



PRIME FOCUS
L I M I T E D

May 07, 2024

To,
National Stock Exchange of India Limited
Listing Department,
Exchange Plaza,
Bandra Kurla Complex
Bandra East,
Mumbai - 400 051
Fax Nos.: 26598237 / 26598238

To,
BSE Limited
Listing Department,
Phiroze Jeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Fax Nos.:22723121/2037/2039

Ref.: Scrip Code: BSE – 532748/NSE - PFOCUS

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Para A of Part A of Schedule III of the said Regulation - Postal Ballot Notice

Dear Sir(s)/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Postal Ballot Notice along with explanatory Statement dated April 29, 2024, seeking approval of the Members of the Company by way of special resolution through voting by electronic means only ("**remote e-voting**") for the following matter:

Sr. No	Special Business
1.	Approval under Section 188 of the Companies Act, 2013, Regulation 23(4) and Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a 'material related party transaction' for divestment of the entire equity shareholding of the Company in Prime Focus Technologies Limited, an unlisted material subsidiary of the Company.

In accordance with Sections 108 and 110 of the Companies Act, 2013 ("**the Act**") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("**the Rules**") and in line with Ministry of Corporate Affairs ("**MCA**") General Circulars dated April 8, 2020, April 13, 2020 read with other subsequent circulars issued in this regard, the latest being dated September 25, 2023 ("**Relevant Circulars**"), the Notice of Postal Ballot along with Explanatory Statement has



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been dispatched to all Members whose names appeared in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Tuesday, April 30, 2024 ("**cut-off date**") and whose e-mail addresses are registered with the Company or Link Intime India Private Limited , Registrar & Transfer Agent of the Company ("**Link Intime**"), or the Depository Participants.

The Company has engaged the services of CDSL for providing the remote e-voting facility. Please note that the remote e-voting period in respect of the resolution mentioned in the Postal Ballot Notice shall commence on Wednesday, May 08, 2024 at 9:00 a.m. (IST) and shall end on Thursday, June 06, 2024 at 5:00 p.m. (IST). Remote e-voting shall not be allowed after Thursday, June 06, 2024 at 5:00 p.m. (IST). The results of remote e-voting shall be announced on or before Saturday, June 08, 2024 and the same will be communicated to the Stock Exchanges with the Scrutinizers Report within the prescribed timeline.

The Postal Ballot Notice along with Explanatory Statement is also available on the website of the Company at www.primefocus.com.

Kindly take the same on record and acknowledge the receipt.

Thanking you.

Yours Faithfully,
For **Prime Focus Limited**

Parina Shah
Company Secretary & Compliance Officer

Encl.: a/a



PRIME FOCUS LIMITED

CIN: L92100MH1997PLC108981

Registered Office: Prime Focus House, Opp. CITI Bank, Linking Road, Khar (West), Mumbai - 400052

Tel: +91 22 6715 5000, **Fax:** +91 22 6715 5001

Website: www.primefocus.com; **Email Id:** ir.india@primefocus.com

NOTICE OF POSTAL BALLOT

[Pursuant to Sections 108 & 110 of the Companies Act, 2013 read with Rules 20 & 22 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the Ministry of Corporate Affairs, Government of India]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, (hereinafter referred to as the "Act"), including any statutory modification(s) or re-enactment thereof for the time being in force and other applicable provisions, if any, of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules") as amended from time to time read with General Circular No. 14/2020 dated April 8, 2020; General Circular No. 17/2020 dated April 13, 2020 read with other subsequent circulars issued in this regard, the latest being General Circular No. 9/2023 dated September 25, 2023 (the "Relevant Circulars") issued by Ministry of Corporate Affairs ("MCA"), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard - 2 on General Meetings ("SS - 2") issued by the Institute of Company Secretaries of India and other applicable laws and regulations, if any, including any statutory modification(s) or re-enactment(s) thereto for the time being in force, the Special Resolution as set out in this notice, on the terms which are set out in the Explanatory Statement attached to this notice, is proposed for consideration by Members of Prime Focus Limited (the "Company") for passing by means of Postal Ballot through voting by electronic means only ("remote e-voting"). Members are requested to read the instruction in the Notes under the section "Instructions for Voting through Electronic Means". The communication of the assent or dissent of the Members would only take place through the remote e-voting system.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of the Company vide Resolution dated April 29, 2024 has appointed Mr. Mehul Raval, Practicing Company Secretary (Membership No.: ACS-18300, CP No.: 24170) to act as a Scrutinizer for conducting the Postal Ballot through remote e-voting process in fair and transparent manner. The Company has received his consent and confirmation about his willingness to act as scrutinizer for the business set out in this Notice.

In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with the Rules and Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company is pleased to extend remote e-voting facility to enable the Members to cast their votes electronically instead of through the Postal Ballot form(s). Members (whether holding shares in demat form or in physical form) are requested to cast their votes by remote e-voting only. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), for the purpose of providing remote e-voting facility to all its Members.

Members (whether holding shares in demat form or in physical form) desiring to exercise their vote are requested to carefully follow the instructions in the notes under the Section "Instructions for Voting through Electronic Means" in this Notice.

The remote e-voting period commences at **9:00 a.m. (IST) on Wednesday, May 08, 2024** and ends at **5:00 p.m. (IST) on Thursday, June 06, 2024**.

Upon completion of this process, the Scrutinizer will submit the report to the Chairman of the Company or any other person authorised by the Chairman after the completion of scrutiny of the votes cast through remote e-Voting. The results of Postal Ballot along with the Scrutinizer's Report will be announced on or before **Saturday, June 08, 2024**. The result of the voting shall be displayed on the notice board of the Company at its Registered Office. The declared result along with the Scrutinizers Report, will be available forthwith on the Company's website: www.primefocus.com. The results will simultaneously be communicated to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited where the Company's shares are listed. CDSL, engaged by the Company for facilitating remote e-voting will also display the result on its website www.evotingindia.com.

SPECIAL BUSINESS

1. **Approval under Section 188 of the Companies Act, 2013, Regulation 23(4) and Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a 'material related party transaction' for divestment of the entire equity shareholding of the Company in Prime Focus Technologies Limited, an unlisted material subsidiary of the Company:**

To consider and if thought fit, pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 ("Act") read with the Rules made thereunder, as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or other governmental or statutory authorities, the provisions of Regulation 23(4) and Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and pursuant to the approval of the Board of Directors of the Company (the "Board"), which term shall be deemed to mean and include any Committee constituted by the Board) and subject to such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum of Association and Articles of Association of the Company, consent of the shareholders of the Company, be and is hereby accorded to the Board to effect the divestment by way of sale of its currently held entire equity shareholding in Prime Focus Technologies Limited ("PFT"), an unlisted material subsidiary of the Company, to DNEG S.a.r.l., Luxembourg ("DNEG"), a step-down subsidiary of the Company, for a consideration of INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only), on terms and conditions as set forth in the Share Purchase Agreement dated April 29, 2024 executed between the Company, PFT and DNEG, along with any further equity shares that the Company may acquire as part of

conversion of its loan to PFT on or before the shareholders' approval for the aforementioned purpose, will also be entirely sold to DNEG, subject to relevant documentation for the same.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, with further powers to delegate all or any of the above authorities conferred to it to any officer(s)/authority(ies)/person(s)/committee of the Company, to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in this regard including filing of necessary forms with the Registrar of Companies or any other authority as may be required in relation to such amendments and to comply with all other requirements in this regard"

**By Order of the Board of Directors
For Prime Focus Limited**

**Sd/-
Parina Shah
Company Secretary
ACS 18061**

Mumbai, April 29, 2024

Registered Office:

Prime Focus House,
Linking Road, Opp. Citi Bank,
Khar West, Mumbai – 400 052.
CIN: L92100MH1997PLC108981

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 (**Act**) and Rule 22 of the Rules setting out the material facts, as amended from time to time, in respect of the Special Business specified above is annexed hereto.
2. The Postal Ballot Notice is being sent in electronic form to the Members who have registered their e-mail addresses with Registrar and Transfer Agents of the Company (in case of physical shareholding) /with their Depositories/ Depository Participants (in case of electronic shareholding). The MCA vide its Relevant Circulars, has permitted companies to conduct the Postal Ballot by sending the Notice in electronic form only. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place through the process of remote e-voting only. In compliance with Sections 108 and 110 of the Act and Rules made thereunder, the Company has provided a facility to the Members to exercise their votes electronically through remote e-voting facility provided by CDSL. The instructions for voting through electronic means are annexed to this Notice.
3. This Notice is being sent to all the Members, whose names appeared in the Register of Members / Record of Depositories on **Tuesday, April 30, 2024 ("Cut-off date")**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. Members receiving this Notice of Postal Ballot whose names do not appear in the Register of Members/Statement of Beneficial Ownership as mentioned above, should treat this Notice for information purposes only.
4. This Notice will be displayed on the website of the Company viz., www.primefocus.com and on the website of CDSL viz. www.evotingindia.com. The Notice shall also be uploaded on website of both the stock exchanges viz. BSE Limited and National Stock Exchange of India Limited.

5. The dispatch of this Postal Ballot Notice and the Explanatory Statement shall be announced through advertisement in newspapers and published on the website of the Company.
6. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Tuesday, April 30, 2024. A Member cannot exercise their vote by proxy on Postal Ballot.
7. The remote e-voting period commences at **9:00 a.m. (IST) on Wednesday, May 08, 2024** and will end at **5:00 p.m. (IST) on Thursday, June 06, 2024**, after which the remote e-voting will be disabled and voting shall not be allowed beyond the said date and time. During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Tuesday, April 30, 2024, may cast their vote electronically. Once the Member casts the vote on the Resolution, he or she will not be allowed to change it subsequently.
8. The resolution, if passed by the requisite majority shall be deemed to have been passed on the last date specified for remote e-voting i.e. **Thursday, June 06, 2024**.
9. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection without any fee by the Members through electronic mode. The Members are requested to write to the Company at ir.india@primefocus.com up to Thursday, June 06, 2024 for the inspection of the said documents.
10. Members who have not registered their e-mail addresses are requested to register the same with the Depository Participant(s) for sending future communication(s) in electronic form.
11. Resolution passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:

Instructions to Members for remote e-voting are as under:

- (i) The voting period begins on **Wednesday, May 08, 2024 at 9:00 a.m. (IST)** and ends on **Thursday, June 06, 2024 at 5:00 p.m. (IST)**. During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Tuesday, April 30, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** and under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its members, in respect of all members' resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** on e-Voting facility provided by Listed Companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for **Individual members holding securities in Demat mode** is given below:

Type of members	Login Method
Individual Members holding securities in Demat mode with CDSL (Depository)	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are to visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com. Users should click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members holding securities in demat mode with NSDL (Depository)	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Members (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738, 022-23058542/43 or at toll free no. 1800 22 55 33.
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000 and 022-24997000 or at toll free no. 1800 1020 990 and 1800 22 44 30.

(iv) Login method for e-Voting for Physical Members and members other than individual holding in Demat form.

- 1) The members should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Members" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical Members and other than individual Members holding shares in Demat
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) Additional Facility for Non – Individual Members and Custodians – For Remote Voting only**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ir.india@primefocus.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical members- please provide necessary details like Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ir.india@primefocus.com/rnt.helpdesk@linkintime.co.in
- For Demat members - Please update your email id & mobile no. with your respective Depository Participant (DP)
- For Individual Demat members – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no.1800 22 55 33.

Other Instructions:

- The period for e-voting starts on **Wednesday, May 08, 2024 at 9:00 a.m. (IST)** and ends on **Thursday, June 06, 2024 at 5:00 p.m. (IST)**. E-voting shall be disabled by CDSL at **5:00 p.m. (IST) on Thursday, June 06, 2024** and members shall not be allowed to vote through remote e-voting thereafter. During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, April 30, 2024 (end of day) i.e. cut-off date, may cast their vote electronically. Any person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting module shall be disabled by CDSL for voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of cut-off date, may follow the same procedure as mentioned above for e-Voting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 as amended, read with the rules prescribed thereunder (the "Act"), the following explanatory statement sets out all material facts relating to the special business mentioned under Item No. 1 accompanying the Notice.

Item No. 1

As part of internal restructuring of its group companies and further to its press release issued on April 13, 2023 related to acquisition of business of Prime Focus Technologies Limited (PFT) by DNEG (available here <https://www.bseindia.com/xml-data/corpfiling/AttachHis/afd8e9a5-f93a-4308-a5ec-f31f6b179b64.pdf>), the Company proposes to sell its currently held entire shareholding in PFT to its step down subsidiary, DNEG S.a.r.l., Luxembourg ("DNEG") for a consideration of INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only) on terms and conditions as set forth in the Share Purchase Agreement dated April 29, 2024 executed between the Company, PFT and DNEG, including conditions precedents therein such as consent of lenders ("Proposed Sale"), along with any further equity shares that the Company may acquire as part of conversion of its loan to PFT on or before the shareholders' approval for the aforementioned purpose, will also be entirely sold to DNEG, subject to relevant documentation for the same ("Additional Sale"), subject to shareholders' approval and other consents / approvals as may be required. The Proposed Sale and Additional Sale was approved by the Audit Committee and Board of Directors of the Company at their meeting(s) held on April 29, 2024.

In terms of the provisions of Section 188 and other applicable provisions (if any) of the Companies Act, 2013 (the "Act") and the relevant rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), and subject to the provisions of the Memorandum and Articles of Association of the Company, read with Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations"), the consent of the Members would be required in accordance with the provisions thereof, for the Proposed Sale and Additional Sale.

As per Section 188 of the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, inter alia, if sale, purchase or supply of any goods or material, amounts to 10% or more of the turnover of the company, approval of the Members of such company, by way of ordinary resolution, is required for such a transaction. PFT, being a material unlisted subsidiary of the Company, is a 'related party' of the Company, as defined under Section 2(76) of the Act, and, since the consideration for the Proposed Sale (independent of consideration for Additional Sale), being INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only), would exceed the threshold of 10% of the turnover of the Company (on a standalone basis) as per its audited financial statements for the financial year 2022-23, approval of the Members of the Company is required for the Proposed Sale and Additional Sale under Section 188 of the Act.

Further, as per Regulation 23 of the Listing Regulations, if a related party transaction to be entered into individually or taken together with previous transactions during a financial year, exceeds INR 1000,00,00,000/- (Indian Rupees One Thousand Crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, such related party transaction shall considered to be a material related party transaction and requires approval of the Members of such company, by way of an ordinary resolution. As such, the Proposed Sale along with Additional Sale would exceed 10% of the annual consolidated turnover of the Company as per its audited financial statements for the financial year 2022-23, and accordingly, it would require the approval of the Members of the Company by way of an ordinary resolution, in terms of Regulation 23 of the Listing Regulations. As per Regulation 23(4) of the Listing Regulations, no related party shall vote to approve resolutions for material related party transactions whether the entity is a related party to the particular transaction or not, and accordingly, the related parties of the Company in accordance with Listing Regulations, shall not vote for the Proposed Sale and Additional Sale.

Additional information required to be disclosed pursuant to Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, as amended from time to time is also set out below for the consideration of the Members of the Company:

Sr No.	Description	Details of proposed RPT between the Company, Prime Focus Technologies Limited and DNEG S.a.r.l., Luxembourg	
a	Name of the Related Party	Prime Focus Technologies Limited ("PFT")	DNEG S.a.r.l., Luxembourg ("DNEG")
b	Nature of relationship [including nature of its interest (financial or otherwise)]	Material Subsidiary of the Company	Step-down Subsidiary of the Company
c	Type of the proposed transaction	Divestment of the existing entire shareholding of the Company in PFT, along with entire further shareholding that the Company may acquire on or before the shareholders' approval.	
d	Material terms and particulars of the proposed transaction	The Proposed Sale entails divestment of the existing entire shareholding of the Company in PFT to DNEG for a consideration of INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only) on terms and conditions as set forth in the Share Purchase Agreement between PFT, Company and DNEG ("SPA") including conditions precedents mentioned in the SPA such as consent of lenders. It is also proposed that any further equity shares that the Company may acquire as part of conversion of its loan to PFT on or before the shareholders' approval for aforementioned purpose, will also be entirely sold to DNEG, subject to relevant documentations for the same.	
e	Tenure of the proposed transaction	Closing of the transaction is expected to be completed by July 31, 2024 or such other date as may be mutually agreed between the parties to the share purchase agreement and any other documentations for the said purpose.	
f	Value of the proposed transaction	INR 303,76,60,709/- (Indian Rupees Three Hundred and Three Crores Seventy Six Lakhs Sixty Thousand Seven Hundred and Nine Only)	

Sr No.	Description	Details of proposed RPT between the Company, Prime Focus Technologies Limited and DNEG S.a.r.l., Luxembourg
g	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction	6.54% of the annual consolidated turnover of the Company for the Financial Year 2022-23.
h.	For a Related Party Transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis:	123.61% of annual turnover of Prime Focus Technologies Limited for the Financial Year 2022-23. Annual Turnover of DNEG S.a.r.l, Luxembourg is nil for the Financial Year 2022-23.
i.	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
(i)	Details of the source of funds in connection with the proposed transaction	Not Applicable
(ii)	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,	
	- Nature of indebtedness	Not Applicable
	- Cost of funds	Not Applicable
	- Tenure	Not Applicable
(iii)	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
(iv)	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
j.	Justification as to why the RPT is in the interest of the listed entity	This is to enable business synergy between the two companies (PFT and DNEG) and group as whole. This is in furtherance of press release disclosure made by the Company on April 13, 2023 related to acquisition of PFT's business by DNEG (available here https://www.bseindia.com/xml-data/corpfiling/AttachHis/afd8e9a5-f93a-4308-a5ec-f31f6b179b64.pdf)
k.	A copy of the valuation or other external party report, if any such report has been relied upon	Valuation report dated April 27, 2024 from Mr. Zulfiqar Mohammed Hussain Shivji, Chartered Accountant and Registered Valuer was relied by the audit committee and board
l.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the members	As stated in note (9), all documents (including valuation report) referred to in the accompanying Notice and the Explanatory Statement are open for inspection without any fee by the Members through electronic mode. The Members are requested to write to the Company (through their registered email address) at ir.india@primefocus.com up to Thursday, June 06, 2024 for the inspection of the said documents.
m.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Namit Malhotra, Mr. Vibhav Parikh & Mr. Samu Devarajan, Directors and Mr. Nishant Fadia (CFO) of the Company, are also Directors in PFT. Mr. Namit Malhotra, Director and Mr. Nishant Fadia (CFO) of the Company, are also Directors in DNEG.
n.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives other than as mentioned above, are in any way concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

Further, in terms of Regulation 16(1)(c) of the Listing Regulations, PFT is a material unlisted subsidiary of the Company. The Proposed Sale and Additional Sale (if any) will result in disposal of entire existing shares (along with all further equity shares that the Company may acquire as part of conversion of its loan to PFT on or before the shareholders' approval) by the Company (together with its subsidiaries) in PFT resulting in a reduction of the Company's indirect shareholding to less than 50% (fifty percent). Accordingly, in terms of Regulation 24(5) of the Listing Regulations, Company's disposal of shareholding in PFT as provided hereinabove will require the approval of the shareholders of the Company by way of special resolution.

The Board is of the opinion that the aforesaid proposal for the Proposed Sale and Additional Sale is in the best interest of the Company and hence, the Audit Committee and Board of Director of the Company recommends passing of the special resolution for approval of the members.

By Order of the Board of Directors

Sd/-
Parina Shah
Company Secretary
ACS 18061

Mumbai, April 29, 2024

Registered Office:

Prime Focus House,
Linking Road, Opp. Citi Bank,
Khar West, Mumbai – 400 052.
CIN: L92100MH1997PLC108981