note 6).

31.7 Disclosure of ratios

Please find below ratios to be disclosed as per the Schedule III of the Companies Act :

	31 st March 2022	31 st March 2021	Variance	Reason for variance of more than 25%	Items included in numerator and denominator
Current ratio	2.99	3.07	-2.73%		Numerator :- Current Assets Denominator :- Current Liability
Debt-Equity ratio	0.42	0.45	-6.52%		Numerator :- Total Debts Denominator :- Shareholders Equity

Notes to Standalone Financial Statements

for the year ended 31st March 2022

	31 st March 2022	31 st March 2021	Variance	Reason for variance of more than 25%	Items included in numerator and denominator
Debt service coverage ratio	1.53	0.55	175.81%	Due to increase in earnings in current year.	Numerator :- Earning for debt services Denominator :- Fixed Interest Charges
Return on equity ratio	0.01	(0.03)	133.19%	Due to increase in profit after tax in current year.	Numerator :- Net Profit After Taxes Denominator :- Shareholders' Equity
Inventory turnover ratio	0.51	0.42	20.29%		Numerator :- Sales Denominator :- Average Inventory
Trade receivables turnover ratio	6.63	5.81	14.16%		Numerator :- Total Sales Denominator :- Average Account Receivables
Trade payables turnover ratio	3.95	4.49	-12.05%		Numerator :- Net Credit Purchases Denominator :- Average Accounts Payable
Net capital turnover ratio	0.62	0.52	20.36%		Numerator :- Net Sales Denominator :- Net Assets
Net profit ratio	0.02	(0.06)	127.82%	Increase in net profit in current year.	Numerator :- Net Profit Denominator :- Net Sales
Return on capital employed	0.05	0.01	303.37%	Increase in earning before interest & tax in current year	Numerator :- Earning Before Interest & Tax Denominator :- Capital Employed
Return on investment	1.31	(3.00)	143.72%	Increase in margin	Numerator :- Return or Margin Denominator :- Investments

31.8 Transactions with companies struck off under section 248 of the Companies Act, 2013 :

(₹ in Lakhs)

Name of the Company	Nature of Transactions	Balance Outstanding as on March 31, 2022	Balance Outstanding as on March 31, 2021
Cair Saangri Manoranjan Company Pvt.Ltd.	Advance Given	19.30	19.30
Mirah Entertainment Pvt.Ltd.	Creditor	3.88	3.88

31.9 Additional disclosures as to the amendment of Schedule III :

- During the financial years ended 31 March 2022 and 31 March 2021, the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.
- There is no Benami Property held by the Company and there is no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes to Standalone Financial Statements

for the year ended 31st March 2022

- iii) There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- iv) The company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- v) The company has not traded or invested in crypto currency or virtual currency during the financial year.
- vi) There are no subsidiaries in more than one layer.

31.10 Previous year's figures are regrouped, rearranged, or recast wherever necessary to conform to this year's classification.

Signatures to notes "1" to "31" forming part of the financial statements

For Mukund M. Chitale & Co.

Chartered Accountants
ICAI Firm Registration No. 106655W

M. M. Chitale

Partner
Membership No. 14054

Place: Mumbai
Date : 10th May, 2022

For and on behalf of the Board of Shemaroo Entertainment Limited

Raman Maroo

Chairman & Managing Director
DIN 00169152

Dipesh Gosar

Company Secretary
Membership No.: A23755

Place: Mumbai
Date : 10th May, 2022

Atul Maru

Jt. Managing Director
DIN 00169264

Hiren Gada

CEO & CFO
DIN 01108194

INDEPENDENT AUDITOR'S REPORT

To the Members of Shemaroo Entertainment Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

1. Opinion

We have audited the accompanying consolidated Ind AS financial statements of Shemaroo Entertainment Limited (the "Parent"/ the "Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, its consolidated profit, consolidated total comprehensive income, consolidated cash flows and its consolidated changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Valuation & amortization of inventory of copyrights – The copyrights are stated at cost/ unamortised cost or realizable value. The Company evaluates the realizable value and revenue potential of respective rights based on management estimate of market condition & demand of those respective rights. An accelerated impairment is considered if needed. We have considered this as key audit matter due to the amount of inventory balance and company's assessment of the fair value considering dynamic market conditions. This assessment involves judgements about future predictions of business and cash flows.	Our procedures consisted of evaluating management's methodology & key assumptions and included following audit procedures – Evaluated the design of internal controls relating to review of inventory impairment testing performed by management. Designed & performed audit procedures with respect to impairment testing workings including the assumptions and estimates used in evaluation of carrying values of assets where there is an indication of impairment. Assessing the appropriateness of any changes to assumptions since the prior period.

INDEPENDENT AUDITOR'S REPORT

4. Information other than the Consolidated Ind AS financial statements and Auditor's report thereon

The Parent's/ Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our Auditor's Report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5. Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's/ Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS Financial Statements, Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Group's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

INDEPENDENT AUDITOR'S REPORT

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

- I. The consolidated audited financial statements include the financial statements of 3 subsidiaries which have not been reviewed by their auditors, whose financial statements reflect, total revenue of ₹ 1,522.18 lakhs for the year ended March 31, 2022, total Profit / (Loss) after tax of (₹ 130.12) lakhs and total comprehensive income of (₹ 141.25) lakhs for the year ended March 31, 2022, as considered in audited consolidated financial statements. According to the information and explanations given to us by the management, these financial results are not material to the Group.

Our opinion on consolidated Ind AS financial statements is not modified in respect of our reliance on the financial statements certified by the Management.

- II. Consolidated figures for the year April 1, 2020 to March 31, 2021 and as at March 31, 2021 were audited by another firm of chartered accountants who have issued their unmodified opinion vide their report dated June 8, 2021.

8. Report on Other Legal and Regulatory Requirements

- I. As required by Section 143(3) of the Act, 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 consolidated Ind AS Financial Statements.

INDEPENDENT AUDITOR'S REPORT

- b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent/ Holding Company and its subsidiary companies as on 31 March 2022 taken on record by the Board of Directors of the Companies incorporated in India, none of the directors of the Company and Group companies are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent/ Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Financial Statements of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances

INDEPENDENT AUDITOR'S REPORT

nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The Company has not paid any dividend during the year.

(b) The Board of Directors of the Company has neither proposed nor paid any dividend for the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and

based on the CARO reports issued by the auditors of the subsidiaries incorporated in India included in the Consolidated Ind AS Financial Statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For **Mukund M. Chitale & Co.**
Chartered Accountants
(Firm's Registration No. 106655W)

M. M. Chitale
Partner
Membership no- 14054
UDIN - 22014054AMIAQD3766

Mumbai
May 10, 2022

Annexure A to the Independent Auditor's Report
of even date on the Consolidated Ind AS financial statements of Shemaroo Entertainment Limited
Referred to in paragraph [8(1)(f)] under Report on Other Legal and Regulatory
Requirements of our report of even date

Report on the Internal Financial Controls with reference to Consolidated Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls with reference to Consolidated Ind AS financial statements of Shemaroo Entertainment Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Boards of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Group's internal financial controls with reference to Consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. 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 Ind AS 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 system with reference to Consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS 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 judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

4. A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that income and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS financial statements

5. Because of the inherent limitations of internal financial controls with reference to Consolidated Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Group has, in all material respects, an adequate internal financial controls system with reference to Consolidated Ind AS financial statements and such internal financial controls with reference to Consolidated Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to Consolidated Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Regn. No. 106655W

M. M. Chitale
Partner
M. No. 14054
UDIN : 22014054AMIAQD3766

May 10, 2022
Mumbai

Consolidated Balance Sheet

as at 31st March 2022

(₹ in Lakhs)

Particulars	Notes	As at 31 st March 2022	As at 31 st March 2021
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	3 (a)	2,151.88	2,548.91
(b) Investment property	3 (b)	14.57	-
(c) Intangible assets	3 (c)	70.44	86.47
(d) Right of use Assets	4	12.57	93.07
(e) Financial assets			
(i) Non-Current Investments	5 (a)	254.83	254.84
(ii) Loans & Advances	5 (b)	8.87	5.19
(iii) Other Financial assets	5 (c)	81.47	60.68
(f) Other non-current assets	6	109.23	186.14
Total Non-Current Assets		2,703.86	3,235.30
II Current assets			
(a) Inventories	7	71,494.67	73,032.19
(b) Financial assets			
(i) Trade receivables	8 (a)	5,663.65	5,472.96
(ii) Cash and Cash equivalents	8 (b)	160.87	84.58
(iii) Other Bank Balances	8 (c)	670.31	649.10
(iv) Loans and Advances	8 (d)	6.91	17.83
(v) Other Financial assets	8 (e)	50.86	71.30
(c) Current Tax Assets (Net)		4,188.32	2,451.05
(d) Other current assets	9	3,936.81	2,637.82
Total Current Assets		86,172.40	84,416.82
Total Assets		88,876.26	87,652.13
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	2,718.22	2,718.22
(b) Other Equity			
(i) Equity component of compound financial instruments			
Reserves & surplus	11	55,461.38	54,911.61
Equity attributable to owners		58,179.60	57,629.83
Non-controlling Interest		(468.34)	(449.11)
Total Equity		57,711.26	57,180.73
Liabilities			
I Non-current liabilities			
(a) Financial Liabilities			
(i) Non-Current borrowings	12	1,156.19	1,740.66
(ii) Lease Liability	29	8.23	13.84
(b) Provisions	13	77.58	107.79
(c) Deferred tax Liabilities (Net)	14	36.50	182.59
Total Non-Current Liabilities		1,278.50	2,044.88
II Current liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	15 (a)	23,620.01	24,511.75
(ii) Trade payables	15 (b)		
- Due to Micro and Small Enterprises		549.25	210.02
- Due to Others		4,382.78	2,313.06
(iii) Other Financial Liabilities	15 (c)	726.44	755.64
(iv) Lease Liability	15 (d)	5.62	90.63
(b) Other Current Liabilities	29	476.51	322.73
(c) Provisions	17	125.89	222.68
(d) Current Tax Liabilities (net)		-	-
Total Current Liabilities		29,886.50	28,426.52
Total Liabilities		31,165.00	30,471.40
Total Equity and Liabilities		88,876.26	87,652.13

See accompanying notes forming part of the financial statements

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As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022**For and on behalf of the Board of
Shemaroo Entertainment Limited****Raman Maroo**Chairman & Managing Director
DIN 00169152**Dipesh Gosar**Company Secretary
Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022**Atul Maru**Jt. Managing Director
DIN 00169264**Hiren Gada**CEO & CFO
DIN 01108194

Consolidated Statement of Profit & Loss

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Notes	Year ended 31 st March 2022	Year ended 31 st March 2021
I. Income			
Revenue from operations	18	38,137.76	31,111.39
Other income	19	188.03	103.06
Total Income		38,325.79	31,214.45
II. Expenses			
Operational Cost	20	24,653.58	21,206.13
Employee benefits expense	21	6,778.97	5,894.89
Finance costs	22	2,590.53	2,844.08
Depreciation and amortization expense	3 & 4	663.35	727.12
Other expenses	23	3,121.87	2,754.06
Total Expenses		37,808.30	33,426.28
III. Profit/(Loss) before exceptional items and tax		517.49	(2,211.83)
IV. Exceptional Items		-	-
V. Profit/(Loss) before Tax for the period (III-IV)		517.49	(2,211.83)
VI. Tax expense			
Current tax		12.58	0.56
Short/(Excess) provision of the earlier years		143.50	0.19
Deferred tax Liability/ (Asset)	14	(146.08)	(24.41)
Total Tax expense		10.00	(23.66)
VII. Profit/(Loss) for the year (A) (V-VI)		507.49	(2,188.17)
VIII. Minority shareholders interest- (Profit)/Loss		19.51	39.85
IX. Share in associates		-	-
Profit/(Loss) for the year from operations (A)		527.00	(2,148.32)
Discontinuing operations		-	-
Profit/(Loss) before tax from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(Loss) for the year from discontinuing operations (B)		-	-
Profit/ (Loss) for the year from continuing operations (A)		527.00	(2,148.32)
X. Profit/(Loss) for the year		527.00	(2,148.32)
XI. Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
Remeasurements of defined benefit plans		(16.72)	86.14
Tax relating to items that will not be reclassified to Profit and Loss		-	-
Items that will be reclassified to Profit and Loss			
Exchange differences in translating the financial statements of a foreign operation		(11.13)	8.07
Total Other Comprehensive Income for the year (B)		(27.85)	94.21
XII. Total comprehensive income (A + B)		499.15	(2,054.11)
XIII. Earnings per equity share [face value of share ₹ 10]	24		
(a) Basic (₹)		1.94	(7.90)
(b) Diluted (₹)		1.94	(7.90)

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022

**For and on behalf of the Board of
Shemaroo Entertainment Limited**

Raman Maroo

Chairman & Managing Director
DIN 00169152

Dipesh Gosar

Company Secretary
Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022

Atul Maru

Jt. Managing Director
DIN 00169264

Hiren Gada

CEO & CFO
DIN 01108194

Consolidated Cash Flow Statement

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	517.49	(2,211.83)
Adjustments for :		
Other Comprehensive Income	(16.72)	86.14
Depreciation & Amortisation	663.35	727.12
Financial Cost	2,590.53	2,844.08
Interest Income	(75.39)	(19.80)
Urealised foreign exchange (Gain)/Loss	2.22	(4.20)
Loss on sale of Assets	117.09	22.90
Exchange translation differences	39.49	-
Remeasurement of Lease Liability	(0.02)	(20.58)
Tangible Assets Written Off	18.58	-
Provision for Compensated leave Absence & others	(57.16)	-
Provision for Gratuity	56.65	(14.50)
Bad Debts written off	67.45	359.05
Operating profit before working capital changes	3,923.56	1,768.37
Adjustments for :		
Decrease/(Increase) in Trade or Other Receivable	(1,573.15)	4,423.84
Decrease/(Increase) in Inventories	1,537.52	(1,672.80)
Increase/(Decrease) in Trade or Other Payable	2,418.85	(2,174.07)
Cash generated from/ (used in) operations	6,306.78	2,345.33
Direct Taxes paid (net)	1,893.34	1,330.55
Net cash from/ (used in) operating activities	4,413.44	1,014.78
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Plant and Equipment	-	0.43
Purchase of Property, Plant & Equipment including Capital WIP and Intangible assets under development	(314.85)	(90.41)
Interest Income	75.39	19.80
Net cash from/ (used in) investing activities	(239.46)	(70.18)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability	(97.14)	(94.19)
Increase/(Decrease) in Non-Current Borrowings	(532.55)	(1,016.73)
Increase/(Decrease) in Current Borrowings	(891.74)	3,006.03
Financial Cost	(2,576.26)	(2,827.43)
Net cash from/(used in) financing activities	(4,097.69)	(932.31)
Net increase/(decrease) in cash and cash equivalents	76.29	12.29
Cash and cash equivalents as at the beginning of the year	84.58	72.29
Cash and cash equivalents as at the end of the year	160.87	84.58

Note :

Cash & Cash equivalents consists of cash and bank balances and other bank balances as under :

Sr. No.	Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
i)	Balances with banks		
	- Current accounts in Indian rupees	154.96	78.98
ii)	Cash on Hand	5.91	5.59
	Total	160.87	84.58

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022**For and on behalf of the Board of
Shemaroo Entertainment Limited****Raman Maroo**

Chairman & Managing Director

DIN 00169152

Dipesh Gosar

Company Secretary

Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022**Atul Maru**

Jt. Managing Director

DIN 00169264

Hiren Gada

CEO & CFO

DIN 01108194

Statement of Changes in Equity

for the year ended 31st March 2022

(₹ in Lakhs)

A. Equity Share Capital

Particulars	Notes	Balance as at 1 st April 2020	Changes in equity share capital during the year	Balance as at 31 st March 2021	Changes in equity share capital during the year	Balance as at 31 st March 2022
Equity Share Capital	10	2,718.22	-	2,718.22	-	2,718.22

B. Other Equity

Particulars	Notes	Reserves & Surplus			Other Comprehensive Income		Total
		Securities premium account	General reserve	Retained Earnings	Exchange differences on translating foreign operations	Remeasurement of Defined Benefit Plan	
Balance as at 1 st April 2020		14,340.81	2,112.81	40,382.64	(26.15)	168.77	56,978.88
Total Comprehensive Income for the year		-	-	(2,148.32)	(5.09)	86.14	(2,067.27)
Balance as at 31 st March 2021		14,340.81	2,112.81	38,234.32	(31.24)	254.91	54,911.61
Total Comprehensive Income for the year	11	-	-	527.00	39.49	(16.72)	549.77
Balance as at 31 st March 2022		14,340.81	2,112.81	38,761.32	8.25	238.19	55,461.38

Note : There are no changes in equity share capital due to prior period errors.

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 106655W

M. M. Chitale

Partner

Membership No. 14054

Place: Mumbai

Date : 10th May, 2022

For and on behalf of the Board of Shemaroo Entertainment Limited

Raman Maroo

Chairman & Managing Director

DIN 00169152

Dipesh Gosar

Company Secretary

Membership No.: A23755

Place: Mumbai

Date : 10th May, 2022

Atul Maru

Jt. Managing Director

DIN 00169264

Hiren Gada

CEO & CFO

DIN 01108194

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

1 Corporate information

Shemaroo Entertainment Limited ('Shemaroo' or 'the Company') is a public Company domiciled in India and incorporated on 23rd December, 2005, in the state of Maharashtra. The Company's registered office is at Shemaroo House, Plot No. 18, Marol Co-operative Industrial Estate, Off. Andheri Kurla Road, Andheri East Mumbai - 400059, Maharashtra, India. The Company's equity shares are listed on both BSE Limited and National Stock Exchange of India Limited.

Shemaroo is engaged in the distribution of content for Broadcasting of Satellite Channels, Physical Formats and Digital Technologies like Mobile, Internet, Broadband, IPTV and DTH among others.

These financial statements were approved by the Company's Board of Directors on May 10, 2022.

i) The Company has the following subsidiary Companies:

Subsidiary concern	Date of Incorporation	Place of Incorporation	Proportion of effective ownership as on	
			31 st March 2022	31 st March 2021
Shemaroo Media & Entertainment LLC Wholly owned Subsidiary	23 rd April, 2018	United States of America	100.00%	100.00%
Canopy Entertainment Private Limited Wholly owned Subsidiary	31 st October, 2012	India	100.00%	100.00%
Shemaroo Contentino Media LLP Subsidiary LLP	25 th August, 2015	India	72.50%	65.00%
Shemaroo Think Tank Entertainment LLP Subsidiary LLP	12 th October, 2015	India	99.99%	99.99%

Shemaroo Entertainment Limited ('the Company') and its subsidiaries are collectively referred to as 'the Group'.

2.1 Basis of accounting and preparation of consolidated financial statements

The financial statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 (the Act). The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount. The consolidated financial statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Group's consolidated financial statements are presented in Indian Rupees (₹), which is its functional currency.

2.2 Principles of Consolidation

The Consolidated Financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Group's separate financial statements.

The Consolidated Financial Statements have been prepared on the following basis:

- In respect of subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra-group transactions.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

- ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in foreign currency translation reserve.
- iii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- iv) Non Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.
- v) Associates are entities over which the Company has significant influence but not control. The financial statements have been consolidated as per Ind AS 28 - "Accounting for Investments in Associates & Joint venture" following the Equity Method for Consolidation of Associates. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.
- vi) The results of operations of a subsidiary are included in the Consolidated Financial Statements from the date on which the parent-subsidiary relationship comes into existence. The results of operation of a subsidiary with which the parent-subsidiary relationship ceases to exist are included in the consolidated statement of profit and loss until the date of cessation of the relationship. The difference between the proceeds from the disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as on the date of disposal are recognised as profit or loss on disposal of investment in the subsidiary.
- vii) The Notes and significant accounting policies to the consolidated financial statements are intended to serve as a guide for better understanding of the group's position. In this respect, the group has disclosed such notes and policies, which represent the requisite disclosure.

2.3 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions

considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.4 Summary of Significant Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Depreciation and amortisation

Depreciation on property, plant and equipment is provided using straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under Part C of Schedule II of the Companies Act, 2013, whichever is lower. Useful lives are derived after considering estimated residual value of 5 %.

Depreciation for property, plant and equipment purchased/sold during a period is proportionately charged. Fixed Assets individually costing ₹ 5,000/- or less are fully depreciated in the year of acquisition. The Group has estimated the useful lives for the fixed assets as follows :

Office Building	58 years
Plant & Machinery	3 - 15 years*
Furniture & Fixtures	10 years
Motor Vehicle	8 - 10 years

* In case of office equipments, useful life is estimated to approximate their expected wear & tear, which is higher than the one prescribed under Part C of Schedule II.

Software acquired initially together with hardware is capitalised along with the cost of hardware and depreciated in the same manner as the hardware.

The Group has estimated the useful lives for the intangible assets as follows :

Computer Software	5 years
-------------------	---------

(d) Borrowing Costs

Borrowing Cost includes interest expense calculated using the effective interest method under Ind AS 109 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 an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Group assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On the initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of securities

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at cost. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit or loss.

(g) Inventories

The media content (copyrights) are stated at lower of cost/unamortised cost or realisable value. The Group evaluates the realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate impairment is made in cases where accelerated impairment is warranted.

The copyrights are valued at a percentage of cost based on the nature of rights, as estimated by the Management. The Group evaluates the realisable value and/or revenue potential of inventory based on management estimate of market conditions and future demand and appropriate write down is made in cases where accelerated write down is warranted.

Inventories of Raw material Stock are valued at cost or estimated net realizable value whichever is lower.

Projects in progress and movies under production are stated at cost. Cost comprises the cost of materials, the cost of services, labour and other expenses, to the extent they are incurred for creating an asset.

Inventories of physical media which consists of DVDs, Blu-ray, Physical Equipments & Merchandising are valued on FIFO basis.

The borrowing costs directly attributable to a movie/game is capitalised as part of the cost.

(h) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(i) Cash Flow Statement

Cash flows are stated using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated in a manner which is most appropriate to the business.

(j) Financial Assets

A. Initial recognition and measurement :

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement :

a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in the above categories are fair valued through profit or loss.

C. Equity Investments :

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

D. Investment in associates and joint ventures :

The Group has accounted for its investments in associates and joint venture at cost.

E. Impairment of Financial assets :

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

(k) Financial Liabilities

A. Initial recognition and measurements :

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement :

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are the approximate fair value due to the short maturity of these instruments.

(l) Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. 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 term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

reasonably certain that the option to extend will be exercised and the option to terminate will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(m) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability as at the Balance Sheet date on the basis of actuarial valuation.

Defined Contribution Plans

A Defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans :-

Gratuity

The liability in respect of gratuity and other post employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Re-measurement of Defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(n) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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 tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(o) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on settlement of transactions are recognised in Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been recognised in Other Comprehensive Income in the statement of Profit and Loss and reported as foreign currency translation reserve in the statement of changes in equity.

(p) Revenue recognition

Ind AS 115 'Revenue from Contracts with Customers' Revenue is recognised to the extent it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales of Media content is recognised, when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.

Sale of goods

Revenue from sale of goods (ACDs/VCDs/ DVDs/ACS/BRDs) is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Income from Services

Revenues from services are recognised when contractual commitments are delivered net of returns, trade discounts and rebates. The Group collects Indirect taxes, if and where applicable, on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

(q) Other income

i) Interest Income

Interest Income from a financial asset is recognised on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate. Interest Income is included under the head "other income" in the statement of profit and loss.

ii) Dividend Income

Dividend income is recognised when the Group's right to receive the payment has been established.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

- iii) Rent Income is recognised on accrual basis as per the agreed terms on straight line basis.

(r) Income in relation to rights purchased

In respect of satellite rights: As per the terms and conditions of the agreement with producer/seller, with respect to the date of agreement of purchase and the existence of Censor Certificate.

In respect of other rights like Video and other rights: On the date of the agreement of purchase with producer/seller, provided the Censor Certificate is in existence.

(s) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. For calculating diluted earnings per share, the profit or (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares.

(t) Provisions, contingent liabilities & contingent assets

Provisions are recognised when the Group has a present obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Contingent assets are neither recognised nor disclosed in the financial statements.

(u) Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Group, are classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the straight-line basis over its estimated useful lives. Useful life of the same is estimated as 58 years after considering estimated residual value as 5%.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer note 3b). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

3(a) Property, Plant & Equipment

	Plant & Machinery	Motor Vehicle	Furniture & Fixtures	Office Building	Total
Gross Carrying Value					
At 1st April 2021	5,941.18	269.95	588.99	984.13	7,784.25
Additions	224.43	69.13	-	-	293.56
Transfer to Investment property	-	-	-	(32.10)	(32.10)
Disposals	(1,198.67)	(18.47)	(9.40)	-	(1,226.54)
At 31st March 2022	4,966.94	320.61	579.59	952.03	6,819.17
Accumulated Depreciation					
At 1st April 2021	4,330.62	164.56	470.03	270.13	5,235.34
Charge for the year	484.46	30.13	19.84	16.02	550.45
Transfer to Investment property	-	-	-	(17.54)	(17.54)
Disposals	(1,075.96)	(18.37)	(6.63)	-	(1,100.96)
At 31st March 2022	3,739.12	176.32	483.24	268.61	4,667.29
Net Carrying Value					
At 1st April 2021	1,610.56	105.39	118.96	714.00	2,548.91
At 31st March 2022	1,227.82	144.29	96.35	683.42	2,151.88

	Plant & Machinery	Motor Vehicle	Furniture & Fixtures	Office Building	Total
Gross Carrying Value					
At 1st April 2020	5,932.69	275.01	588.99	984.13	7,780.82
Additions	71.62	-	-	-	71.62
Disposals	(63.14)	(5.05)	-	-	(68.19)
Other adjustments					-
At 31st March 2021	5,941.18	269.95	588.99	984.13	7,784.25
Accumulated Depreciation					
At 1st April 2020	3,853.48	140.61	449.26	254.11	4,697.46
Charge for the year	538.92	29.01	20.77	16.02	604.72
Disposals	(61.78)	(5.05)	-	-	(66.84)
At 31st March 2021	4,330.62	164.56	470.03	270.13	5,235.34
Net Carrying Value					
At 1st April 2020	2,079.21	134.40	139.73	730.02	3,083.36
At 31st March 2021	1,610.56	105.39	118.96	714.00	2,548.91

Note:

- Office Building Include ₹ 98,000 (Previous Year ₹ 98,000) in shares of Co-operative Housing Societies with right to hold and use certain area of Buildings.
- There is no immovable property where title deed of such immovable property is not held in name of the Company or jointly held with others.
- The Group has not revalued its Property, Plant and Equipment during FY 2021-22.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

3(b) Investment property

Particulars	Amount
Net Block as on 1st April, 2020	-
Add: Transfer from Property, Plant & Equipment	-
Less: Depreciation	-
Net Block as on 31st March, 2021	-
Add: Transfer from Property, Plant & Equipment	15.09
Less: Depreciation	0.52
Net Block as on 31st March, 2022	14.57
Fair value	
As at 31st March, 2022	594.09

Note: Group's Investment Property consists of a commercial property whose fair value is as mentioned above. This valuation is based on valuations performed by registered valuer.

3(c) Other Intangible assets

	Software	Trade Mark	Total
Gross Carrying Value			
At 1st April 2021	457.49	25.00	482.49
Purchase	21.28	-	21.28
Disposals	(15.48)	-	(15.48)
At 31st March 2022	463.29	25.00	488.29
Accumulated amortisation			
At 1 st April 2021	376.22	19.81	396.03
Charge for the year	32.07	0.32	32.39
Disposals	(15.44)	4.87	(10.57)
At 31st March 2022	392.85	25.00	417.85
Net Carrying Value			
At 1st April 2021	81.27	5.19	86.47
At 31st March 2022	70.44	-	70.44

	Software	Trade Mark	Total
Gross Carrying Value			
At 1 st April 2020	438.71	25.00	463.71
Purchase	18.79	-	18.79
Disposals	-	-	-
At 31st March 2021	457.49	25.00	482.49
Accumulated amortisation			
At 1 st April 2020	343.81	17.88	319.09
Charge for the year	32.41	1.93	34.34
Disposals	-	-	-
At 31st March 2021	376.22	19.81	396.03
Net Carrying Value			
At 1st April 2020	94.90	7.12	102.02
At 31st March 2021	81.27	5.19	86.47

Note: (i) The Company has not revalued its Intangible Assets during FY 2021-22.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

4 Right of use Asset

	Office Building	Total
Gross Carrying Value		
At 1 st April 2021	340.83	340.83
Additions	-	-
Deductions	-	-
At 31st March 2022	340.83	340.83
Accumulated amortisation		
At 1 st April 2021	247.75	247.75
Charge for the year	80.51	80.51
Disposals	-	-
At 31st March 2022	328.26	328.26
Net Carrying Value		
At 1 st April 2021	93.07	93.07
At 31st March 2022	12.57	12.57

	Office Building	Total
Gross Carrying Value		
At 1 st April 2020	306.46	306.46
Additions	34.36	34.36
Deductions	-	-
At 31st March 2021	340.83	340.83
Accumulated amortisation		
At 1 st April 2020	92.09	92.09
Charge for the year	88.06	88.06
Disposals	67.61	67.61
At 31st March 2021	247.75	247.75
Net Carrying Value		
At 1 st April 2020	214.38	214.38
At 31st March 2021	93.07	93.07

Note : The Group has not revalued its Right to Use Assets during the year.

Particulars	As at 31 st March 2022	As at 31 st March 2021
NON-CURRENT ASSETS		
5 Financial Assets		
(a) Non- Current Investments		
In Equity shares, Unquoted, fully paid up		
(i) 1,388 (31 st March 2021: 1,388) Equity shares of ₹ 10/- each fully paid up of Dominiche Production House Private Limited	249.83	249.84
(ii) 50,000 (31 st March 2021: 50,000) Equity shares of ₹ 10/- each fully paid up of The N.K.G.S.B. Co-op. Bank Limited	5.00	5.00
Total	254.83	254.84

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
OTHER DISCLOSURES			
Aggregate amount of unquoted Investment		254.83	254.84
		254.83	254.84
Category-wise Non-Current Investments			
Financial Assets measured at Cost		254.83	254.84
Total		254.83	254.84
(b) Loans & Advances			
Loans to employees		8.87	5.19
Total		8.87	5.19
(c) Other Financial Assets			
Bank Deposits with more than 12 months maturity (refer note below)		20.76	24.04
Trade Deposits		50.09	33.82
Lease Deposits		10.62	2.82
Total		81.47	60.68
Note:			
Deposits includes balances with banks held as margin money deposits against business guarantees.		17.08	16.54
6 Other Non- Current Assets			
Balance with Customs and Central Excise Authorities (Refer Note 32.7)		106.91	106.91
Prepaid Expenses		2.32	0.63
Gratuity plan asset (net of provisions)		-	78.61
Total		109.23	186.14
CURRENT ASSETS			
7 Inventories			
Work-in-Progress			
Media content under Production		305.19	277.67
Stock-in-Trade			
Copyrights		71,015.48	72,420.82
Physical Media		174.00	333.70
Total		71,494.67	73,032.19

Notes :

- i) The entire book value (carrying amount) of inventories of the parent company is pledged as security for Cash Credit Facilities taken from banks except for inventories amounting ₹ 36.13 Lakhs (FY 2020-21 ₹ 46.18 Lakhs).

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

ii) Disclosures as to the amendment of Schedule III :-

- a) Whether quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts – Refer Note 15 (a);
- b) If not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed – Refer Note 15 (a).

Particulars		As at 31 st March 2022	As at 31 st March 2021
8	Financial Assets		
(a)	Trade receivables		
	Unsecured Trade receivables		
	- considered good	5,954.11	5,518.55
	Less: Expected Credit loss allowance	(290.46)	(45.59)
	Total	5,663.65	5,472.96
	Note: Movement in expected credit loss allowance		
	Opening Balance	45.59	47.15
	Movement in expected credit loss allowance during the year	244.87	(1.56)
	Closing Balance	290.46	45.59

Ageing of trade receivables :-

FY 2021-22

Category	<6m	6m-1y	1-2y	2-3y	>3y	Total
Undisputed Trade Receivables – considered good	5,509.69	53.73	34.37	65.86	-	5,663.65
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	8.64	30.28	130.33	69.12	238.37
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	4.12	2.32	6.82	0.97	37.86	52.09
Total Trade Receivables (Gross)						5,954.11
Less: Expected Credit loss allowance						290.46
Total Trade Receivables (net)						5,663.65

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

FY 2020-21

Category	<6m	6m-1y	1-2y	2-3y	>3y	Total
Undisputed Trade Receivables - considered good	4,623.93	51.93	390.99	-	-	5,066.85
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	8.84	161.07	56.12	173.10	399.13
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	7.59	0.67	2.65	15.55	26.11	52.57
Total Trade Receivables (Gross)						5,518.55
Less: Expected Credit loss allowance	17.65	27.94	-	-	-	45.59
Total Trade Receivables (net)						5,472.96

Particulars		As at 31 st March 2022	As at 31 st March 2021
(b)	Cash and Cash Equivalents		
i)	Balances with banks		
	- Current accounts in Indian rupees	154.96	78.98
ii)	Cash on Hand	5.91	5.59
	Total	160.87	84.58
(c)	Other Bank Balances		
i)	Deposits with maturity of more than 3 months and less than 12 months	640.14	627.25
ii)	Earmarked balances with Banks for :		
	- Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	29.65	18.09
	- Balances with bank for unpaid dividend	0.52	0.52
	- Balances with bank for Refund of Share Application Money	-	3.24
	Total	670.31	649.10

Note:

- (i) No amount out of unpaid dividend is required to be transferred to investor education & protection fund.
(ii) Margin money deposits are held for providing bank guarantees for the business purpose.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
(d)	Loans & Advances		
	Unsecured, considered good		
	Loan to employees	6.91	17.83
	Total	6.91	17.83
(e)	Other Financial Assets		
	Trade Deposits	28.86	43.30
	Lease Deposits	22.00	28.00
	Total	50.86	71.30
9	Other Current Assets		
	Advance to vendors	1,321.13	304.34
	Other Taxes Receivable	1,710.76	1,738.31
	Prepaid Expense	895.10	584.30
	Others	9.82	10.87
	Total	3,936.81	2,637.82
10	Equity Share capital		
	Authorized shares capital		
	6,00,00,000 equity shares of ₹ 10/- each (Previous Year 3,00,00,000)	6,000.00	3,000.00
	Issued, subscribed and paid-up capital		
	2,71,82,239 (Previous year 2,71,82,239) equity shares of ₹ 10/- each fully paid up	2,718.22	2,718.22
	Total	2,718.22	2,718.22

OTHER DISCLOSURES

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of shareholders, except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

a) Reconciliation of no. of equity shares outstanding

	31 st March 2022		31 st March 2021	
	Numbers	₹ Lakhs	Numbers	₹ Lakhs
At the beginning of the period	2,71,82,239	2,718.22	2,71,82,239	2,718.22
Outstanding at the end of the period	2,71,82,239	2,718.22	2,71,82,239	2,718.22

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

b) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31 st March 2022		31 st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Raman Hirji Maroo	40,17,271	14.78%	48,09,520	17.69%
Mr. Atul Hirji Maru	40,17,271	14.78%	48,09,520	17.69%
Mr. Buddhichand Hirji Maroo	27,83,061	10.24%	35,75,320	13.15%
Fidelity Funds - Asian Smaller Companies Pool	-	-	17,64,841	6.49%
Hiren Uday Gada	26,58,155	9.78%	10,93,680	4.02%
Technology and Media Group PTE Limited	18,22,840	6.71%	18,22,840	6.71%
Total	1,52,98,598	56.28%	1,78,75,721	65.76%

c) Details of promoters' shareholding

Name of Shareholder	31 st March 2022			31 st March 2021	
	No. of Shares held	% of Holding	% change	No. of Shares held	% of Holding
Atul Hirji Maru	40,17,271	14.78%	-16.47%	48,09,520	17.69%
Raman Hirji Maroo	40,17,271	14.78%	-16.47%	48,09,520	17.69%

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
II	Other Equity		
(a)	Reserves & Surplus		
I	Securities premium account		
	Opening balance	14,340.81	14,340.81
	Closing Balance (A)	14,340.81	14,340.81
II	General reserve		
	Opening balance	2,112.81	2,112.81
	Closing Balance (B)	2,112.81	2,112.81
III	Retained Earnings		
	Opening balance	38,234.32	40,382.64
	Profit/(Loss) for the year	527.00	(2,148.32)
	Closing Balance	38,761.32	38,234.32

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
(b) Other Comprehensive Income		
a Items that will not be reclassified to profit or Loss		
- Exchange differences on translating foreign operations		
Opening Balance	(31.24)	(26.15)
Add : Exchange differences in translating the financial statements of a foreign operation	39.49	(5.09)
Closing Balance	8.25	(31.24)
- Remeasurements of defined benefit plans		
Opening Balance	254.91	168.77
Remeasurements during the year	(16.72)	86.14
Closing Balance	238.19	254.91
Total Retained Earnings (C)	246.44	223.67
Total (A + B + C)	39,007.76	38,457.99
Total	55,461.38	54,911.61

Notes :

- General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- Retained earnings represent the accumulated earnings net of Losses if any made by the Group over the years.

12 Non-Current Borrowings

Particulars	Interest Rate	Maturity Date	Terms of Repayment	As at 31 st March 2022	As at 31 st March 2021
Non-Current Liabilities					
Financial Liabilities					
12 Non-Current Borrowings					
(a) Secured Bank Loan - at amortised cost					
(i) Term Loan, secured by hypothecation of motor vehicle	6.75%	08-Dec-24	Repayment monthly in 36 equal installments of INR 1,79,000/- as per repayment schedule of the Bank	53.57	-
(ii) Bill Discounting from Bank is secured by exclusive charge on specified receivables	6 months MCLR + 1.45%	10-Sep-19	Repayable 100% on 10 th Sep'19	-	5.95
(iii) Bill Discounting from Bank is secured by exclusive charge on specified receivables (Refer Note 26 (a) for Personal Guarantee)	1.20% + 6 months MCLR	10-Sep-19	Repayable in two equal installments - 30th Sep'18 & 30th Sep'19	-	1.52

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		Interest Rate	Maturity Date	Terms of Repayment	As at 31 st March 2022	As at 31 st March 2021
(iv)	Term Loan, secured by hypothecation of motor vehicles	8.61%	15-Sep-21	Repayment monthly in 37 equal installments of INR 1,01,690/- as per repayment schedule of the Bank	-	3.87
(v)	Term Loan, secured by hypothecation of motor vehicles	9.25%	10-Dec-21	Repayment monthly in 36 equal installments of INR 17,537/- as per repayment schedule of the Bank	-	3.87
(b)	Unsecured Bank Loan - at amortised cost					
(i)	Unsecured Term Loan	9.40%	05-Dec-24	Repayment monthly in 60 equal installments of INR 62,08,382/- as per repayment schedule of the Bank	1,744.43	2,315.33
Total Non-Current Borrowings					1,798.00	2,330.55
Less:	Current Maturities of Secured long-term debt (included in Note 15 (c))				18.42	15.22
Less:	Current Maturities of Unsecured long-term debt (included in Note 15 (c))				623.39	574.67
Non-Current Borrowings					1,156.19	1,740.66

Note: Assets pledged as Security:

Particulars	Note No.	As at 31 st March 2022	As at 31 st March 2021
Non Financial Assets			
Office Building	3 (a)	697.99	714.00
Plant and Machinery	3 (a)	1,225.80	1,604.12
Motor Vehicles	3 (a)	58.00	58.19
Inventories	7	71,458.54	72,986.01
Financial Assets			
Trade Receivables	8 (a)	5,549.31	5,253.45
Total		78,989.64	80,615.77

Notes :

- The Company is not declared as a willful defaulter by any of the banks.
- The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken during the year.
- Unsecured Term Loan is secured against the personal property of the Director.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
Non-Current Liabilities			
13 Provisions			
Provisions for employee benefits:			
- Gratuity (Refer note 25)		9.45	-
- Compensated leave absences		68.13	107.79
Total		77.58	107.79
14 Deferred Tax Liabilities/(Assets)			
Balances comprises temporary differences attributable to:			
Property, Plant & Equipment & Intangible Assets		115.05	206.83
Provision for Gratuity and Leave Encashment		(19.52)	(22.99)
Lease Liability		(0.29)	(2.87)
Other Financial Liability at amortised cost		(58.73)	1.61
Net Deferred Tax Liability		36.51	182.59

Note: Movements in Deferred Tax Liabilities/(Assets)

Particulars	Property, Plant and Equipment & Intangible Assets	Financial Liability at amortised cost	Provision for Gratuity and Leave Encashment	Net Balance
Opening Balance as on 1 st April 2021	206.83	(1.26)	(22.99)	182.59
Charge or (Credit) to the Statement of Profit and Loss	(91.78)	(57.76)	3.46	(146.08)
Closing Balance as on 31st March 2022	115.05	(59.02)	(19.52)	36.51

Current Liabilities			
15 Financial Liabilities			
(a) Current Borrowings			
Loan Repayable on Demand			
Secured Loan from Bank (Secured by hypothecation of stock, book debts and collaterally secured by mortgage of property owned by the company and personal guarantee of some of the directors of the company)		15,658.21	16,304.86
Unsecured Bank Overdraft		-	1,851.12
Unsecured Bank Short Term Loan		4,600.00	2,763.67
Loans & Advances (Unsecured)			
-Directors		2,493.82	150.00
-Subsidiaries		-	2,581.90
-Others		867.98	860.20
Total		23,620.01	24,511.75

Notes:

Quarterly statements of current assets are filed by the company with State Bank of India, Bank of India and NKGSB Cooperative Bank Limited from whom the company has borrowings on the basis of security of current assets.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

Instances of material differences in value of current assets between the books of account and the statements submitted to banks are given below :

Reconciliation of inventory :

Quarter Ended	As per books	As per statement shared with bank	Difference	Reasons
	(A)	(B)	(A - B)	
Jun-21	72,664.22	72,501.75	162.47	Content expenses transferred to Work-in-Progress post submission of report to the bank - ₹ 60L, Stock in transit - ₹ 99.10L.
Sep-21	70,558.15	70,459.11	99.04	Content expenses transferred to Copyrights inventory post submission of report to the bank
Dec-21	69,959.76	69,959.01	0.75	
Mar-22	71,458.54	71,458.54	-	

(ii) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken during the year.

(iii) Unsecured Bank Short Term Loan is against the collateral of the standby letter of credit (SBLC).

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
(b) Trade payable		
(a) Due to Micro and Small Enterprises (Refer Note No.32.6)	549.25	210.02
(b) Due to Others	4,382.78	2,313.06
Total	4,932.03	2,523.08
Due to others include payable to related parties - refer note 26	10.13	74.17

Ageing of Trade Payable :-

FY 2021-22

Category	<1y	1-2y	2-3y	>3y	Total
Undisputed Trade Payables - MSME	549.25	-	-	-	549.25
Undisputed Trade Payables - Others	4,193.51	32.76	48.11	62.66	4,337.04
Disputed Trade Payables - MSME	-	-	-	-	-
Disputed Trade Payables - Others	20.76	8.12	4.49	12.38	45.75
Total Trade Payables	4,763.52	40.88	52.60	75.04	4,932.04

FY 2020-21

Category	<1y	1-2y	2-3y	>3y	Total
Undisputed Trade Payables - MSME	210.02	-	-	-	210.02
Undisputed Trade Payables - Others	1,937.54	321.60	(56.91)	76.57	2,278.80
Disputed Trade Payables - MSME	-	-	-	-	-
Disputed Trade Payables - Others	19.09	6.76	(2.63)	11.04	34.26
Total Trade Payables	2,166.65	328.36	(59.54)	87.61	2,523.08

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		As at 31 st March 2022	As at 31 st March 2021
(c)	Other Financial Liabilities		
	Current Maturities of long-term debt (Note 12)	18.42	15.22
	Current Maturities of Unsecured long-term debt (Note 12)	623.39	574.67
	Security Deposit Received	20.70	22.09
	Others	13.93	35.02
	Interest accrued but not due on borrowings	49.48	108.13
	Unclaimed Dividend Payable	0.52	0.52
	Total	726.44	755.64
16	Other Current Liabilities		
	Advances received from Customers	113.95	18.64
	Statutory Dues Payable	333.98	267.65
	Others	28.58	36.44
	Total	476.51	322.73
17	Provisions		
(a)	Provision for Employee Benefits		
	- Gratuity (Refer note 25)	9.45	40.85
	- Compensated leave absences	3.79	21.30
	- E S I C	0.36	0.26
	- Provident Fund	18.83	18.34
	- Maharashtra Labour Welfare Fund	0.02	0.02
		32.45	80.78
(b)	Other Provisions		
	Provision for purchases	81.98	141.90
	Provision for tax (Net of Advance Tax)	11.46	-
		93.44	141.90
	Total Provisions	125.89	222.68
	Income Tax expenses for the year can be reconciled to accounting profit as follows:		
	Profit/(Loss) before tax	653.70	(1,919.88)
	Reconciling items :		
	Depreciation as per Income Tax Rules	(394.65)	(441.63)
	Deductions	(55.82)	(95.62)
	Other comprehensive income	(16.72)	-
	Expenses disallowed	1,154.15	940.21
		1,340.66	(1,516.91)

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Less : Loss of previous year b/f	(1,290.63)	-
	50.03	(1,516.91)
Applicable Tax Rate	23%	25%
	11.45	-
Tax expenditure of subsidiary	1.12	0.56
Current tax expenditure for the year	12.56	0.56
Tax Deduction at Source	(1,415.91)	(982.84)
	(1,403.35)	(982.28)

The Government of India has reduced the corporate tax rates from 30% to 22% through the Taxation Laws (Amendment) Act, 2019 which is effective from 1st April 2019. As per the same if assessee opts new corporate tax rate, Minimum Alternative Tax provisions (MAT) provisions are not applicable. The Parent Company "Shemaroo Entertainment Limited" has opted for new corporate tax rate from the financial year 2019-20 and the tax liability above has been calculated accordingly.

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
18 Revenue from Operations		
Sale of Rights	32,215.83	27,417.91
Sale of Products	258.07	204.74
Income from Services	5,663.86	3,488.74
Total	38,137.76	31,111.39
19 Other income		
Interest	75.39	19.80
Expected Credit Gain (Ind-AS) (Note 8a)	-	1.56
Foreign Exchange Gain	33.45	2.98
Other	79.19	78.72
Total	188.03	103.06
20 Operational Cost		
Inventories at the beginning of the year	73,032.19	71,359.38
Purchases	15,497.03	16,221.93
Works Cost	7,619.03	6,657.01
Less: Inventories at the end of the year	(71,494.67)	(73,032.19)
Total	24,653.58	21,206.13
21 Employee Benefit Expense		
Salaries, Bonus and Allowances	6,369.37	5,538.13
Remuneration to Partners	57.15	45.00
Contribution to Provident & Other funds	216.06	212.51
Staff Welfare Expenses	136.39	99.26
Total	6,778.97	5,894.89

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		Year ended 31 st March 2022	Year ended 31 st March 2021
22	Finance costs		
	Interest on Borrowings	2,455.29	2,611.02
	Bank & Other Finance Charges	120.96	188.29
	Interest on Statutory Dues	7.75	28.12
	Finance Cost on Lease Assets	6.53	16.65
	Total	2,590.53	2,844.08
23	Other expenses		
	Bad Debts written off	67.45	359.05
	Business Development expenses	39.13	23.26
	Communication expenses	74.69	239.89
	Donations	3.49	0.37
	Electricity Expenses	100.38	94.70
	Foreign Exchange Fluctuation Loss	-	25.97
	General Expenses	387.98	326.58
	Expected Credit Loss (Ind-AS) (Note 8a)	244.87	-
	Insurance Expenses	49.56	74.75
	Legal, Professional and Consultancy expenses	715.39	525.75
	Payment to Auditors	15.98	18.30
	Tangible Assets Written Off	18.58	-
	Repairs and Maintenance		
	- Building	18.90	11.68
	- Machinery	31.43	23.95
	- Others	71.28	73.97
	Rents, Rates and Taxes	98.85	74.82
	Security Charges	27.97	24.28
	Selling and Marketing Expenses	817.81	605.80
	Travelling and Conveyance	111.21	58.95
	Loss due to damage of Assets	-	0.37
	Loss on sale of Assets	118.77	0.89
	Expenditure towards Corporate Social Responsibility Activities (Refer Note 32.5)	108.15	190.72
	Total	3,121.87	2,754.06
	Note (a): Details of payments made to auditor (excluding taxes):		
	As auditor:		
	Statutory Audit fee (excluding taxes)	15.90	16.15
	In other capacity:		
	Other Services (Certification)	-	2.15
	Reimbursement of expenses	0.08	-
	Total	15.98	18.30

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
24 Earnings per share (EPS)		
Following reflects the net profit after tax and no. of shares data used in the Basic and Diluted EPS computations:		
Total operations for the year		
Profit/(Loss) after tax	527.00	(2,148.32)
Net Profit for calculation of basic EPS	527.00	(2,148.32)
Net profit/(Loss) as above	527.00	(2,148.32)
Net Profit/(Loss) for diluted EPS	527.00	(2,148.32)
Weighted average number of equity shares in calculating diluted EPS	271.82	271.82
(a) Basic (₹)	1.94	(7.90)
(b) Diluted (₹)	1.94	(7.90)

25 Employee Benefits

The Disclosures as defined in the Indian Accounting Standard 19 "Employee benefits", are given below :

a) Defined Contribution Plans

Contribution to provident and other funds is recognised as an expense in note 21 "Employee benefit expense" of the Statement of Profit and Loss.

b) Defined Benefit Plan

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method.

Particulars	2021-22	2020-21
	Gratuity (Funded)	
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Defined Benefit obligation at beginning of the year	396.98	422.40
Current Service Cost	59.12	51.37
Interest Cost	26.05	27.18
Past Service Cost	-	-
Actuarial (Gain)/Loss	34.81	(56.18)
Benefits paid	(26.64)	(47.79)
Defined Benefit obligation at year end	490.32	396.98
II) Changes in Fair value of Assets & Reconciliation with Present Value of Defined Benefit Obligation		
Fair Value of Plan Assets at the beginning	434.73	404.70
Interest Income	31.80	27.48
Employer Contributions	30.87	44.51

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars		2021-22	2020-21
		Gratuity (Funded)	
	Benefit Payments from Plan Assets	(24.30)	(44.36)
	Other (Employee Contribution, Taxes, Expenses)	(2.35)	(3.42)
	Re measurements - Return on Assets	0.65	-
	(Excluding Interest Income)	-	5.82
	Fair Value of Plan Assets at the end	471.42	434.73
	Defined Benefit obligation at year end	490.32	396.98
	Net (Asset)/Liability at the end of year	18.90	(37.76)
III)	Reconciliation of Net (Asset)/Liability recognised in the Balance Sheet as at 31st March:		
	Net (Asset)/Liability at the beginning of year	(37.76)	17.70
	Expenses Recognized in Statement of Profit and Loss	53.37	51.06
	Expenses Recognized in OCI	34.16	(62.00)
	Benefit paid	(30.87)	(44.51)
	Net (Asset)/Liability at the end of year	18.90	(37.76)
IV)	Amount recognised in Balance Sheet		
	Present value of defined benefit obligation	18.90	(37.76)
	Amount recognised in Balance Sheet	18.90	(37.76)
V)	Expenses recognised during the year		
	Current Service Cost	59.12	51.37
	Net Interest Cost	(5.75)	(0.31)
	Past Service Cost	-	-
	Actuarial (Gain)/Loss	-	-
	Other Transfer	-	-
	Net Cost	53.37	51.06
VI)	Expenses recognised in Other Comprehensive Income		
	Actuarial (Gains)/Losses on Obligation For the Year	34.81	(56.18)
	Return on Plan Assets, Excluding Interest Income	(0.65)	(5.82)
	Change in Asset Ceiling	-	-
	Net (Income)/Expense For the Period Recognized in OCI	34.16	(62.00)
VII)	Actuarial assumptions		
	Mortality Table	IAL (2012-14)	IAL (2012-14)
	Discount rate (per annum)	7.26%	6.79%
	Expected rate of salary increase (per annum)	5.00%	4.00%
	Rate of Employee Turnover	3.00%	3.00%

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

VIII) The defined benefit plans expose the Company to actuarial risks such as interest rate risk, longevity risk and salary risk:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

IX) Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points:

(₹ in Lakhs)

Sensitivity Analysis	2021-22	2020-21
Projected Benefit Obligation on Current Assumptions	490.32	396.98
Delta Effect of +1% Change in Rate of Salary Increase	545.22	442.75
Delta Effect of -1% Change in Rate of Salary Increase	443.06	355.63
Delta Effect of +1% Change in Rate of Employee Turnover	504.55	409.68
Delta Effect of -1% Change in Rate of Employee Turnover	473.95	382.24
Delta Effect of +1% Change in Rate of Discounting	438.77	354.80
Delta Effect of -1% Change in Rate of Discounting	551.80	447.46

Notes:

The current service cost recognised as an expense is included in Note 21 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

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.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

c) Other long term benefits

The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 21 'Employee benefits expense'.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

26 Related party disclosures

Related Party relationship	Name of Related Parties
Key Management Personnel	Mr. Buddhichand Maroo, Chairman (Up to 7 th December, 2021)
	Mr. Raman Maroo, Managing Director
	Mr. Atul Maru, Joint Managing Director
	Mr. Jai Maroo, Executive Director
	Mr. Hiren Gada, CEO & CFO
	Mr. Vinod Karani (Up to 7 th December, 2021)
	Mr. Hemant Karani (Up to 7 th December, 2021)
	Mr. Bipin Dharod (Up to 7 th December, 2021)
	Mr. Ketan Maru (Up to 7 th December, 2021)
	Mrs. Kranti Gada (Up to 7 th December, 2021)
	Mrs. Smita Maroo (Up to 7 th December, 2021)
	Ms. Mansi Maroo (Up to 7 th December, 2021)
	Mr. Gnanchand Jethalal Maru, Director, Canopy Entertainment Private Limited
	Mr. Murtuza Kagalwala, Partner, Shemaroo Contentino Media LLP
	Mr. Pulkit Sood, Partner, Shemaroo Contentino Media LLP
	Mr. Dipesh Gosar, Company Secretary
Relatives of Key Management Personnel	Mr. Buddhichand Maroo (father of Mr. Jai Maroo)
	Mrs. Leelaben Maroo (mother of Mr. Jai Maroo)
	Mrs. Smita Maroo (wife of Mr. Jai Maroo) (wef 8 th December 2021)
	Mrs. Kastur Maroo (wife of Mr. Raman Maroo)
	Mrs. Radhika Maroo (daughter of Mr. Raman Maroo)
	Ms. Mansi Maroo (daughter of Mr. Raman Maroo) (wef 8 th December 2021)
	Mrs. Sangeeta Maru (wife of Mr. Atul Maru)
	Ms. Nirvi Maru (daughter of Mr. Atul Maru)
	Ms. Urvi Maru (daughter of Mr. Atul Maru)
	Mrs. Madhuri Gada (wife of Mr. Hiren Gada)
	Mrs. Kranti Gada (Sister of Mr. Hiren Gada) (wef 8 th December 2021)
	Mr. Denzil Arambhan (Husband of Mrs. Kranti Gada Arambhan) (Up to 7 th December 2021)
	Mr. Chirag Karani (son of Mr. Vinod Karani) (Up to 7 th December 2021)
Entities having Common Control	Mrs. Varsha Karani (wife of Mr. Vinod Karani) (Up to 7 th December 2021)
	Mrs. Harashada Karani (wife of Mr. Hemant Karani) (Up to 7 th December 2021)
	Atul H. Maru (HUF)
	Buddhichand H. Maroo (HUF)
	Raman H. Maroo (HUF)
	Jai Maroo (HUF)
	Hiren Gada (HUF)
	Shemaroo Corporation
	Shemaroo Trading Private Limited (Formerly Shemaroo Holdings Private Limited)
	Canonical Trading LLP
	Think Walnut Digital Private Limited
	Technology and Media Group PTE. Ltd.
	Braj Holdings Pte. Ltd.
	Dominiche Productions Private Limited
	Sneha Creation (Up to 7 th December, 2021)

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year :

Particulars	(₹ in Lakhs)									
	Key Management Personnel As on		Relatives of Key Management Personnel As on		Entities having common control As on		Associate Company As on		Total As on	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
Transaction with Related Parties :										
Purchase of Goods & Services	-	-	-	-	30.98	16.59	-	-	30.98	16.59
Salaries	315.84	379.66	114.41	36.75	-	-	-	-	430.25	416.41
Directors Sitting Fees	0.80	0.80	-	-	-	-	-	-	0.80	0.80
Remuneration to Directors	363.42	186.52	-	-	-	-	-	-	363.42	186.52
Remuneration to Partners	57.15	45.00	-	-	-	-	-	-	57.15	45.00
Interest Accrued on Loans Taken	266.83	308.19	-	-	-	-	-	-	266.83	308.19
Loans Taken during the year	201.57	612.09	-	-	-	-	-	-	201.57	612.09
Repayment of Loans Taken during the year	289.65	370.85	-	-	-	-	-	-	289.65	370.85
Year end Balances with Related Parties :										
Dues to Related Parties	-	-	-	-	10.13	74.17	-	-	10.13	74.17
Loans Taken	2,493.82	2,581.90	-	-	-	-	-	-	2,493.82	2,581.90
Investment Made	-	-	-	-	249.84	249.84	-	-	249.84	249.84

Company has taken collective personal guarantee from related parties to the tune of ₹ 17,500 lakh, against its borrowings from the banks. The above loans from related parties are unsecured and payable on demand.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

27 Financial Instruments

27.1 Fair value measurements

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Particulars		As at 31 st March'22				As at 31 st March'21			
		Level of inputs used in				Level of inputs used in			
		Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
I. Financial Assets									
- At amortised cost									
Investments		254.83	-	-	254.83	254.84	-	-	254.84
Trade Receivables		5,663.65	-	-	5,663.65	5,472.96	-	-	5,472.96
Loans & Advances		15.78	-	-	15.78	23.02	-	-	23.02
Cash & Cash Equivalents		160.87	-	-	160.87	84.58	-	-	84.58
Other Bank Balances		670.31	-	-	670.31	649.10	-	-	649.10
Other Financial assets		132.33	-	-	132.33	131.98	-	-	131.98
II. Financial Liabilities									
- At amortised cost									
Borrowings		24,776.20	-	-	24,776.20	26,252.41	-	-	26,252.41
Lease Liability		13.84	-	-	13.84	104.48	-	-	104.48
Trade Payables		4,932.04	-	-	4,932.04	2,523.08	-	-	2,523.08
Security Deposit Received		20.70	-	-	20.70	22.09	-	-	22.09
Other Financial Liabilities		705.74	-	-	705.74	733.55	-	-	733.55

* Other financial liabilities includes current maturities of long term borrowings carried at amortised cost.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Inputs are Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e, derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

27.2 Foreign exchange exposure

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at the end of reporting period is as follows :

(in Lakhs)

Particulars	Currency	As at 31 st March 2022	As at 31 st March 2021
Financial Assets			
Trade Receivables	USD	14.27	9.60
	AED	0.07	-
	CAD	0.08	-
	KWD	0.37	-
	NZ	3.80	-
	OMN	0.03	-
	RP	5.72	-
	SGD	0.03	-
	THB	0.27	-
Other Current Assets			
Advances paid for Supply of Goods and Rendering of Services	USD	1.07	0.67
	EURO	-	0.25
	AUD	0.39	-
	GBP	-	0.27

28 Financial Instruments

(i) Financial risk management objective and policies

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates. The Group's exposure to the risk of changes in market interest rates primarily to the Group's long-term debt obligations.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	Interest impact (pre tax)			
	Year ended 31 st March'22		Year ended 31 st March'21	
	Decrease by 0.5%	Increase by 0.5%	Decrease by 0.5%	Increase by 0.5%
Impact on profit or loss for the year	11.70	(11.70)	11.46	(11.46)
Impact on total equity as at the end of the reporting Year	11.70	11.70	11.46	(11.46)

c) Foreign Currency risk

The Group enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Group analyses currency risk as to which balances outstanding in currency other than the functional currency of that Group. The management has taken a position not to hedge this currency risk. The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

d) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, deposits and loans given, investments and balances at bank.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected credit loss is based on actual credit loss experienced and past trends based on the historical data.

Ageing of trade receivables

Particulars	As at 31 st March 2022	As at 31 st March 2021
Trade receivables (Unsecured)		
over six months	440.30	896.15
less than six months	5,513.81	4,622.40
Total	5,954.11	5,518.55

e) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provided adequate liquidity in short terms as well in the long term.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Due in 1 year	Due in 2 - 3 years	Due in 1 year	Due in 2 - 3 years
Financial Liabilities				
Trade Payable and other financial liabilities	29,278.47	-	27,790.47	-
Borrowings	-	1,156.19	-	1,740.66
Lease Liability	5.62	8.23	90.63	13.84
Total	29,284.09	1,164.42	27,881.10	1,754.51

*Current maturities of borrowings forms part of other financial liabilities. Hence, same is not considered separately in borrowings.

(ii) Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves. The Group manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

Gearing ratio

The gearing ratio at end of the reporting period was as follows :

Particulars	As at 31 st March 2022	As at 31 st March 2021
Debt		
Long Term Borrowings (Including Current Maturity of Long Term Debts)	1,798.00	2,330.55
Short Term Borrowings	23,620.01	24,511.75
Cash & Bank Balances	(160.87)	(84.58)
Total debt (A)	25,257.14	26,757.72
Equity		
Equity Share Capital	2,718.22	2,718.22
Other Equity	55,463.38	54,911.61
Total equity (B)	58,179.60	57,629.83
Net Debt to Equity Ratio (A/B)	43%	46%

29 Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 and entered into during the year.

The company adopted modified retrospective method for the all lease contracts existing on April 1, 2019 and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

- a) The summary of information showing the effect of “Leases” on the financial position, financial performance and cash flows are given below:

Particulars	As at 31 st March 2022	As at 31 st March 2021
Right of use asset:		
a) Balance as at beginning of the year	93.07	214.38
b) Additions made during the year	-	34.36
- Office Buildings	-	-
c) Depreciation charged to Statement of profit and loss	(80.51)	(88.06)
d) Disposal of Assets	-	(67.61)
d) Balance as at end of the year	-	-
- Office Buildings	12.57	93.07
Lease Liability:		
a) Balance as at beginning of the year	104.48	235.84
b) Additions made during the year	-	34.36
c) Deletions during the year	-	(78.13)
d) Interest expenses charged to Statement of profit and loss	6.53	16.65
e) Reduction after reinstatement of Liability	-	(10.06)
f) Cash outflow for leases	(97.16)	(94.19)
g) Balance as at end of the year	13.85	104.47

Note:

- 1) The weighted average incremental borrowing rate applied to lease liability is 10 %.
- 2) The company has applied single discount rate to a portfolio of leases of similar assets.

- b) The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

Particulars	As at 31 st March 2022	As at 31 st March 2021
Current lease liability	5.62	90.64
Non-current lease liability	8.23	13.83
Total	13.85	104.47

- c) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	As at 31 st March 2022	As at 31 st March 2021
Less than one year	5.62	90.64
One to five years	8.23	13.83
More than five years	-	-
Total	13.85	104.47

- d) The Company does not face a significant liquidity risk with regard to its lease liability as the current assets are sufficient to meet the obligations related to lease liability as and when they fall due.
- e) Rental expense charged to the Statement of profit and loss account applying paragraph 6 of Ind AS 116, on account of low-value asset is ₹ Nil and short-term leases is ₹ Nil.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

30 Financial Details of Subsidiaries, Associate Companies and Joint Ventures Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

(₹ in Lakhs)

Part "A" : Subsidiaries

Name of Subsidiary	Reporting Currency	Exchange Rate (in ₹)	Capital	Reserves	Total Assets	Total Liabilities	Investments included in Total Assets	Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend
Canopy Entertainment Private Limited	INR	1.00	100	(35.49)	64.82	64.82	-	5.81	(6.21)	-	(6.21)	NIL
Shemaroo Contentino Media LLP	INR	1.00	1	204.94	592.76	592.76	-	1,101.62	(55.75)	-	(55.75)	NIL
Shemaroo Think Tank Entertainment LLP	INR	1.00	1	(801.37)	70.68	70.68	-	-	(137.22)	-	(137.22)	NIL
Shemaroo Media & Entertainment LLC	USD	75.39	38	(298.66)	80.28	80.28	-	420.56	63.97	1.12	62.85	NIL

31 Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the financial year 2021-2022.

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
Shemaroo Entertainment Limited	101.41%	58,754.42	122.12%	644.81	37.85%	(16.72)	129.82%	628.09
SUBSIDIARIES								
INDIAN								
Canopy Entertainment Limited	Private	0.11%	64.51	(6.21)	0.00%	-	-1.28%	(6.21)
Shemaroo Contentino Media LLP		0.36%	205.94	(36.24)	0.00%	-	-7.49%	(36.24)

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

(₹ in Lakhs)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
Shemaroo Think Tank Entertainment LLP	-1.38%	(800.37)	-25.99%	(137.21)	0.00%	-	-28.36%	(137.21)
FOREIGN								
Shemaroo Media & Entertainment LLC	-0.50%	(289.75)	11.90%	62.85	62.15%	(27.46)	7.32%	35.39
Total	100%	57,934.75	100%	528.00	100%	(44.18)	100%	483.82

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

32 Additional information to financial statements

32.1 Approval of financial statements

Financial statements were approved for issue by Board of Directors on 10th May, 2022.

32.2 Segment Reporting

The Group has identified ""Entertainment"" as the only primary reportable business segment and hence business segment disclosure as per IND AS - 108 is not applicable. The Group operates in India and rest of the world.

Two customers represent more than 10% of the Group's total revenue during the year as well as previous year.

32.3 Details of Loans given, investment made and Guarantee given covered under section 186(4) of the Companies Act, 2013.

- (a) Investment made by the company as at 31st March'2022. (Refer note 5(a))
- (b) No Guarantee has been given by the company as at 31st March'2022.

32.4 Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	31 st March 2022	31 st March 2021
Disputed Direct Tax Demands	-	45.69
Disputed Indirect Tax Demands	201.17	201.17
	201.17	246.86

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial condition.

32.5 Details of Corporate social responsibility expenses:

- (i) The gross amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 105.80 lakhs (previous year ₹ 189.41 lakhs).
- (ii) Amount approved by the board to be spent towards CSR activities during the year ₹ 108.15 lakhs.
- (iii) The details of amount recognized as expense in the Statement of Profit or Loss under Note 23 above on CSR related activities is given below:

Particulars	(₹ in Lakhs)
Amount spent during the year ending on March 31, 2022:	
i) Improving & Promoting Quality Education	55.10
ii) Health care, Hygiene & Medical Facilities	8.05
iii) Rural Transformation & Protection of natural heritage, art & culture, drought relief	45.00
Total	108.00

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

Particulars	(₹ in Lakhs)
Amount spent during the year ending on March 31, 2021:	
i) Improving & Promoting Quality Education	101.00
ii) Health care, Hygiene & Medical Facilities	81.01
iii) Rural Transformation & Protection of natural heritage, art & culture, drought relief	8.71
	190.72

(iv) Details of Excess CSR expenditure as at March 31, 2022:

Particulars	(₹ in Lakhs)
Opening Balance	-
Amount required to be spent during the year	105.80
Amount spent during the year	108.15
Shortfall at the end of the year	-
Total of previous years shortfall	-
Closing Balance (To be carried forward for next year)	2.35

32.6 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
(i) Principal amount remaining unpaid to MSME suppliers as on	549.25	210.02
(ii) Interest due on unpaid principal amount to MSME suppliers as on	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day		-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

32.7 Custom duty and interest thereon aggregating ₹ 106.91/- Lakhs (FY 202021 - ₹ 106.91/-), is paid under protest in the Financial Year Ended 31.03.2008. The same is included in Other Non-Current Assets (Refer Note 6).

32.8 Disclosure of ratios

Please find below ratios to be disclosed as per the Schedule III of the Companies Act :-

Ratio	31 st March 2022	31 st March 2021	Variance	Reason for variance of more than 25%	Items included in numerator and denominator
Current ratio	2.88	2.97	-2.91%		Numerator :- Current Assets Denominator :- Current Liability
Debt-Equity ratio	0.44	0.47	-5.44%		Numerator :- Total Debts Denominator :- Shareholders Equity

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

Ratio	31 st March 2022	31 st March 2021	Variance	Reason for variance of more than 25%	Items included in numerator and denominator
Debt service coverage ratio	1.45	0.49	198.53%	Due to increase in earnings in current year.	Numerator :- Earning for debt services Denominator :- Fixed Interest Charges
Return on equity ratio	0.01	(0.04)	123.13%	Due to increase in profit after tax in current year.	Numerator :- Net Profit After Taxes Denominator :- Shareholders' Equity
Inventory turnover ratio	0.53	0.43	22.07%		Numerator :- Sales Denominator :- Average Inventory
Trade receivables turnover ratio	6.73	5.70	18.07%		Numerator :- Total Sales Denominator :- Average Account Receivables
Trade payables turnover ratio	2.98	2.15	38.56%	Increase in accounts payable in current year.	Numerator :- Net Credit Purchases Denominator :- Average Accounts Payable
Net capital turnover ratio	0.65	0.53	22.59%		Numerator :- Net Sales Denominator :- Net Assets
Net profit ratio	0.01	(0.07)	118.96%	Increase in net profit	Numerator :- Net Profit Denominator :- Net Sales
Return on capital employed	0.05	0.01	393.43%	Increase in EBIT	Numerator :- Earning Before Interest & Tax Denominator :- Capital Employed
Return on investment	1.96	(8.06)	-124.31%	Increase in margin	Numerator :- Return or Margin Denominator :- Investments

32.9 Transactions with companies struck off under section 248 of the Companies Act, 2013 :

(₹ in Lakhs)

Name of the Company	Nature of Transactions	Balance Outstanding as on March 31, 2022	Balance Outstanding as on March 31, 2021
Cair Saangri Manoranjan Company Pvt.Ltd.	Advance Given	19.30	19.30
Mirah Entertainment Pvt.Ltd.	Creditor	3.88	3.88

32.10 Additional disclosures as to the amendment of Schedule III :

- During the financial years ended 31 March 2022 and 31 March 2021, the Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.
- There is no Benami Property held by the Company and there is no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

Notes to Consolidated Financial Statements

for the year ended 31st March 2022

- iv) The company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- v) The company has not traded or invested in crypto currency or virtual currency during the financial year.

32.11 Prior Year Comparatives

Previous year's figures are regrouped, rearranged, or recast wherever necessary to conform to this year's classification.

Signatures to notes "1" to "32" forming part of the financial statements

For Mukund M. Chitale & Co.

Chartered Accountants
ICAI Firm Registration No. 106655W

M. M. Chitale

Partner
Membership No. 14054

Place: Mumbai
Date : 10th May, 2022

For and on behalf of the Board of Shemaroo Entertainment Limited

Raman Maroo

Chairman & Managing Director
DIN 00169152

Dipesh Gosar

Company Secretary
Membership No.: A23755

Place: Mumbai
Date : 10th May, 2022

Atul Maru

Jt. Managing Director
DIN 00169264

Hiren Gada

CEO & CFO
DIN 01108194

