



**SPICY ENTERTAINMENT AND MEDIA LIMITED**

CIN: L22219WB2012PLC188312

68, R.K. Chatterjee Road (Kasba), Rash Behari Connector

3rd Floor, Kolkata-700042, West Bengal

Tel: +91 88205 00005, 88204 00004

E-mail ID.: info@spicyy.in

Website: www.spicyy.in

**Date: 08/09/2021**

To  
BSE Limited  
Phirozee Jeejeeboy Towers,  
Dalal Street Fort Mumbai-400001

**Subject: Annual Report of Spicy Entertainment and Media Limited for the Financial Year 2020-21**

**BSE Code: 540084**

Dear Sir,

In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, please find enclosed herewith the Annual Report of our Company for the Financial Year 2020-21 which have been sent through the electronic mode to all the members of the Company who have registered their email address with the Company/Depository Participant (s).

Kindly acknowledge the receipt of the same.

Yours Faithfully

**For Spicy Entertainment and Media Limited**

A handwritten signature in black ink that reads "Monika Jain". The signature is written in a cursive style and is underlined.

**Monika Jain  
Company Secretary**

**Encl: As above**



***ANNUAL REPORT 2020-21***



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS AND KMP'S**

Mr. Dev Govind Binani  
(DIN: 08435033), Managing Director

Ms. Sheetal Suresh Kale  
(DIN: 07762409), Independent Director

Mr. Vinod Kumar Agarwal  
(DIN: 08046056) Non- Executive Director & Chief Financial Officer

Mr. Sumit Bhoot  
(DIN: 08120225), Independent Director

Ms. Monika Jain  
Company Secretary & Compliance Officer

### **STATUTORY AUDITOR**

M/s RAK Champs & Co. LLP  
Chartered Accountants, Mumbai

### **BANKERS**

Axis Bank  
HDFC Bank

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s Maheshwari Datamatics Private Limited  
6, Mangoe Lane, 2<sup>nd</sup> Floor  
Kolkata-700001, West Bengal  
Tel No. 033 2243 5809/5029, Fax No. 033 22484787  
Email Id: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### **REGISTERED OFFICE**

68, R.K. Chatterjee Road (Kasba)  
Rash Behari Connector, 3<sup>rd</sup> Floor  
Kolkata-700042, West Bengal

### **9<sup>TH</sup> ANNUAL GENERAL MEETING**

Day, Date & Time: Thursday, September 30, 2021 at 12:30 p.m. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")

### **BOOK CLOSURE**

From Friday, September 24, 2021 to Thursday, September 30, 2021 (both days inclusive)

## **CONTENTS**

### **CORPORATE OVERVIEW**

1. SEML at a Glance
2. Mission, Vision and Values
3. Message from Managing Director
4. Risk Management Framework
5. Financial Highlights
6. Director's Report
7. Management Discussion & Analysis

### **FINANCIAL STATEMENTS**

1. Independent Auditor's Report
2. Balance Sheet
3. Statement of Profit & Loss
4. Statement of Changes in Equity
5. Statement of Cash Flows
6. Notes Forming part of the Financial Statements





## ***MISSION***

To become the world's leading global content company from the emerging markets. As a Corporate, we will be driven by content leadership based on innovation and creativity. Our focus will be on growth while delivering exceptional value to our customers, viewers and stakeholders.

## ***VISION***

Our vision is to emerge as a leading entertainment house and event management company that balances various platforms in a dynamically changing media environment, by establishing a sustainable connection with audiences and with our content library and its successful exploitation to ensure that it can be monetized through diversified platforms on a worldwide basis. Our strategy is designed to address predictability, scalability and sustainability, ultimately resulting in profitability.

## ***VALUES***

### 1) CUSTOMER FOCUS

Our Company's strategies are driven by the needs of the customer. Our success can be measured by the satisfaction achieved by our customer.

### 2) EXCELLENCE

We accord a high premium to maintaining superlative standards throughout our Company. We encourage our employees to come up with smarter ideas within the fastest possible time.

### 3) CREATIVITY

Key to our value system is innovation and originality. We recognise and have a high regard for individual expression and creative freedom in our quest to provide customer satisfaction.

#### 4) INTEGRITY

We observe strict ethical standards through editorial independence and creative expression, in order to earn the trust of our viewers and subscribers.

#### 5) GROWTH DRIVEN

We are committed to delivering consistent revenue and cash flow growth in order to provide our shareholders a good return. Our objective is to grow our people, market and businesses around the world.

## FINANCIAL PERFORMANCE- AT A GLANCE

### Statement of Profit and Loss Account

Particulars	(Rs. in Lacs)	
	2020-21	2019-20
Revenue from Operations	3257.00	812.92
Other Income	5.38	-
Profit before Taxation	(27.64)	5.29
Profit after Taxation	(27.56)	5.54
Earnings Per Share (EPS) (Face Value Rs. 10/- each)	(0.17)	0.03

### Balance Sheet

Particulars	(Rs. in Lacs)	
	2020-21	2019-20
Property, Plant and Equipment	4.65	5.87
Loans and Investments	4.82	178.04
Other Non-Current Assets	289.29	289.22
Current Assets	14372.41	14646.74
<b>TOTAL ASSETS</b>	<b>14671.17</b>	<b>15119.86</b>
Equity	1702.44	1730.01
Non-Current Liabilities	-	-
Current Liabilities	12968.73	13389.86
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14671.17</b>	<b>15119.86</b>

### Others

Particulars	2020-21	2019-20
Share Price on BSE (Per Share of Rs. 10/-) *	1.99	4.80
Market Capitalisation (Rs. in Lakhs)	328.57	792.54

\* Based on year end closing prices quoted on BSE Limited.





## **DIRECTOR'S REPORT**

### **TO THE MEMBERS**

#### **SPICY ENTERTAINMENT AND MEDIA LIMITED**

Your Directors have pleasure in presenting the Ninth (9th) Annual Report of Spicy Entertainment and Media Limited (hereinafter referred to as "the Company"), along with the Audited Accounts of your Company for the Financial Year ended March 31, 2021. The Financial performance of your Company during the Financial Year ended March 31, 2021; as compared to the previous financial year are summarised below:

**Rs. in Lakhs**

<b>Particulars</b>	<b>Year ended March 31, 2021</b>	<b>Year ended March 31, 2020</b>
Total Income	3262.38	812.92
Total Expenditure	3290.02	807.63
Profit Before Taxation	(27.64)	5.29
Tax Expense	0.08	(0.25)
Profit for the Period	(27.56)	5.54
Brought forward from the previous year	78.88	73.34
Surplus carried to Balance Sheet	51.32	78.88

#### **Financial Performance**

Your Company has prepared the Financial Statements for the financial year ended March 31, 2021 under Sections 129, 133 and Schedule II to the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company's total income during the year stood at Rs. 3262.38 Lakhs, as compared to Rs. 812.92 Lakhs in the previous year. The Company's incurred a loss of Rs. 27.56 Lakhs during the year, as compared to a profit of Rs. 5.54 Lakhs in the previous year.

#### **Dividend**

Your Directors did not recommend any dividend to its shareholders for the financial year 2020-21, keeping in mind various financials and business plans of the Company.

#### **Amounts proposed to carry to the reserves**

The Company has not transferred any amount out of the profit earned to reserve account during the year under review. The entire profit earned during the year under review is being carried forward under Profit & Loss Account.

#### **Material changes and commitments affecting financial position between the end of the financial year and date of report**



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 year relate and the date of this report.

### **Significant/Material orders passed by the regulators**

There were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

### **Risk Management and adequacy of Internal Financial Controls**

The Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting record and providing reliable financial information. Your Company's Internal Control ensures that all assets of the Company are safeguarded and protected, proper prevention and detection of frauds and errors and all transactions are authorized, recorded and reported appropriately.

Your Company has an adequate system of internal financial controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

Such practice provides reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with the applicable legislations. Your Company also monitors through its Internal Audit Team the requirements of processes in order to prevent or timely detect unauthorized acquisition, use or disposition of the Company's Assets which could have a material effect on the Financial Statements of the Company. The Internal Audit function is responsible to assist the Audit Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

During the year under review, the Internal Financial Control Audit was carried out by the Statutory Auditors, the Report of which is forming part of this Annual Report.

### **Deposits**

During the year under review, the Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

### **Statutory Auditors**

M/s RAK Champs & Co. LLP, Chartered Accountants, (FRN: 131094W/W100083), existing Statutory Auditors have tendered their resignation from the position of Statutory Auditors due to their pre-occupation, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Accordingly, the Audit Committee,



the Board of Directors of the Company have recommended that M/s Agarwal Desai & Shah, Chartered Accountants, Mumbai, Firm Registration No. 124850W may be appointed as the Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s M/s RAK Champs & Co. LLP, Chartered Accountants, (FRN: 131094W/W100083), Mumbai.

M/s Agarwal Desai & Shah, Chartered Accountants, Mumbai, Firm Registration No. 124850W have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

Further, the Audit Committee, the Board of Directors of the Company recommended that M/s Agarwal Desai & Shah, Chartered Accountants, Mumbai, Firm Registration No. 124850W may also be appointed as the Statutory Auditor of the Company, from the conclusion of this Annual General Meeting till the conclusion of the 14th Annual General Meeting hereafter. M/s Agarwal Desai & Shah, Chartered Accountants, Mumbai, Firm Registration No. 124850W, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

### **Secretarial Auditor**

In terms of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed Ms. Kavita Raju Joshi, Practicing Company Secretary (Certificate of Practice No. **8893**), as the Secretarial Auditor.

The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as **[Annexure-A]** to this report.

### **Details of Subsidiary/ Joint Ventures/Associate Companies**

The Company does not have any subsidiary/joint ventures/associate companies.

### **Share Capital**

The Authorised Share Capital of the Company stands at Rs. 17,00,00,000/- divided into 1,70,00,000 (One Crore Seventy Lakhs) Equity Shares of Rs. 10/- each. At present the Issued, Subscribed and Paid Up Share Capital of your Company is Rs. 16,51,12,500/- divided into 1,65,11,250 Equity Shares of Rs. 10/- each, fully paid-up.

## **Extract of Annual Return**

The extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is annexed herewith as **[Annexure-B]** to this Report.

## **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

### **a) Particulars of Conservation of Energy, Technology Absorption**

The Provisions of Section 134(m) of the Act relating to conservation of energy and technology absorption do not apply to this Company as the Company has not carried out any manufacturing activities.

### **b) Foreign Exchange Earnings and Outgo**

During the year under review there was no foreign exchange outgo nor was any foreign exchange earned.

## **Directors and Key Managerial Personnel**

The Company has a duly constituted Board of Directors which is in compliance with the requirements of the Companies Act, 2013, schedules thereto and rules framed there under and also in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Articles of Association of the Company.

### **i. Declaration by Independent Directors**

All the Independent Directors have given a declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 read with the rules made there under and as per Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfil the conditions of Independence as specified in the Act and the rules made there under.

### **ii. Non-Independent Director**

In accordance with the provisions of Companies Act, 2013, Mr. Vinod Kumar Agarwal (DIN: 08046056), Director of the Company, is liable to retire by rotation and being eligible, offers himself for re-appointment. The Board recommends his appointment with a view to avail his valuable advices and wise counsel.

A brief profile of the above Director seeking appointment/re-appointment required as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be provided in the Notice of Annual General Meeting of the Company.

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in Section 164 (2) of the Companies Act, 2013 and rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### **iii.Changes in Directorship/Key Managerial Personnel during the year**

Mr. Dev Govind Binani was appointed as Managing Director of the Company with effect from November 23, 2020.

### **iv. Familiarisation Programme undertaken for Independent Directors**

The Independent Directors are familiarised 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. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Director is also explained in detail the various compliances required from him/her as a Director under the various provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The details of familiarisation programme are available on the website of the Company viz. [www.spicyy.in](http://www.spicyy.in).

### **Annual Evaluation of Board's performance**

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole;
- ii. Committees of the Board of Directors;
- iii. Individual Directors including the Chairman of the Board of the Directors.

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a Performance Evaluation for the Board / Committees of the Board / Individual Directors including the Chairman of the Board of Directors for the financial year ended March 31, 2021. The key objectives of conducting the Board Evaluation were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly, the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in Board Meetings and contribute to achieve the common business goal of the Company.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provided their feedback. Duly completed feedback were sent to the Chairman of the Board and the Chairman / Chairperson of the respective Committees of the Board for their consideration. The Performance Evaluation feedback of the Chairman was sent to the Chairperson of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation to the Board of Directors. All the criteria of Evaluation as envisaged in the SEBI Circular on 'Guidance Note on Board Evaluation' had been adhered to by your Company.

## The Board of Directors

### a. Composition and Category of Directors

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and provisions of the Articles of Association of the Company. Your Board has been constituted with requisite diversity, wisdom and experience commensurate to the scale of operations of your Company. The Company has a judicious combination of Executive and Non-Executive Directors. As on March 31, 2021. The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner. The Board comprised of Four (4) Directors out of which One (1) is Executive Director, One (1) is Non-Executive Director and Two (2) are Independent Directors. The Chairman of the Board is Executive Director.

The details of each member of the Board along with the number of Directorship/Committee Membership are given below:

Name	Category of Director	Directorship in other Public Limited Companies	No. of Board Committees in which Chairman/ Member	
			Chairman	Member
Mr. Dev Govind Binani	Managing Director	-	-	-
Mr. Vinod Kumar Agarwal	Non-Executive Director	-	-	-
Ms. Sheetal Suresh Kale	Independent Director	-	-	-
Mr. Sumit Bhoot	Independent Director	-	-	-

#### Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholder Relationship Committee in other Public Limited Company. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.
3. None of the Directors are inter-se related with each other.

### Number of Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. The necessary quorum was present for all the meetings.

In the Financial Year 2020-2021, the Board met Six (6) times. The details of Board Meetings held during the year are listed below. The interval between two Meetings was well within the maximum

period mentioned under Section 173 of the Companies Act, 2013 and as per Regulation 17(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl. No	Date of Board Meeting	Total strength of the Board	No. of director present
1.	30/05/2020	4	4
2.	31/07/2020	4	4
3.	14/11/2020	4	4
4.	23/11/2020	4	4
5.	04/12/2020	4	4
6.	12/02/2021	4	4

Attendance at aforesaid Board Meetings, at last Annual General Meeting of each of the Directors as on March 31, 2021 is given below:

Name of the Director	Category of Directorship	Attendance at the Board Meeting(s)		Attendance at last AGM
		Held	Attended	
Mr. Dev Govind Binani	Managing Director	6	3	Yes
Mr. Vinod Kumar Agarwal	Non-Executive Director	6	6	Yes
Ms. Sheetal Suresh Kale	Independent Director	6	6	Yes
Mr. Sumit Bhoot	Independent Director	6	6	Yes

### Meeting of Independent Director

In compliance with the requirements of Schedule IV to the Companies Act, 2013 read with Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate meeting of the Independent Directors was held on February 12, 2021, where all the Independent Directors were present. The Independent Directors discussed inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### Appointment and tenure of Directors

The Directors of the Company are appointed by the Members at the General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of three to five years. Other than Managing Director and Independent Directors, not less than two-thirds of the total number of Directors are liable to retire by rotation, out of which one-third shall retire at every AGM and if eligible, may seek approval from the Members for their re-appointment.



In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Independent Directors of the Company were appointed for a period of five years by the Members of the Company at the General Meetings.

A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation / removal, etc., as specified under Schedule IV to the Companies Act, 2013 has been issued to each of the Independent Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such appointment of the Independent Directors are also made available on the website of the Company at [www.spicyy.in](http://www.spicyy.in).

In compliance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed / re-appointed will be provided in the Notice calling Annual General Meeting.

### **Committees of the Board**

The Company has constituted/re-constituted various Board level committees in accordance with the requirements of Companies Act, 2013. Details of all the above Committees along with the composition and meetings held during the year under review are provided below.

#### **Audit Committee**

The Board of Directors of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The Audit Committee of the Company meets every quarter and inter alia, to review the financial results for the half yearly/yearly ended before the same are approved at Board Meetings, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The Audit Committee may also meet from time to time, if required.

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Accounts, etc. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.



## Composition of the Committee, Meetings and Attendance

The Audit Committee consists of two Independent Directors and one Non-Executive Director. Ms. Sheetal Suresh Kale, Independent Director is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

The Audit Committee met Five (5) times during the Financial Year 2020-21. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 30, 2020; July 31, 2020; November 14, 2020; December 04, 2020 & February 12, 2021. The requisite quorum was present at all the meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company.

The Table below provides the attendance of the Audit Committee members.

Name	Category	Designation	Meeting(s)	
			Held	Attended
Ms. Sheetal Suresh Kale	Independent Director	Chairperson	5	5
Mr. Vinod Kumar Agarwal	Non-Executive Director	Member	5	5
Mr. Sumit Bhoot	Independent Director	Member	5	5

The Audit Committee has been vested, inter-alia, with the following powers:

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

### Terms of Reference

The Audit Committee reviews the Reports of the Internal Auditor and the Statutory Auditors periodically and discuss their findings. The role of the Audit Committee is as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its information to ensure that the financial statements are correct, sufficient and credible;
- b. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditors, fixing of audit fees.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Section 134(3)(c) of the Companies Act, 2013;
  - Changes, if any, in the accounting policies and practices and the reasons for the same.

- Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with the Listing Regulations and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report, if any.
- e. Reviewing, with the management, the financial statements before submission to the board for approval.
- f. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- h. 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.
- i. Discussion with the internal auditors any significant findings and follow-up thereon;
- j. 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.
- k. 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.
- l. 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.
- m. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
- n. 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 & background, etc. of the candidate.
- o. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
- p. Mandatorily reviews the following information:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

- q. Review the Financial Statements of its Subsidiary Company, if any.
- r. Review the composition of the Board of Directors of its Subsidiary Company, if any.
- s. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc.) on a half yearly basis as a part of the half yearly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.
- t. In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

In addition, the Audit Committee also reviews the following:

- Management Discussion and Analysis of financial condition and results and operations;
- Statement of Related Party Transactions;
- Management letters/letters of internal control weaknesses; and
- The appointment, removal and terms of remuneration of Internal Auditor.

### **Nomination and Remuneration Committee**

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

### **Meeting and Attendance**

The Committee met twice during the financial year 2020-21 on November 23, 2020 & December 04, 2020. The requisite quorum was present at the Meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination & Remuneration Committee.

Name	Category	Designation	Meeting(s)	
			Held	Attended
Ms. Sheetal Suresh Kale	Independent Director	Chairman	2	2
Mr. Vinod Kumar Agarwal	Non- Executive Director	Member	2	2
Mr. Sumit Bhoot	Independent Director	Member	2	2

### **Terms of Reference**

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

- The committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.

- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

### **Remuneration Policy**

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individual with requisite knowledge and excellence as executive and non-executive directors. The Nomination and Remuneration Policy of the Company is annexed herewith as **[Annexure- C]** to this Report.

### **Details of Remuneration to all Directors**

The details of remuneration paid to the Directors for the year ended March 31, 2021 are as under:

<b>Name</b>	<b>Designation</b>	<b>Salary</b>	<b>Perquisites</b>	<b>Sitting Fees</b>	<b>Total</b>
Mr. Dev Govind Binani	Managing Director	-	-	-	-
Ms. Sheetal Suresh Kale	Independent Director	-	-	-	-
Mr. Vinod Kumar Agarwal	Non-Executive Director	-	-	-	-
Mr. Sumit Bhoot	Independent Director	-	-	-	-

### **Disclosure pursuant to Part-II, Section-II, 3<sup>rd</sup> Provision, Point No-IV of Schedule-V under Section 196 and 197 of all the Directors**

- All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc of all the Directors- As stated above
- Details of fixed component and performance linked incentives along with performance criteria- Nil
- Service Contracts, notice period, severance fees- Not Applicable
- Stock options details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable- Not Applicable

### **Stakeholder Relationship Committee**

#### **Composition**

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Meeting & Attendance

The Committee met Once (1) during the financial year 2020-21 on December 04, 2020. The constitution of the Stakeholders Relationship Committee of the Board of Directors of your Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2020-21 is detailed below:

Name	Category	Designation	Meeting(s)	
			Held	Attended
Mr. Sumit Bhoot	Independent Director	Chairman	1	1
Ms. Sheetal Suresh Kale	Independent Director	Member	1	1
Mr. Vinod Kumar Agarwal	Non-Executive Director	Member	1	1

The Board has clearly defined the terms of reference for this committee. The Committee looks into the matters of Shareholders/Investors grievances along with other matters or any other duties that may be delegated to the Committee by the Board of Directors from time to time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited attend to all grievances of the shareholders received directly or via any other authority. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the Investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User Id and Password for processing the investor complaints in a centralized web-based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in).

No shareholder complaints were lying unresolved as on March 31, 2021 under 'SCORES'.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2021 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received upto March 31, 2021 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares of the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

## Whistle Blower Policy/Vigil Mechanism

In terms of provisions of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be communicated. For this purpose, your Board adopted a Whistle Blower Policy which has been uploaded on the website of the Company at [www.spicyy.in](http://www.spicyy.in).

## **Policy on Prevention of Sexual Harassment of Women at workplace**

The Company as an organization is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has adopted a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization.

No complaints were received during the financial year 2020-2021.

## **Particulars of Loans, Guarantees and Investments**

The Company has not given any Loans, Guarantees or Investments or provided security in terms of Section 186 of the Companies Act, 2013 during the year under review.

## **Related Party Transactions**

During the financial year ended March 31, 2021, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. Your Company does not have a 'Material Subsidiary' as defined under Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Board shall formulate a Policy to determine Material Subsidiary as and when considered appropriate in the future.

During the year under review, your Company did not enter into any Related Party Transactions which require prior approval of the Members. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. Subsequently, the Audit Committee and the Board have reviewed the Related Party Transactions on a quarterly basis.

During the year under review, there has been no materially significant Related Party Transactions having potential conflict with the interest of the Company.

Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore details required to be provided in the prescribed Form AOC - 2 is not applicable to the Company. Necessary disclosures required under the Ind AS 24 have been made in the Notes to Financial Statements.

As required under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy which is available at the website of the Company viz. [www.spicyy.in](http://www.spicyy.in).

## **Disclosure relating to remuneration of Directors, Key Managerial Personnel and Employees:**

A statement containing the details of the Remuneration of Directors, Key Managerial Personnel (KMP) and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **[Annexure-D]** to this Report.

## **Corporate Governance**

The Company being listed on the Small and Medium Enterprise platform is exempted from provisions of corporate governance as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence no corporate governance report is disclosed in this Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the Corporate Governance voluntarily.

## **Management Discussion & Analysis**

The Management Discussion and Analysis Report on the operations of the Company, as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as **[Annexure-E]** to this Report.

## **Compliance with Secretarial Standards on Board and General Meetings**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

## **Directors Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your Company confirm that:

- in the preparation of the Annual Accounts for the financial year ended March 31, 2021, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- 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 true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit & loss of the Company for the Financial Year March 31, 2021;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a 'going concern' basis;



- proper internal financial controls laid down by the Directors were followed by your Company and that such internal financial controls are adequate and operating effectively; and
- proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### **Acknowledgement**

Your Directors take this opportunity to convey their appreciation to all the members, listeners, advertisers, media agencies, dealers, suppliers, bankers, regulatory and government authorities and all other business associates for their continued support and confidence in the management of the Company.

Your Directors are pleased to place on record their appreciation of the consistent contribution made by employees at all levels through their hard work, dedication, solidarity and co-operation and acknowledge that their efforts have enabled the Company to achieve new heights of success.

**For and on behalf of the Board**

**Place: Kolkata**  
**Date: June 25, 2021**

**Dev Govind Binani**  
**Managing Director**  
**DIN: 08435033**

**Vinod Kumar Agarwal**  
**Director**  
**DIN: 08046056**



[Annexure-A]

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To**  
**The Members,**  
**Spicy Entertainment and Media Limited**  
68, R. K. Chatterjee Road (Kasba)  
Rash Behari Connector, 3<sup>rd</sup> Floor  
Kolkata-700042, West Bengal

Dear Sir(s),

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Spicy Entertainment and Media Limited, CIN: L22219WB2012PLC188312** ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 has substantially 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021, 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 and Overseas Direct Investment and External Commercial Borrowings **(not applicable to the Company during the audit period)**;
- v. The following Regulations and Guidelines 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, 1992 and 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, 2009 **(not applicable to the Company during the Audit period)**;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 1999, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the Company during the Audit period)**;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during the Audit period)**;
- f. The Securities and Exchange Board of India (Registrar 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)**, and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit period)**.

**I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has substantially complied with the general laws applicable to the Company. Based on the information, explanations and management representation, the Company has substantially complied with the Tax laws applicable to the Company.

I have also examined compliance with the applicable clause of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with respect to Board Meetings, General Meetings and Dividend.
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. 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.
3. I 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.

**I further report that** no specific event having a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

**Kavita Raju Joshi**  
**Practicing Company Secretary**  
**Membership No: 9074**  
**CP No: 8893**

**Place: Kolkata**  
**Date: September 06, 2021**

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



**'Annexure A'**

**To,  
The Members,  
M/s Spicy Entertainment and Media Limited**  
68, R. K. Chatterjee Road (Kasba)  
Rash Behari Connector, 3<sup>rd</sup> Floor  
Kolkata-700042, West Bengal

Dear Sir(s),

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my Audit.
2. I have followed the audit practices and processes as were appropriated 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I 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, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Kavita Raju Joshi**  
**Practicing Company Secretary**  
**Membership No: 8893**  
**CP No: 9074**

**Place: Kolkata**  
**Date: September 06, 2021**

[Annexure-B]

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on Financial Year ended on 31/03/2021**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.**

<b>I REGISTRATION &amp; OTHER DETAILS:</b>					
i	CIN	L22219WB2012PLC188312			
ii	Registration Date	15/11/2012			
iii	Name of the Company	SPICY ENTERTAINMENT AND MEDIA LIMITED			
iv	Category/Sub-category of the Company	Public Company/Limited by Shares			
v	Address of the Registered office & contact details	68, R.K. Chatterjee Road(Kasba) Rash Behari Connector, 3rd Floor Kolkata- 700042, West Bengal Email:info@spicyy.in			
vi	Whether listed company	Yes			
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Maheshwari Datamatics Pvt Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001, Phone : 033 22435029 / 22482248, Fax : 033 22484787 Email : mdpldc@yahoo.com			
<b>II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>					
All the business activities contributing 10% or more of the total turnover of the company shall be stated					
SI No	Name & Description of main products/services	NIC Code of the Product /service		% to total turnover of the company	
1	Other creative arts and entertainment activities	90009		99.84%	
<b>III PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES</b>					
SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL	NIL	NIL	NIL	NIL

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2020]				No of Shares held at the end of the year [As on 31/Mar/2021]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	5000	0	5000	0.0303	5000	0	5000	0.0303	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	4245000	0	4245000	25.7097	4245000	0	4245000	25.7097	0.0000
e) Banks/Fi									
f) Any other									
<b>Sub-total (A)(1)</b>	4250000	0	4250000	25.7400	4250000	0	4250000	25.7400	0.0000
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	4250000	0	4250000	25.7400	4250000	0	4250000	25.7400	0.0000
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2020]				No of Shares held at the end of the year [As on 31/Mar/2021]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3460350	2500	3462850	20.9727	4320350	2500	4322850	26.1812	5.2085
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1973400	175000	2148400	13.0117	1963400	175000	2138400	12.9512	-0.0605
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6435000	215000	6650000	40.2756	5565000	215000	5780000	35.0064	-5.2692
c) Others (Specify)									
Non Resident Indians	0	0	0	0.0000	10000	0	10000	0.0606	0.0606
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	0	0	0	0.0000	10000	0	10000	0.0606	0.0606
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
<b>Sub-total(B)(2):-</b>	11868750	392500	12261250	74.2600	11868750	392500	12261250	74.2600	0.0000
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	11868750	392500	12261250	74.2600	11868750	392500	12261250	74.2600	0.0000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	16118750	392500	16511250	100.0000	16118750	392500	16511250	100.0000	0.0000

**ii) Shareholding of Promoters-**

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2020]			Shareholding at the end of the year [As on 31/Mar/2021]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	PINK LADY MERCHANDISE PRIVATE LIMITEE	4245000	25.7097	0.0000	4245000	25.7097	0.0000	0.0000
2	ANINDYA BIKAS DATTA	5000	0.0303	0.0000	5000	0.0303	0.0000	0.0000
	TOTAL	4250000	25.7400	0.0000	4250000	25.7400	0.0000	0.0000



<b>iii) Change in Promoters' Shareholding (please specify, if there is no change)</b>					
		<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
<b>Sl No</b>	<b>Name</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
1	PINK LADY MERCHANDISE PRIVATE LIMITED				
	01-04-2020	4245000	25.7097		
	31-03-2021	4245000	25.7097	4245000	25.7097
2	ANINDYA BIKAS DATTA				
	01-04-2020	5000	0.0303		
	31-03-2021	5000	0.0303	5000	0.0303

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):					
Sl No	Name	Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]		Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GOPAL TAHALRAM LALWANI				
	01-04-2020	125000	0.7571		
	31-03-2021	125000	0.7571	125000	0.7571
2	VEDANTA RESOURCES PRIVATE LIMITED				
	01-04-2020	280000	1.6958		
	31/12/2020 - Transfer	-280000	2.9177	0	0.0000
	31/03/2021 - Transfer	280000	1.6958	280000	1.6958
3	OM SARVAVIDYA CONSULTANTS LLP				
	01-04-2020	789750	4.7831		
	31-03-2021	789750	4.7831	789750	4.7831
4	TISTA TRADELINKS PRIVATE LIMITED *				
	01-04-2020	180000	1.0902		
	31-03-2021	180000	1.0902	180000	1.0902
5	ACTIVE NIRMAN PRIVATE LIMITED				
	01-04-2020	205000	1.2416		
	31/12/2020 - Transfer	-125000	1.3025	80000	0.8336
	31/03/2021 - Transfer	375000	2.2712	455000	2.7557
6	AMRISH DEVDA				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31/03/2021 - Transfer	200000	1.2113	200000	1.2113
7	GAURINATH CONSULTANTS LLP				
	01-04-2020	505000	3.0585		
	31/12/2020 - Transfer	-505000	5.2622	0	0.0000
	31/03/2021 - Transfer	925000	5.6022	925000	5.6022
8	VIGNESHWAR ADVISORY SERVICES LLP				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31/03/2021 - Transfer	200000	1.2113	200000	1.2113
9	RATNANIDHI ADVISORY SERVICES LLP				
	01-04-2020	256250	1.5520		
	31-03-2021	256250	1.5520	256250	1.5520
10	AVANTIKA ADVISORY SERVICES LLP *				
	01-04-2020	172500	1.0447		
	31-03-2021	172500	1.0447	172500	1.0447
11	MANOJ TAHALRAM LALWANI				
	01-04-2020	125000	0.7571		
	31-03-2021	125000	0.7571	125000	0.7571
12	JITENDRA AGRAWAL				
	01-04-2020	80000	0.4845		
	31-03-2021	80000	0.4845	80000	0.4845
13	SHOBHA JAIN #				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31-03-2021	0	0.0000	0	0.0000

<b>iv) Shareholding Pattern of top ten Shareholders</b>					
<b>(Other than Directors, Promoters and Holders of GDRs and ADRs):</b>					
<b>Sl No</b>	<b>Name</b>	<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
14	RAJESH KUMAR GOYAL				
	01-04-2020	100000	0.6056		
	31-03-2021	100000	0.6056	100000	0.6056
15	BRAJA GOPAL PAL				
	01-04-2020	360000	2.1803		
	31/12/2020 - Transfer	-30000	0.3126	330000	3.4387
	31-03-2021	330000	1.9986	330000	1.9986
16	JAYA KOMMARAJU				
	01-04-2020	100000	0.6056		
	31-03-2021	100000	0.6056	100000	0.6056
17	SUNNY JAIN #				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31-03-2021	0	0.0000	0	0.0000
*	Not in the list of Top 10 shareholders as on 01/04/2020 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2021.				
#	Ceased to be in the list of Top 10 shareholders as on 31/03/2021. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2020.				

<b>v) Shareholding of Directors and Key Managerial Personnel</b>					
<b>Sl No</b>	<b>Name</b>	<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>

**VII) Indebtedness**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VIII) Remuneration of Directors & Key Managerial Personnel**
**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>				

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>				

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		MONIKA JAIN, CS	VINOD KUMAR AGARWAL/ CFO	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,47,600	-	1,47,600
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>1,47,600</b>	<b>-</b>	<b>1,47,600</b>

<b>IX) Penalties/Punishment/Compounding of Offences</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/Punishment/Compounding fees imposed</b>	<b>Authority (RD/NCLT/Court)</b>	<b>Appeal made if any (give details)</b>
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors/Other Officers in Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

<b>iii) Change in Promoters' Shareholding (please specify, if there is no change)</b>					
		<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
<b>Sl No</b>	<b>Name</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
1	PINK LADY MERCHANDISE PRIVATE LIMITED				
	01-04-2020	4245000	25.7097		
	31-03-2021	4245000	25.7097	4245000	25.7097
2	ANINDYA BIKAS DATTA				
	01-04-2020	5000	0.0303		
	31-03-2021	5000	0.0303	5000	0.0303

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):					
Sl No	Name	Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]		Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GOPAL TAHALRAM LALWANI				
	01-04-2020	125000	0.7571		
	31-03-2021	125000	0.7571	125000	0.7571
2	VEDANTA RESOURCES PRIVATE LIMITED				
	01-04-2020	280000	1.6958		
	31/12/2020 - Transfer	-280000	2.9177	0	0.0000
	31/03/2021 - Transfer	280000	1.6958	280000	1.6958
3	OM SARVAVIDYA CONSULTANTS LLP				
	01-04-2020	789750	4.7831		
	31-03-2021	789750	4.7831	789750	4.7831
4	TISTA TRADELINKS PRIVATE LIMITED *				
	01-04-2020	180000	1.0902		
	31-03-2021	180000	1.0902	180000	1.0902
5	ACTIVE NIRMAN PRIVATE LIMITED				
	01-04-2020	205000	1.2416		
	31/12/2020 - Transfer	-125000	1.3025	80000	0.8336
	31/03/2021 - Transfer	375000	2.2712	455000	2.7557
6	AMRISH DEVDA				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31/03/2021 - Transfer	200000	1.2113	200000	1.2113
7	GAURINATH CONSULTANTS LLP				
	01-04-2020	505000	3.0585		
	31/12/2020 - Transfer	-505000	5.2622	0	0.0000
	31/03/2021 - Transfer	925000	5.6022	925000	5.6022
8	VIGNESHWAR ADVISORY SERVICES LLP				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31/03/2021 - Transfer	200000	1.2113	200000	1.2113
9	RATNANIDHI ADVISORY SERVICES LLP				
	01-04-2020	256250	1.5520		
	31-03-2021	256250	1.5520	256250	1.5520
10	AVANTIKA ADVISORY SERVICES LLP *				
	01-04-2020	172500	1.0447		
	31-03-2021	172500	1.0447	172500	1.0447
11	MANOJ TAHALRAM LALWANI				
	01-04-2020	125000	0.7571		
	31-03-2021	125000	0.7571	125000	0.7571
12	JITENDRA AGRAWAL				
	01-04-2020	80000	0.4845		
	31-03-2021	80000	0.4845	80000	0.4845
13	SHOBHA JAIN #				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31-03-2021	0	0.0000	0	0.0000



<b>iv) Shareholding Pattern of top ten Shareholders</b>					
<b>(Other than Directors, Promoters and Holders of GDRs and ADRs):</b>					
<b>Sl No</b>	<b>Name</b>	<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
14	RAJESH KUMAR GOYAL				
	01-04-2020	100000	0.6056		
	31-03-2021	100000	0.6056	100000	0.6056
15	BRAJA GOPAL PAL				
	01-04-2020	360000	2.1803		
	31/12/2020 - Transfer	-30000	0.3126	330000	3.4387
	31-03-2021	330000	1.9986	330000	1.9986
16	JAYA KOMMARAJU				
	01-04-2020	100000	0.6056		
	31-03-2021	100000	0.6056	100000	0.6056
17	SUNNY JAIN #				
	01-04-2020	200000	1.2113		
	31/12/2020 - Transfer	-200000	2.0840	0	0.0000
	31-03-2021	0	0.0000	0	0.0000

<b>v) Shareholding of Directors and Key Managerial Personnel</b>					
<b>Sl No</b>	<b>Name</b>	<b>Shareholding at the beginning [01/Apr/20]/end of the year [31/Mar/21]</b>		<b>Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>

**VII) Indebtedness**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VIII) Remuneration of Directors & Key Managerial Personnel**
**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>				

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>				

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		MONIKA JAIN, CS	VINOD KUMAR AGARWAL/ CFO	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,47,600	-	1,47,600
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>1,47,600</b>	<b>-</b>	<b>1,47,600</b>

<b>IX) Penalties/Punishment/Compounding of Offences</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/Punishment/Compounding fees imposed</b>	<b>Authority (RD/NCLT/Court)</b>	<b>Appeal made if any (give details)</b>
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors/Other Officers in Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**[Annexure-C]**

**NOMINATION & REMUNERATION POLICY**

**PREAMBLE**

The Board of Directors of “Spicy Entertainment and Media Limited” (“the Company”) had constituted a Nomination and Remuneration Committee consisting of three (3) Directors, of which two directors are Independent Directors.

**OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The key objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- f) To devise a policy on Board diversity
- g) To develop a succession plan for the Board and to regularly review the plan.

**DEFINITIONS**

- a) “**Act**” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b) “**Board**” means Board of Directors of the Company.
- c) “**Directors**” mean Directors of the Company.
- d) “**Key Managerial Personnel**” means
  - i. Chief Executive Officer or the Managing Director or the Manager;
  - ii. Whole-time director;
  - iii. Chief Financial Officer;
  - iv. Company Secretary; and
  - v. Such other officer as may be prescribed.
- e) “**Senior Management**” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.
- f) “**Independent Director**”:- As provided under Section 149(6) of the Companies Act, 2013. ‘Independent Director’ shall mean a non-executive director, other than a managing director or a whole-time director or a nominee director of the Company:

- i. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- ii. a) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
b) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- iii. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- iv. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year; -
- v. who, neither himself nor any of his relatives-
  - a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of:
    - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
  - c) holds together with his relatives two percent or more of the total voting power of the company; or
  - d) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company; or
  - e) who possesses such other qualifications as may be prescribed.

### **ROLE OF COMMITTEE**

#### **a) Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

## **b) Policy for appointment and removal of Director, KMP and Senior Management**

### **i. Appointment criteria and qualifications**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **ii. Term / Tenure**

- **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director; it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or

such other number as may be prescribed under the Act and Listing Agreement, from time to time.

### **iii. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly). The following criteria are to be followed for reviewing the director's performance:

- a. Accomplishment of the organization's mission, objectives and strategic results for which the Executive Director is responsible.
- b. Ensuring that the Board is well informed on issues affecting the continuing relevance of the mission and the performance and reputation of the Company.
- c. Adequacy of processes which monitor business performance, Board member interaction with management, adequacy of Board knowledge, adequacy of business strategy, Board being informed, evaluation process for executives and Director.
- d. Appropriateness of balance and mix of skills, size of Board, contribution of individual Board members, adequacy of performance feedback to Board members, adequacy of procedures dealing with inadequate performance by a Board member.
- e. Board's effectiveness in use of time, whether Board allowed sufficient opportunity to adequately assess management performance.
- f. Working relationship between chairman and chief executive officer, segregation of duties between Board and management, ability of Directors to express views to each other and to management in a constructive manner, adequacy of Board discussions and management of divergent views.
- g. The evaluation will take annually as per the requirement of law and Listing Agreement. The performance evaluation will typically address activities, events and accomplishments that took place during the most recently completed fiscal year.

### **iv. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **v. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/



remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**c) Policy relating to the Remuneration for the Director, KMP and Senior Management Personnel**

**i. General:**

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director, KMP and Senior Management Personnel shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director, KMP and Senior Management Personnel.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**ii. Remuneration to Director, KMP and Senior Management Personnel:**

➤ **Fixed pay:**

The Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

➤ **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director, KMP and Senior Management Personnel in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

➤ **Provisions for excess remuneration:**

If any Director, KMP and Senior Management Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

➤ **Remuneration to Non- Executive / Independent Director:**

➤ **Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

➤ **Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

➤ **Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

➤ **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

## **MEMBERSHIP**

- a) The Committee shall consist of a minimum 3 directors, majority of them being independent.
- b) Minimum two (2) members, one of which must be an Independent Director, shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

## **CHAIRPERSON**

- a) Chairperson of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d) Chairman of the Nomination and Remuneration Committee meeting should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

### **COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

### **VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### **NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board; and
- k) Considering any other matters, as may be requested by the Board.

## **REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.
- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- c) To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d) To consider any other matters as may be requested by the Board.
- e) Professional indemnity and liability insurance for Directors and senior management.

## **MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## **AMENDMENT(S)/MODIFICATION(S)**

The Nomination and Remuneration Committee will review and may amend/modify this policy from time to time.

**[Annexure-D]**

**Disclosure in Directors' Report pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**(i)** The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Dev Govind Binanni (Managing Director)	-
2.	Mr. Sumit Bhoot (Independent Director)	-
3.	Ms. Sheetal Suresh Kale (Independent Director)	-
4.	Mr. Vinod Kumar Agarwal (Non-Executive Director)	-

**Notes:**

1. Mr. Dev Govind Binani (DIN: 08435033) was appointed as Managing Director of the Company with effect from November 23, 2020.

**(ii)** The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

Sl. No.	Name of the Director	Percentage increase in Remuneration
1.	Mr. Dev Govind Binani (Managing Director)	Nil
2.	Mr. Sumit Bhoot (Independent Director)	Nil
3.	Ms. Sheetal Suresh Kale (Independent Director)	Nil
4.	Mr. Vinod Kumar Agarwal (Non-Executive Director & CFO)	Nil
5.	Ms. Monika Jain (Company Secretary)	Nil

**Notes:**

1. Mr. Dev Govind Binani (DIN: 08435033) was appointed as Managing Director of the Company with effect from November 23, 2020.

**(iii) The percentage increase in the median remuneration of employees in the financial year:**

During the FY 2020-21, there has been no increase in the median remuneration of employees as compared to previous year.



**(iv) The number of permanent employees on the rolls of the Company:**

There were 4 permanent employees as on March 31, 2021.

**(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there is any exceptional circumstances for increase in the managerial remuneration:**

There has been no increase in the average salary of employees and there has been no increase in the average remuneration of Key Managerial Personnel during the financial year 2020-21.

**(vi) Affirmation that the remuneration is as per the remuneration policy of the Company:**

Remuneration paid during the year ended March 31, 2021 is as per the Remuneration Policy of the Company.



## CEO / CFO CERTIFICATE

To,  
The Board of Directors  
M/s Spicy Entertainment and Media Limited

I the undersigned, in my capacity of Managing Director of M/s Spicy Entertainment and Media Limited ("the Company") to the best of my knowledge and belief certify that:

- 1) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of my knowledge and belief, I state that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. 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) I further state that to the best of my 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) I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which I am aware and the steps taken or propose to rectify these deficiencies.
- 4) I have indicated to the Auditors and the Audit Committee:
  - a. that there are no significant changes in internal control over financial reporting during the year;
  - b. that there are no significant changes in accounting policies during the year;
  - c. that there are no instances of significant fraud of which we have become aware.

**For Spicy Entertainment and Media Limited**

**Place: Kolkata**  
**Date: June 25, 2021**

**Vinod Kumar Agarwal**  
**Chief Financial Officer**



## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
M/s Spicy Entertainment and Media Limited  
68, R.K. Chatterjee Road (Kasba) Rash Behari Connector  
3rd Floor Kolkata- 700042, West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Spicy Entertainment and Media Limited (CIN: L22219WB2012PLC188312) having its registered office at 68, R.K. Chatterjee Road (Kasba) Rash Behari Connector, 3rd Floor Kolkata-700042, West Bengal, India (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C, Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending March 31, 2021; have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of Directors	DIN	Date of Appointment in the Company
1.	Dev Govind Binani	08435033	23/11/2020
2.	Sheetal Suresh Kale	07762409	15/03/2017
3.	Vinod Kumar Agarwal	08046056	11/01/2018
4.	Sumit Bhoot	08120225	27/04/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. 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.

**Kavita Raju Joshi**  
**Practicing Company Secretary**  
**Membership No: 8893**  
**CP No: 9074**

**Place: Kolkata**  
**Date: September 06, 2021**



## **[Annexure-E]**

### **Management Discussion & Analysis Report**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments in principal markets and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

### **Economy Scenario**

With an overall slowdown in the global economy which is estimated to have contracted by around 3.3% in 2020 on account of COVID-19 pandemic, the prospects in 2021 have shown sizeable improvement and the negative growth is expected to be reversed with positive growth of 6% expected to moderate to 4.4% in 2022. These are unprecedented and uncertain times. Globally, the COVID-19 pandemic has caused massive disruptions across every sphere of human and business activity. There has been an adverse economic impact on people, communities and countries. The vaccination drive has picked up momentum pan-India and the outlook remains positive with the advent of new vaccines reaching the market. Emerging Markets like India have witnessed a slowdown and there is economic fallout registered on account of sustained lockdowns in various parts of the Country. Growth in India is estimated to have contracted to -7.3% in FY 2021 with the country witnessing a second wave of the pandemic in March, 2021. The localised lockdowns have resumed which are likely to impair economic activity. However, the COVID-19 pandemic has severely impacted economies worldwide. The measures taken by the government to contain spread of the COVID-19 pandemic have had an impact on the economic activities as well as on the data collection mechanisms. Estimates are, therefore, likely to undergo sharp revisions for the aforesaid causes in due course. V shaped economic recovery is expected due to mega vaccination drive, recovery in the services sector and strong growth in consumption and investment coupled with resurgence in high frequency indicators such as power demand, rail freight, e-way bills, GST collection, steel consumption, etc.

### **Indian Media and Entertainment Industry**

The Indian Media and Entertainment (M&E) industry continued to grow during the year, albeit at a slower rate as compared to the previous year due to the weak macroeconomic environment. Movie industry growth was driven by domestic revenue while the revenue from international markets declined during the year.

As the coronavirus pandemic continues to wreak havoc around the world, businesses across sectors took a hit this year. While some are recovering in the second half of the year, others seem to still be



in its grip. After being shut for seven months, theatres, despite being open now, are expected to take a 80-85% YoY hit this fiscal, according to credit rating agency ICRA Ltd. Similarly, print media which took a massive hit in distribution, is expected to register 30% YoY decline in revenues in FY2021. However, with advertisement back on track, ICRA estimates television to register 15-20% decline in revenue. "While the credit metrics of film exhibitors will weaken materially in FY2021 due to the pandemic, ICRA expects a moderate impact on the credit metrics of entities involved in print media and TV broadcasting segments," the reported stated. As per the report, Within the M&E industry, the pandemic took its biggest toll on the film exhibition segment. The film exhibition industry is characterised by high fixed costs. Around 40-45% of the total cost of the film exhibitors (primarily multiplexes) is fixed in nature, with lease rental being the major component, accounting for 20-22% of the total cost. To reduce the cash burn, multiplexes embarked upon a stringent cost rationalisation drive. While ICRA's previous estimation came to 66% reduction in fixed costs for the multiplexes during the shutdown period, the actual (fixed) cost savings reported by multiplexes stood higher at 77% YoY in H1 FY2021.

### **Opportunities & Threats**

The health emergency that has force launched the biggest ever work from home experiment globally, putting a question mark on the relevance of workspaces in a post-Corona virus world. Lack of work due to COVID-19 has led to a reverse exodus of labourers. For an already-stressed realty sector, multiple measures are needed to turn the tide and restore normalcy. In the best of times, hiring labour for the industry is challenging. Now, the nationwide lockdown due to the COVID-19 pandemic has created an unprecedented predicament. Since millions of workers have migrated to their hometowns due to lack of work, employers are dreading a nightmare scenario. Even when the lockdown is lifted, kick-starting operations will be extremely difficult for almost all sectors.

The current lockdown owing to the corona virus crisis has hugely impacted the world economy as well as a majority of sectors across the globe, including film industry. However, there lies an opportunity in every crisis, and Covid-19 looks no different. The boom of YouTube, OTT platform(s), Content Developer and the availability of Content in the COVID-era growing manifolds.

### **Outlook**

This year presents unique challenges for India. The implied real GDP growth of 5 per cent for FY 2020-21 in the second advance estimates of the National Statistics Office, is now at risk from the pandemic's impact on the economy. The government has introduced several short-term relief measures to uplift the Indian economy from the immediate impact of the lockdown. In India, the impact of the ongoing pandemic on business activities became more prominent since the beginning of March 2021.

### **Internal Control Systems and their Adequacy**

Adequate systems of internal controls that commensurate with the size of operation and the nature of business of the Company have been implemented. Risks and controls are regularly viewed by senior and responsible officers of the Company that assure strict adherence to budgets and effective and optimal use of resources. The Internal control systems are implemented to safeguard Company's



assets from unauthorized use or disposition, to provide constant check on cost structure, to provide adequate financial and accounting controls and implement accounting standards.

**Company performance overview**

The Company has reported loss during the year under review. The Financial & operational details are mentioned in the Financial Statements.

# **INDEPENDENT AUDITOR'S REPORT**

## **To the Members of Spicy Entertainment and Media Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Spicy Entertainment and Media Limited ("the Company"), which comprises the balance Sheet as at 31<sup>st</sup> March 2021 and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021 and loss and other comprehensive income, changes in equity and its cash flow 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit or loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance whether the 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. Misstatement 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining 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 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 financial statements, including the disclosures, and whether the 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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 of 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, 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 purpose of our audit.
- 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 profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There is no pending litigation on the Company.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(B) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its director during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid

down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For RAK Champs & Co. LLP**  
**Chartered Accountants**  
**FRN: 131094W/W100083**

**CA Ramanath Shetty**  
**Partner**  
**Membership No 218600**  
**Place: Kolkata**  
**Date: 30<sup>th</sup> June 2021**



**Annexure A referred in the Independent Auditor's Report to the Members of Spicy Entertainment and Media Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2021**

- i. (a) According to the information and explanations given to us, the company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) According to the information and explanations given to us, the Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable property.
- ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on the aforesaid verification.
- iii. According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) of the order is not applicable.
- iv. According to the information and explanation given to us, the Company has not provided any guarantee or security as specified under Section 185 & 186 of the Companies Act, 2013. Further in respect of the loans given and investments made by the Company, requirement of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act. Accordingly, the provisions of clause 3(v) of the Order is not applicable.
- vi. According to the information and explanation given to us, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act,

2013, for the operation carried by the Company.

- vii.
  - (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including income-tax, GST, goods and service tax, service tax and other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year.
  - (b) According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the extent applicable, were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues which have not been deposited by the company on account of disputes.
- viii. According to the information and explanations given to us, the Company has neither taken any loans from financial institutions or banks or government nor issued any debentures, therefore, the provision of clause (viii) of the Order is not applicable.
- ix. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance

with Sections 177 and 188 of the Act, where applicable and the requisite details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standard.

- xiv. According to the information and explanations given to us and based on our examination of the records of the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For RAK Champs & Co. LLP**  
**Chartered Accountants**  
**FRN: 131094W/W100083**

**CA Ramanath Shetty**  
**Partner**  
**Membership No 218600**  
**Place: Kolkata**  
**Date: 30<sup>th</sup> June, 2021**

**Annexure B to the Independent Auditor's report on the financial statements of Spicy Entertainment and Media Limited for the year ended 31st March 2021**

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

**(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of **Spicy Entertainment and Media Limited** ("the Company") as of 31<sup>st</sup> March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2021, based on the internal financial controls with reference to 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 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 with reference to financial statements.

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**For RAK Champs & Co. LLP**  
**Chartered Accountants**  
**FRN: 131094W/W100083**

**CA Ramanath Shetty**  
**Partner**  
**Membership No 218600**  
**Place: Kolkata**  
**Date: 30<sup>th</sup> June, 2021**

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Balance Sheet as at 31st March, 2021**

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	2	4,64,767	5,86,982
(b) Financial Assets			
i) Investments in equity	3	-	1,73,12,298
ii) Other Financial assets	4	4,82,000	4,91,593
(c) Deferred Tax Asset	5	79,372	71,681
(d) Other Non-Current Assets	6	2,88,50,000	2,88,50,000
		<b>2,98,76,139</b>	<b>4,73,12,555</b>
<b>Current Assets</b>			
(a) Inventories	7	10,69,00,000	43,24,95,297
(b) Financial Assets			
i) Trade Receivables	8	42,41,36,090	10,46,12,546
ii) Cash and Cash Equivalents	9	3,15,915	6,10,852
iii) Other Financial Assets	10	84,24,81,788	82,84,81,288
(c) Current Tax Assets	11	1,00,77,068	4,94,48,262
(d) Other Current Assets	12	5,33,30,356	4,90,25,356
		<b>1,43,72,41,217</b>	<b>1,46,46,73,601</b>
		<b>1,46,71,17,356</b>	<b>1,51,19,86,156</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	16,51,12,500	16,51,12,500
(b) Other Equity	14	51,31,955	78,88,142
		<b>17,02,44,455</b>	<b>17,30,00,642</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
i) Trade Payables	15	19,80,17,000	25,00,14,456
(b) Other Current Liabilities	16	1,09,88,55,901	1,08,89,71,059
		<b>1,29,68,72,901</b>	<b>1,33,89,85,515</b>
		<b>1,46,71,17,356</b>	<b>1,51,19,86,156</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>Significant Accounting Policies</b>			
	1		

The accompanying notes are an integral part of Financial Statements

As per our report of even date

**For RAK Champs & Co. LLP**

Chartered Accountants

FRN No: 131094W/W100083

**For and on behalf of the Board of Directors**

**CA Ramanath Shetty**

Partner

Membership No: 218600

Place : Kolkata

Date : 25th June, 2021

**Dev Govind Binani**

Managing Director

DIN 08435033

**Vinod Kumar Agarwal**

Director/CFO

DIN 08046056

**Monika Jain**  
**Company Secretary**

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Statement of Profit and Loss Account for the year ended 31st March, 2021**

(Amount in Rs.)

Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Operations	17	32,57,00,000	8,12,91,850
Other Income	18	5,37,702	-
<b>Total Income</b>		<b>32,62,37,702</b>	<b>8,12,91,850</b>
<b>Expenses</b>			
Cost of Project		-	22,56,250
Changes In Inventory of Stock-In Trade	19	32,55,95,297	7,00,00,000
Employees Benefits Expense	20	16,35,690	16,99,000
Depreciation and Amortisation Expense	21	1,57,390	2,07,244
Other Expenses	22	16,13,203	66,00,037
<b>Total Expenses</b>		<b>32,90,01,580</b>	<b>8,07,62,531</b>
<b>Profit Before Tax</b>		<b>(27,63,878)</b>	<b>5,29,319</b>
<b>Tax expense</b>			
Current Tax		-	1,74,387
Deferred Tax Assets		7,691	1,99,294
<b>Profit for the period</b>		<b>(27,56,187)</b>	<b>5,54,226</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the period</b>		<b>(27,56,187)</b>	<b>5,54,226</b>
Earnings per equity share:	23		
Basic and Diluted		(0.17)	0.03
[Face Value Re. 10 each]			
<b>Significant Accounting Policies</b>	1		

**The accompanying notes are an integral part of Financial Statements**

As per our report of even date

**For RAK Champs & Co. LLP**

**Chartered Accountants**

**FRN No: 131094W/W100083**

**For and on behalf of the Board of Directors**

**CA Ramanath Shetty**

**Partner**

**Membership No: 218600**

**Place : Kolkata**

**Date : 25th June, 2021**

**Dev Govind Binani**

**Managing Director**

**DIN 08435033**

**Vinod Kumar Agarwal**

**Director/CFO**

**DIN 08046056**

**Monika Jain**  
**Company Secretary**



**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2021**

(Amount in Rs.)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Cash Flow from Operating Activities :</b>		
<b>Profit before exceptional items and tax as per statement of profit and loss</b>	(27,63,878)	5,29,319
<b>Adjustments for :</b>		
Depreciation	1,57,390	2,07,244
Profit on sale of Investment	(5,37,702)	-
<b>Operating Profit before Working Capital Changes</b>	<b>(31,44,190)</b>	<b>7,36,564</b>
<b>Adjustments for:</b>		
Other Non-Current Assets	-	4,569
Inventories	32,55,95,297	7,00,00,000
Other Current Financial Assets	(1,40,00,500)	-
Other Non Current Financial Assets	9,593	-
Trade Receivables	(31,95,23,544)	(9,17,12,546)
Current Tax Assets	3,93,71,194	41,19,419
Current Assets	(43,05,000)	
Trade Payables	(5,19,97,456)	
Other Current Financial Liabilities	-	(4,89,89,544)
Other Current Liabilities	98,84,842	11,11,98,379
<b>Cash Flow before Prior Period and Extraordinary Items</b>	<b>(1,81,09,763)</b>	<b>4,53,56,840</b>
Net Income tax Paid and Refunds	-	(8,15,292)
<b>Net Cash Flow from Operating Activities</b>	<b>(1,81,09,761)</b>	<b>4,45,41,548</b>
<b>Cash Flow from Investing Activities :</b>		
Disposal of Property, Plant & Equipment	14,119	-
Purchase of Property, Plant & Equipment	(49,294)	-
Sale of Investmet	1,78,50,000	-
Loan & Advances taken / (Given)	-	(4,53,20,200)
<b>Net Cash Flow from Investing Activities</b>	<b>1,78,14,825</b>	<b>(4,53,20,200)</b>
<b>Cash Flow from Financing Activities :</b>		
Proceeds from long term borrowings	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Bank Balances</b>	<b>(2,94,936)</b>	<b>(7,78,652)</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>6,10,852</b>	<b>13,89,504</b>
	<b>3,15,915</b>	<b>6,10,852</b>

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

**For RAK Champs & Co. LLP**

**Chartered Accountants**

**FRN No: 131094W/W100083**

**For and on behalf of the Board of Directors**

**CA Ramanath Shetty**

**Partner**

**Membership No: 218600**

**Place : Kolkata**

**Date : 25th June, 2021**

**Dev Govind Binani**

**Managing Director**

**DIN 08435033**

**Vinod Kumar Agarwal**

**Director/CFO**

**DIN 08046056**

**Monika Jain**  
**Company Secretary**

**SPICY ENTERTAINMENT AND MEDIA LTD**  
**Statement of Changes in Equity for the year ended 31 March, 2021**

<b>A. EQUITY SHARE CAPITAL</b>	<b>Notes</b>	<b>(Amount in Rs.)</b>
<b>As at 31st March, 2019</b>		16,51,12,500
Changes in equity share capital	12	-
<b>As at 31st March, 2020</b>		16,51,12,500
Changes in equity share capital	12	-
<b>As at 31st March, 2021</b>		16,51,12,500

	<b>(Amount in Rs.)</b>	
	<b>Reserves and Surplus</b>	
	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 1st April, 2019</b>	73,33,915	73,33,915
Profit for the year	5,54,227	5,54,227
Other Comprehensive Income for the year	-	-
<b>Total Comprehensive Income for the year</b>	5,54,227	5,54,227
<b>Balance as at 31st March, 2020</b>	78,88,142	78,88,142
<b>Balance as at 1st April, 2020</b>	78,88,142	78,88,142
Profit for the year	(27,56,187)	(27,56,187)
Other Comprehensive Income for the year	-	-
<b>Total Comprehensive Income for the year</b>	(27,56,187)	(27,56,187)
<b>Balance as at 31st March, 2021</b>	51,31,955	51,31,955

The accompanying notes are an integral part of Financial Statements

As per our Report of even date

**For RAK Champs & Co. LLP**  
**Chartered Accountants**  
**FRN No: 131094W/W100083**

**For and on behalf of the Board of Directors**

**CA Ramanath Shetty**  
**Partner**  
**Membership No: 218600**  
**Place : Kolkata**  
**Date : 25th June, 2021**

**Dev Govind Binani**  
**Managing Director**  
**DIN 08435033**

**Vinod Kumar Agarwal**  
**Director/CFO**  
**DIN 08046056**

**Monika Jain**  
**Company Secretary**

# **SPICY ENTERTAINMENT AND MEDIA LIMITED**

## **Notes to Financial Statements as at and for the year ended 31st March 2021**

### **1. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

#### **a) Basis of preparation**

i) These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical cost convention the financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans assets are measured at fair value;

#### **b) Revenue Recognition**

The company recognizes revenue in accordance with Ind- AS 115. Revenue is recognized when a customer obtains control of goods or services and thus has the ability to direct the use and obtained the benefits of the goods or services.

Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS.

#### **c) Taxes**

Income tax expenses comprise current tax expense and the net changes in the deferred tax asset or liability during the year. Current & deferred taxes are recognized in the statement of Profit & Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current & deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

#### **i) Current Income Tax**

Income tax expense is the aggregate amount of Current tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for an accounting period or computed on the basis of the provisions of Section 115JB of Income Tax Act, 1961 by way of minimum alternate tax at the prescribed percentage on the adjusted book profits of a year, when Income Tax Liability under the normal method of tax payable basis works out either a lower amount or nil amount compared to the tax liability u/s 115JB.

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March 2021**

**ii) Deferred Tax**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. However, if these are unabsorbed depreciation, carry forward losses and items relating to capital losses, deferred tax assets are recognised when there is reasonable certainty that there will be sufficient future taxable income available to realize the assets. The unrecognized deferred tax assets/carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

**d) Impairment of assets**

At the end of each reporting year, the company reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Property plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverable amount of assets to be held and used is the higher of fair value less cost of disposal or value in use as envisaged in Ind-AS 36. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the recoverable value of the asset. Impairment loss is recognized in the statement of profit and loss except for properties previously revalued with revaluation taken to other comprehensive income. For such properties impairment loss is recognized in other comprehensive income up to the amount of any previous revaluation.

**e) Inventories**

Inventories are valued at the lower of cost or net realizable value.

**f) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**g) Investments and other financial assets**

**i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March 2021**

- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income.

**ii) Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Equity Instruments:**

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognized in the other income.

**iii) Impairment of financial assets**

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.

**iv) De-recognition of financial assets**

Financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership, the financial asset is not derecognized.

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March 2021**

**h) Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment loss, if any in accordance with Ind-AS 16. The Company reviews the fair value with sufficient frequency to ensure that the carrying amount does not differ materially from its fair value.

Cost excludes Input credit under GST and such other taxes which can utilize against GST liabilities. Depreciation on assets is claimed on such 'reduced' cost. All items of repairs and maintenance are recognized in the statement of profit and loss, except those meet the recognition principle as defined in Ind-AS 16. Any revaluation of an asset is recognized in other comprehensive income and shown as revaluation reserves in other equity.

**Depreciation/Amortisation methods, estimated useful lives and residual value.**

Depreciation on Property, Plant & Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**i) Employee benefits**

Short term benefits and post employment benefits are accounted in the period during which the services have been rendered.

**j) Earnings per share**

**i) Basic earnings per share:** Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the company.
- By the weighted average number of equity shares outstanding during the financial year.

**ii) Diluted earnings per share:** Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
Notes to Financial Statements as at and for the year ended 31st March, 2021

**Note 2. Property, Plant and Equipment**

(Amount in Rs.)

	Office Equipment	Plant & Equipment	Furniture & Fixture	Total
<b>Gross Carrying amount</b>				
<b>Balance as at 1st April, 2019</b>	2,78,035	4,32,077	7,62,704	14,72,816
Additions	-	-	-	-
Disposals	-	-	-	-
Reclassification as held for sale		-		-
<b>Balance as at 31st March, 2020</b>	<b>2,78,035</b>	<b>4,32,077</b>	<b>7,62,704</b>	<b>14,72,816</b>
Additions		-	49,294	49,294
Disposals	1,41,427	-	6,487	1,47,914
Reclassification as held for sale		-		-
<b>Balance as at 31st March, 2021</b>	<b>1,36,608</b>	<b>4,32,077</b>	<b>8,05,511</b>	<b>13,74,196</b>
<b>Accumulated Depreciation</b>				
<b>Balance as at 1st April, 2019</b>	<b>2,25,224</b>	<b>2,12,852</b>	<b>2,40,514</b>	<b>6,78,590</b>
Additions	26,114	45,684	1,35,446	2,07,244
Disposals		-		-
Reclassification as held for sale		-		-
<b>Balance as at 31st March, 2020</b>	<b>2,51,338</b>	<b>2,58,536</b>	<b>3,75,960</b>	<b>8,85,834</b>
Additions	7,704	36,148	1,13,538	1,57,390
Disposals	1,29,262	-	4,533	1,33,795
Reclassification as held for sale		-		-
<b>Balance as at 31st March, 2021</b>	<b>1,29,780</b>	<b>2,94,684</b>	<b>4,84,965</b>	<b>9,09,429</b>
<b>Net carrying amount</b>				
<b>Balance as at 31st March, 2020</b>	<b>26,697</b>	<b>1,73,541</b>	<b>3,86,744</b>	<b>5,86,982</b>
<b>Balance as at 31st March, 2021</b>	<b>6,828</b>	<b>1,37,393</b>	<b>3,20,546</b>	<b>4,64,767</b>

**SPICY ENTERTAINMENT AND MEDIA LIMITED**

**1 Notes to Financial Statements as at and for the year ended 31st March, 2021**

(Amount in Rs.)

	As at 31.03.2021	As at 31.03.2020
<b>Note 3. Non Current Investments</b>		
Investments in Equity Shares - Unquoted	-	1,73,12,298
	<u>-</u>	<u>1,73,12,298</u>
<b>Note 4. Other Non-Current Financial Assets</b>		
Security Deposits	4,82,000	4,91,593
	<u>4,82,000</u>	<u>4,91,593</u>
<b>Note 5. Deferred Tax Assets</b>		
Deferred Tax Assets	79,372	71,681
	<u>79,372</u>	<u>71,681</u>
<b>Note 6. Other Non Current Assets</b>		
Other Advances	2,88,50,000	2,88,50,000
	<u>2,88,50,000</u>	<u>2,88,50,000</u>
<b>Note 7. Inventories</b>		
Stock-In-Trade	10,69,00,000	43,24,95,297
	<u>10,69,00,000</u>	<u>43,24,95,297</u>
<b>Note 8. Trade Receivables</b>		
Unsecured, Considered good	42,41,36,090	10,46,12,546
	<u>42,41,36,090</u>	<u>10,46,12,546</u>
<b>Note 9. Cash and Cash Equivalent</b>		
Balances with Bank - In current account	37,421	32,928
Cash on Hand	2,78,494	5,77,924
	<u>3,15,915</u>	<u>6,10,852</u>
<b>Note 10. Other Financial Assets</b>		
Loans & Advances	84,24,81,788	82,84,81,288
	<u>84,24,81,788</u>	<u>82,84,81,288</u>
<b>Note 11. Current Tax Assets</b>		
Balances with Government Authorities	1,00,77,068	4,93,93,928
MAT Credit Entitlement	-	54,334
	<u>1,00,77,068</u>	<u>4,94,48,262</u>
<b>Note 12. Other Current Assets</b>		
Other Advances	5,33,30,356	4,90,25,356
	<u>5,33,30,356</u>	<u>4,90,25,356</u>
<b>Note 15. Trade Payables</b>		
Due to Micro and Small Enterprises	-	-
Due to Others	19,80,17,000	25,00,14,456
	<u>19,80,17,000</u>	<u>25,00,14,456</u>
<b>Note 16. Other Current Liabilities</b>		
Other Payable	1,09,66,15,228	1,08,80,34,236
Liabilities for Expenses	22,40,673	9,36,823
	<u>1,09,88,55,901</u>	<u>1,08,89,71,059</u>



**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March, 2021**

**As at 31.03.2021**      **As at 31.03.2020**

**Note 13. Equity Share Capital**

**Authorised**

17,000,000 Equity Shares of Rs. 10 each

17,00,00,000

17,00,00,000

*(as at March 31, 2021 : 17,000,000; as at March 31, 2020: 17,000,000 Equity Shares of Rs 10 Each*

**Issued , Subscribed and Fully Paid up**

16,511,250 Equity Shares of Rs. 10 each

16,51,12,500

16,51,12,500

*(as at March 31, 2021 : 16,511,250; as at March 31, 2020 : 16,511,250 Equity*

**16,51,12,500**

**16,51,12,500**

**A. Reconciliation of the number of shares**

Equity Shares	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	1,65,11,250	16,51,12,500	1,65,11,250	16,51,12,500
Balance as at the end of the year	1,65,11,250	16,51,12,500	1,65,11,250	16,51,12,500

**B. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	Nos.	% of Holding	Nos.	% of Holding
Pink Lady Merchandise Private Limited	42,45,000	25.71	42,45,000	25.71

**C. Terms / Rights attached to the Equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March, 2021**

**Note 14. Other Equity** **(Amount in Rs.)**

	<b>Reserves and Surplus</b>	
	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 1st April, 2019</b>	73,33,915	73,33,915
Profit for the year	5,54,227	5,54,227
Other Comprehensive Income for the year	-	-
<b>Total Comprehensive Income for the year</b>	5,54,227	5,54,227
<b>Balance as at 31st March, 2020</b>	78,88,142	78,88,142
<b>Balance as at 1st April, 2020</b>	78,88,142	78,88,142
Profit for the year	(27,56,187)	(27,56,187)
Other Comprehensive Income for the year	-	-
<b>Total Comprehensive Income for the year</b>	(27,56,187)	(27,56,187)
<b>Balance as at 31st March, 2021</b>	51,31,955	51,31,955

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March, 2021**

(Amount in Rs.)

	As at 31.03.2021	As at 31.03.2020
<b>Note 17. Revenue from Operations</b>		
Sales	32,57,00,000	3,46,50,000
Other Income - Pouching Income	-	4,66,41,850
	<b>32,57,00,000</b>	<b>8,12,91,850</b>
<b>Note 18. Other Income</b>		
Profit on sale of Investment	5,37,702	-
	<b>5,37,702</b>	-
<b>Note 19. Changes in Inventory of Stock In Trade</b>		
Inventories at the beginning of the period (A)	43,24,95,297	50,24,95,297
Inventories at the end of the period (B)	10,69,00,000	43,24,95,297
	<b>32,55,95,297</b>	<b>7,00,00,000</b>
<b>Note 20. Employees Benefits Expense</b>		
Salaries and Bonus	16,35,690	16,99,000
	<b>16,35,690</b>	<b>16,99,000</b>
<b>Note 21. Depreciation and Amortisation Expense</b>		
Depreciation on Property, Plant & Equipment	1,57,390	2,07,244
	<b>1,57,390</b>	<b>2,07,244</b>
<b>Note 22. Other Expenses</b>		
Connectivity charges	1,00,000	1,00,000
General expenses	4,08,107	2,55,670
Professional Fees	8,12,100	14,88,096
Registrar Expenses	30,000	-
Listing Fees	41,000	25,000
Pouching Charges	-	46,64,185
Printing and stationery	86,110	2,000
Advertisement Expenses	12,852	
Travelling and Conveyance expenses	56,934	1,612
Telephone, Internet and Website expenses	21,100	13,473
<u>Payment to the Auditor</u>		
Statutory Audit Fees	30,000	35,000
Tax Audit Fees	15,000	15,000
	<b>16,13,203</b>	<b>66,00,037</b>
<b>Note 23. Earnings per Equity Share</b>		
Basis for calculation of Basic and Diluted Earnings Per Share is as under:		
Profit after tax (Rs.)	(27,56,187)	5,54,226
Weighted Average Number of Equity Shares (Nos)	1,65,11,250	1,65,11,250
Face Value of each Equity Share (Rs.)	10	10
Basic and Diluted Profit Per Equity Share (Rs.)	(0.17)	0.03

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March 2021**

**24. Financial instrument and risk management**

**Fair Values**

The carrying amounts of trade payables, trade receivables, cash and cash equivalents, other financial assets are considered to be the same as fair value due to their short term nature.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Amount in Rs.)

Particulars	At amortized cost	
	As at 31 <sup>st</sup> March 2021	
	Carrying amount	Fair value
<b>Financial Assets</b>		
<b>Non – Current</b>		
i) Other Financial Assets	4,82,000	4,82,000
<b>Current</b>		
i) Trade Receivables	42,41,36,090	42,41,36,090
ii) Cash and Cash equivalents	3,15,914	3,15,914
iii) Other Financial Assets	84,24,81,788	84,24,81,788
<b>Total Financial Assets</b>	<b>1,26,74,15,792</b>	<b>1,26,74,15,792</b>
<b>Financial Liabilities</b>		
i) Trade Payables	19,80,17,000	19,80,17,000
<b>Total Financial Liabilities</b>	<b>19,80,17,000</b>	<b>19,80,17,000</b>

**25. Financial risk and capital risk management**

**i) Financial Risk**

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimize the potential

## **SPICY ENTERTAINMENT AND MEDIA LIMITED**

### **Notes to Financial Statements as at and for the year ended 31st March 2021**

adverse effects on its financial performance. The financial risk management for the Company is driven by the Company's senior management and internal/ external experts subject to necessary supervision.

The Company does not undertake any speculative transactions either through derivatives or otherwise. The senior management is accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The Board of Directors periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

#### **ii) Foreign currency Risk**

Foreign exchange risk arises on all recognised monetary assets and liabilities and on highly probable forecasted transactions which are denominated in a currency other than the functional currency of the Company. The Company does not have any foreign currency trade payables and receivables.

No Forward contracts were entered into by the company either during the year or previous years since the company has very minimum exposure to foreign currency risk.

**a) Price risk:** The company uses surplus fund in operations and for further growth of the company. Hence, there is no price risk associated with such activity.

**b) Credit risk:** Credit risk refers to the risk of default on its obligation by the counter-party the risk of deterioration of creditworthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

**c) Liquidity risk:** Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system.

Based on past performance and current expectations, the Company believes that the Cash and cash equivalents and cash generated from operations will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

#### **iii) Capital Risk**

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and/ or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

**SPICY ENTERTAINMENT AND MEDIA LIMITED**  
**Notes to Financial Statements as at and for the year ended 31st March 2021**

**26. Capital Management**

The primary objective of the company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

**27. Related party transactions under Ind AS- 24**

**Name of related parties and nature of relationships:**

Name of related parties	Nature of relationship
<b>Key Managerial Persons (KMP)</b>	
Monika Jain	Company Secretary & Compliance Officer

**Details of remuneration to Key Managerial Persons (KMP)**

Particulars	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Monika Jain	Rs. 1,47,600	Rs. 1,47,000

**28.** In accordance with Accounting Standard Ind AS 108 "Operating Segment" the company has only one reportable business segment and have only one reportable geographic segment in India.

**29. Approval of Financial Statements**

The financial statements were approved by the board of directors on 25<sup>th</sup> June 2021.

**For RAK Champs & Co. LLP**  
**Chartered Accountants**  
**FRN No: 131094W/W100083**

**For and on behalf of the Board of Directors**

**CA Ramanath Shetty**  
**Partner**  
**Membership No. 218600**  
**Place: Kolkata**  
**Date: 25<sup>th</sup> June, 2021**

**Dev Govind Binani**  
**Managing Director**  
**DIN: 08435033**

**Vinod Kumar Agarwal**  
**Director/CFO**  
**DIN: 08046056**

**Monika Jain**  
**Company secretary**