

September 08, 2025

To  
**National Stock Exchange of India Ltd**  
Exchange Plaza, 5th Floor,  
Plot No. C /1, G Block, Bandra - Kurla Complex,  
Bandra (E), Mumbai – 400051, Maharashtra, India.

**NSE Symbol: PHANTOMFX**

**ISIN: INE0MLZ01019**

**Sub: Disclosure under Regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") - Notice of the 09th Annual General Meeting and Annual Report for the financial year 2024- 25.**

Dear Sir / Madam,

We wish to inform you that the 09th Annual General Meeting of the Company is scheduled to be held on Tuesday, 30<sup>th</sup> September, 2025 at 11:00 A.M. IST through Video Conferencing (VC) or Other Audio- Visual Means (OAVM). The Notice convening the 09th Annual General Meeting and the Annual Report of the Company, for the financial year 2024-25, are being sent through electronic mode to the members. In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid Notice and Annual Report are attached herein.

Further, the Annual Report including notice of AGM as mentioned above, have also been made available on website <https://phantomfx.com/investor/shareholder-meeting.php>.

Thanking you,  
Yours Faithfully,  
For **Phantom Digital Effects Limited**

**Bejoy Arputharaj Sam Manohar**  
**Chairman & Managing Director**  
**DIN: 03459098**



# BEYOND BOUNDARIES, INTO UNLEASHING CREATIVITY

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**Phantom Digital Effects Limited**  
Annual Report 2024-25



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### Disclaimer

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# UNLEASHING THE MAGIC

This year's theme reflects PhantomFX's journey of exponential growth and limitless imagination. By going beyond boundaries, the company continues to expand its global footprint and embrace new opportunities, while unleashing creativity showcases its relentless drive to innovate, inspire, and set new benchmarks in visual storytelling. Together, these values define PhantomFX's vision of transforming ideas into extraordinary cinematic experiences for audiences worldwide.



# Company Overview

PhantomFX: Redefining Visual Storytelling

PhantomFX, established in 2016, is a pioneering visual effects studio committed to delivering world-class VFX solutions that bring filmmakers' visions to life across the globe. Today, that vision has transformed into reality. From Hollywood blockbusters to Bollywood favorites and independent gems, PhantomFX has become a creative powerhouse, delivering breathtaking visuals that captivate audiences worldwide.

What began as a pursuit of excellence in VFX has today evolved into PhantomFX, one of the most prominent creative forces shaping the industry. As a publicly listed company, PhantomFX now stands shoulder-to-shoulder with the world's biggest VFX names, boasting state-of-the-art, TPN-compliant studios across four locations in India, and offices spanning Los Angeles, Vancouver, Toronto, London, Dubai, and China. This global presence ensures we remain at the heart of storytelling everywhere.

Our strength lies in our people, self-driven and talented artists, seasoned production teams, visionary supervisors, and a dynamic leadership group. Together, they embody the PhantomFX spirit: delivering not only on time but with uncompromising quality that consistently exceeds expectations.

Harnessing the latest tools and techniques, our core team is fueled by creativity, passion, and perfectionism. With every project, PhantomFX continues to set new benchmarks in the VFX landscape, shaping the future of visual storytelling.

## MISSION

To deliver **reliable, cost-effective, and world-class VFX solutions** that meet and exceed global standards — bringing imagination to life with precision and artistry.

## VISION

To become a **global leader in creative VFX services**, recognized for **pioneering innovation, pushing technological boundaries, and achieving unmatched creative excellence.**

**Ignite Creativity. Unleash the Magic of VFX.**

## CORE VALUES

**Excellence & Quality**

We strive for perfection in every frame.

**Reliability & Consistency**

We are a trusted partner, delivering on time every time.

**Ethics & Integrity**

We uphold honesty, transparency, and fairness in all we do.

**Safety, Health & Environment**

We prioritize people and sustainability in our work culture.

**Innovation**

We embrace technology and creativity to shape the future of VFX.

**Teamwork**

We grow together, fostering collaboration and collective success.

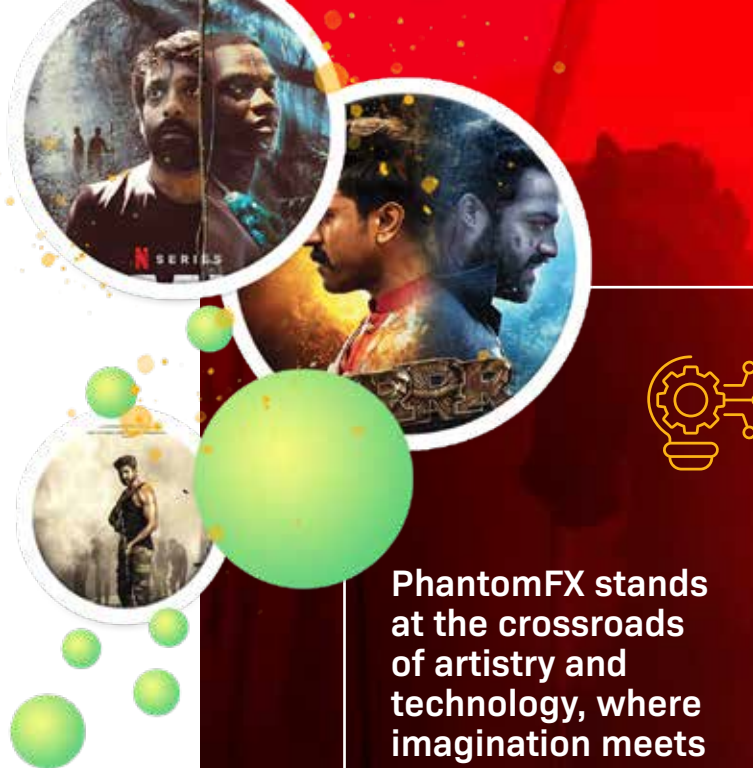
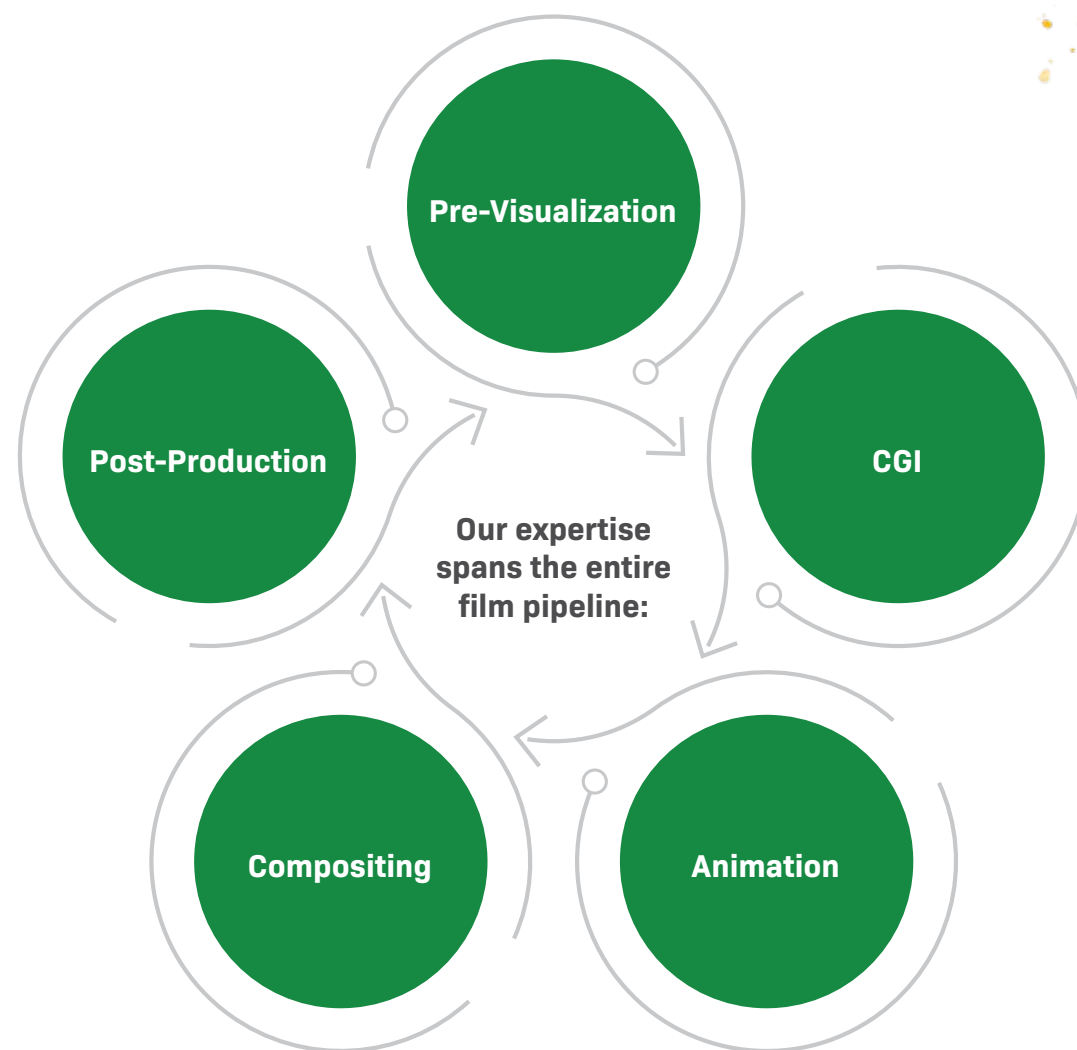


# Our Excellence

## PhantomFX: A Legacy of Visual Effects Excellence

With an enduring legacy of creativity and a relentless pursuit of perfection, PhantomFX continues to shape the future of the Visual Effects industry.

Founded with a strong artistic vision, PhantomFX has grown into a global powerhouse in visual effects. Unlike many competitors who rely on outsourcing, PhantomFX offers **direct, end-to-end post-production services**.



**PhantomFX stands at the crossroads of artistry and technology, where imagination meets innovation.**

- **8 Million+** Hours of creation
- **9000+** Shots
- **250+** Happy Clients
- **500+** Artists (Permanent and Contracted)

### Financial numbers (2024 - 2025)

- **104.37 Crs** Revenue
- **39.69 Crs** EBITDA
- **20.20 Crs** Net Profit

## Creativity & Innovation

Under the visionary leadership of Bejoy Arputharaj, CEO and award-winning VFX Supervisor with experience across 200+ films, we excel. Supported by a skilled and diverse leadership team, the studio combines creative excellence with operational scalability, making it a trusted partner for global blockbusters and large-scale productions.

### Advancing VFX with Technology & AI

PhantomFX is not just a studio; it is an innovation hub that leverages technology and AI to redefine production workflows.

PhantomFX is dedicated to developing powerful in-house software to support its cutting-edge VFX pipelines. The R&D team continuously explores new ways to integrate AI into both creative and technical processes. The team's custom AI-powered toolsets accelerate production and enhance quality.

## Thadam

The All-in-One Solution for Creative Project Management

Built for efficiency and continuous improvement with regular updates.

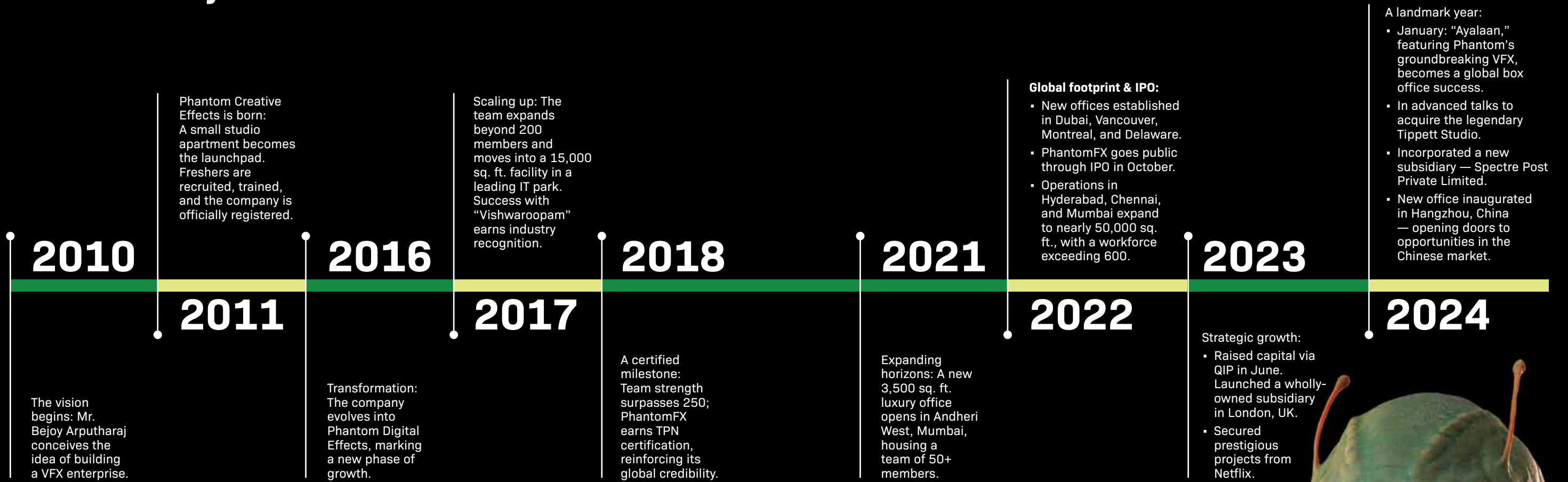
Provides advanced tools for seamless project tracking, task management, and real-time feedback.

Streamlines workflows across every stage, from concept to final deliverables.

Acts as a centralized hub, empowering production managers and teams with instant oversight and smoother collaboration.



# Our Journey of Visual Excellence



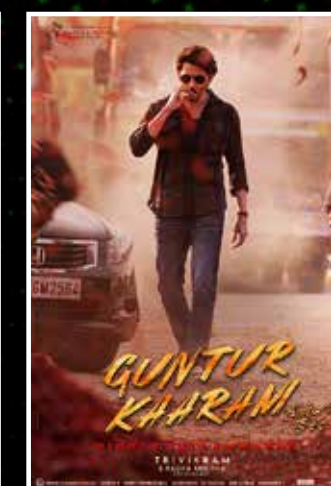
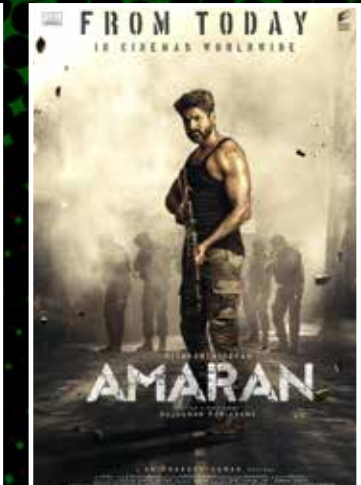


# Global Presence



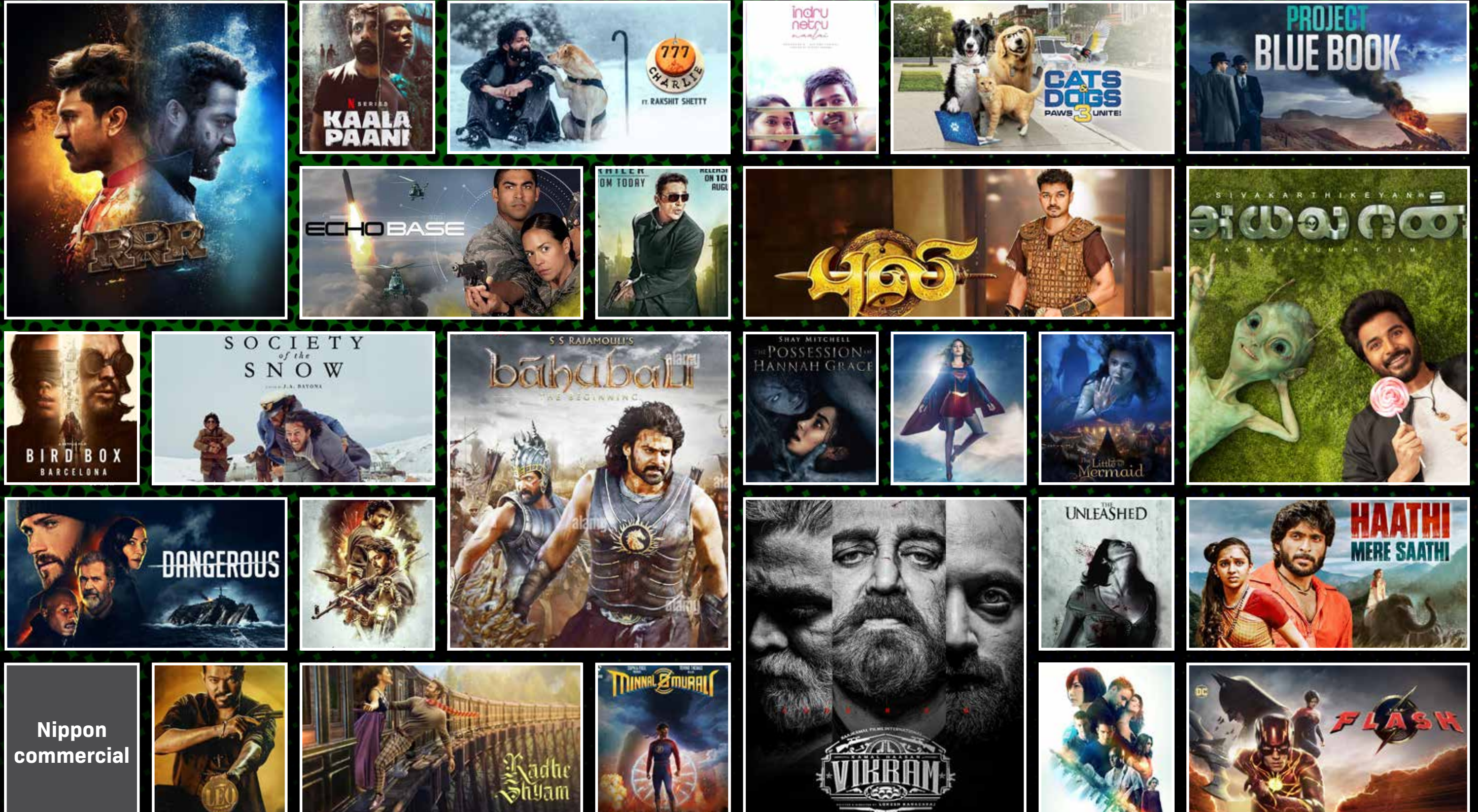


## PhantomFX Landmark Projects





## PhantomFX Landmark Projects





# TIPPETT STUDIO

Tippett Studio, a legendary, award-winning visual effects company founded by the visionary and Oscar-winning filmmaker Phil Tippett, is now our American counterpart. For more than four decades, the studio has set the benchmark for cinematic innovation, bringing to life unforgettable moments in films such as Jurassic Park and Star Wars. With multiple Academy and Emmy Awards to its credit, Tippett Studio's legacy continues to inspire the global VFX community.

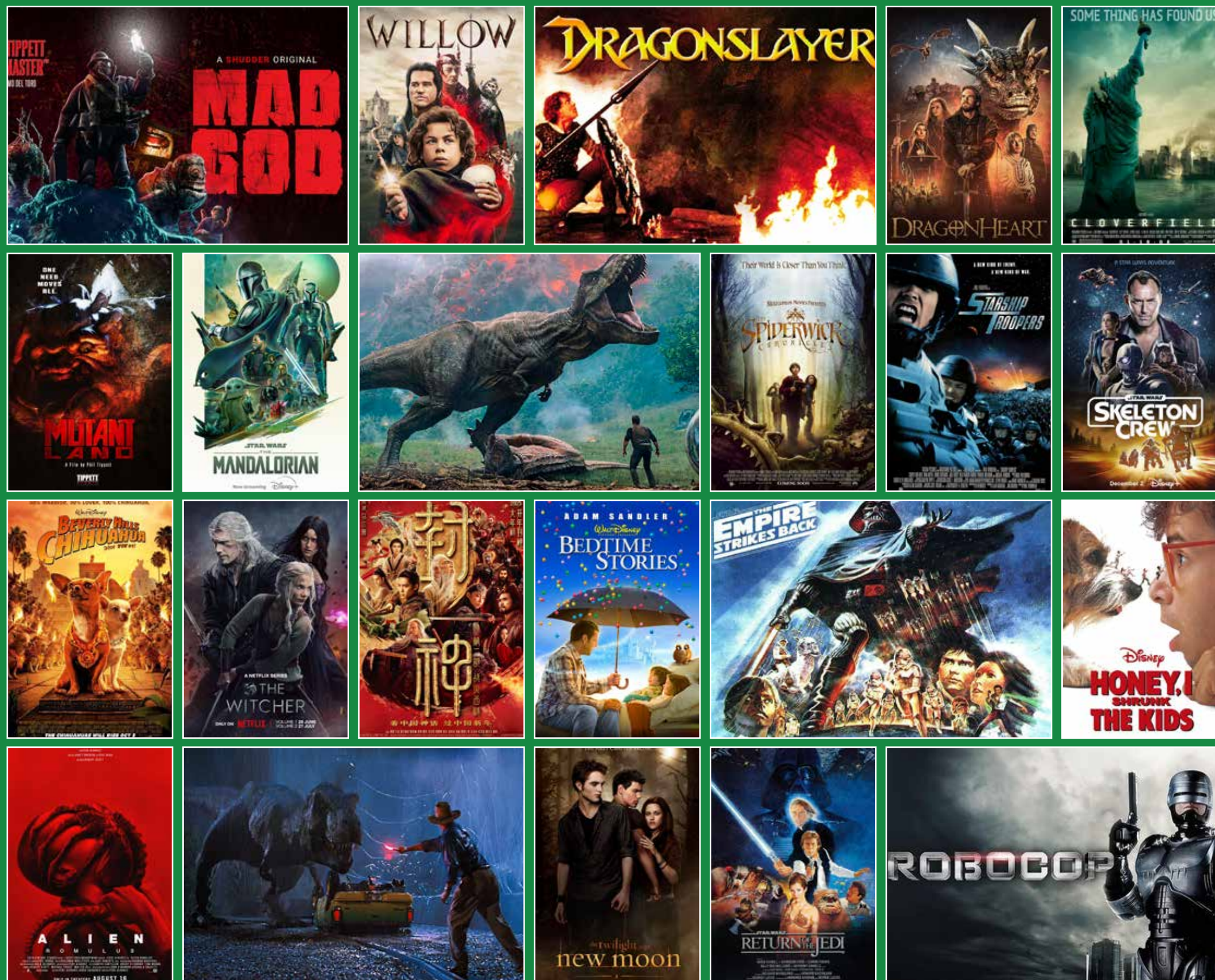
On July 1st, 2025, we proudly completed the acquisition of this iconic studio, welcoming it into the Phantom family. While Tippett Studio will retain its renowned brand identity, it now stands alongside us as we collectively shape the future of visual storytelling and expand our reach in delivering world-class VFX and post-production services worldwide

 **2**  
Academy Awards

 **2**  
Emmy Awards

 **1**  
BAFTA Award

 **3**  
VES Awards

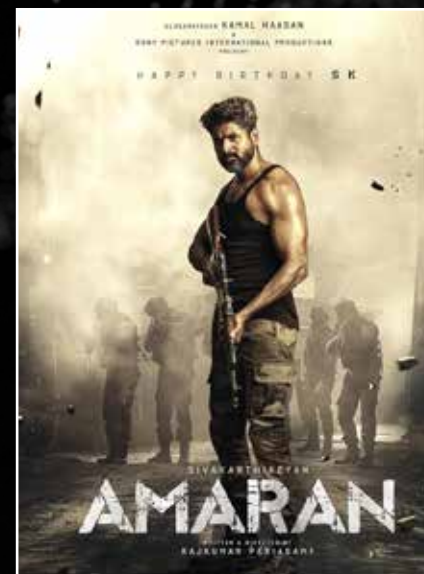
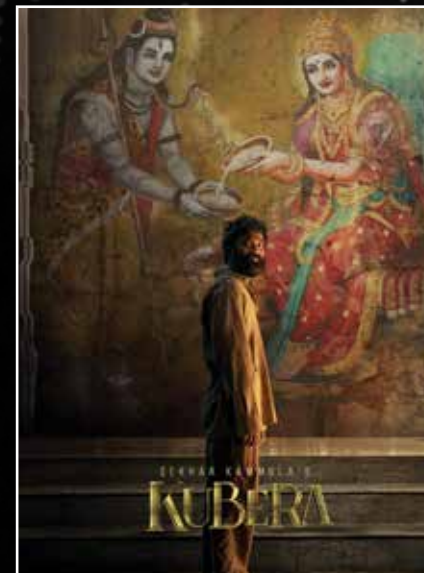
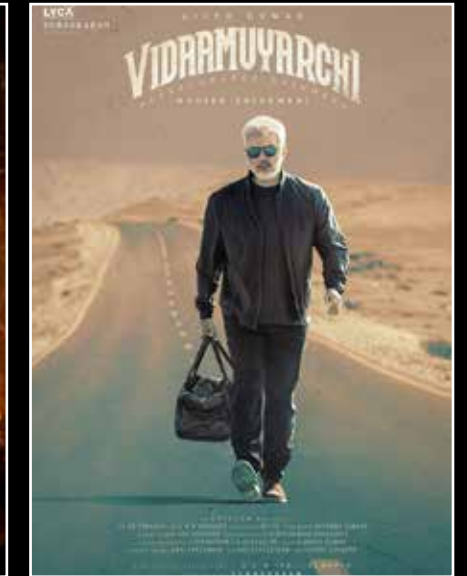




# SPECTRE POST

Spectre Post helps in redefining storytelling by merging imagination and innovation.

The studio is located in the vibrant tech hubs of Bangalore and Chennai and has emerged as one of the fastest-growing Visual Effects (VFX) and Post-Production studios. As an Amazon Certified and TPN Certified company, the studio maintains the highest standards of security and excellence in the industry. With a creative team, advanced technology, and a steadfast commitment to quality, it brings your creative visions to life through stunning visuals that captivate audiences across film, television, commercials, and digital media.





## Highlighted Projects

### Thandel

For Thandel, PhantomFX delivered 99+ shots, including a fully CG storm sequence with a boat, turbulent waves, mist, and rain. In just 30 days, our team streamlined workflows, tracked progress daily, and balanced speed with quality, adapting to evolving scope and client feedback to ensure precise, high-impact visual effects.



### Creation of Gods II: The Demon Force

PhantomFX brought the epic clash of mortals, gods, and monsters to life with stunning visual effects. Our team crafted realistic CG characters and immersive environments, capturing the intensity of the Fengshen Bang battle while staying true to the story's essence.



### IC814: The Kandahar Hijack

For IC 814, our team delivered 130+ photorealistic CGI shots seamlessly integrated with live-action. We recreated 1999 Lahore and Kathmandu airports with period-accurate detail, crafted dramatic nighttime landings, and added atmospheric effects like haze and heatwaves. Advanced compositing and precise lighting ensured a visually immersive experience capturing the series' historical intensity.



### Ayalaan

PhantomFX proudly highlights Ayalaan as a landmark project, delivering 4,300 VFX shots and owning the IP for key elements. The team created groundbreaking CG aliens, creatures like elephants and locusts, advanced spacecraft, and breathtaking alien landscapes. Cutting-edge motion capture and detailed facial animation ensured lifelike movement and emotional depth. Extensive FX simulations for fire, explosions, and destruction enhanced the climax, while meticulous integration with live-action maintained realism. By combining artistic vision with technical expertise, PhantomFX not only brought the director's vision to life but also set a new benchmark for Indian cinema, creating an immersive, otherworldly experience that captivates audiences.





# Awards and Events



**IC 814**  
**Best Created Environment (Digital OTT)**  
**VAM Awards**  
April 23, 2025

**IC 814**  
**Best VFX Shot**  
**VAM Awards**  
April 23, 2025

**PhantomFX**  
**Best VFX in All Content Formats (OTT/TV/Films)**  
**VAM Awards**  
April 23, 2025

**Thandel**  
**Best Effect Simulation (Feature Film)**  
**VAM Awards**  
April 23, 2025



**IC 814**  
**VFX Shot of the Year – TV/OTT/Animated Ads**  
**FICCI BAF Awards**  
Circa April/May 2025



**Thandel**  
**Collaboration Excellence**  
**Autodesk Imagine Awards**  
August 2025



**Ayalaan**  
**BLACKSHEEP Cine Awards Best VFX Award.**  
March 2025



**Ayalaan**  
**Vikatan Awards - Best animation & Visual effects Award.**  
March 2025



Awards and Events

Year	Award / RecWognition	Project / Recipient
2020	FICCI BAF Award (Non-Feature Films)	Nippon Paints, Pongal
2021	2 VAM Awards	Asian Paints, Happy Pongal” & “Project Blue Book
2022	Outlook Business ICON Awards Company of the Year	Bejoy Arputharaj
2022	Times Business Awards – Excellence in Animation & Visual Effects	Bejoy Arputharaj
2023	VAM Awards (x2)	Film: “Beast”
2023	AVGC 40 Under 40 (VFX category)	Anish Sreedhar (Head of CG)
2024	VAM Awards (x5 categories)	Film: “Ayalaan”; includes Best VFX Supervisor to Bejoy Arputhara



Year	Award / RecWognition	Project / Recipient
1982	Academy Award Nomination – Best Visual Effects	Dragonslayer
1983	Academy Award (Special Achievement) – Visual Effects	Return of the Jedi
1985	Primetime Emmy Award – Outstanding Special Visual Effects	Dinosaur!
1985	Primetime Emmy Award – Outstanding Special Visual Effects	Ewoks: The Battle for Endor
1988	Academy Award Nomination – Best Visual Effects	Willow
1993	Academy Award – Best Visual Effects	Jurassic Park
1995	Academy Award Nomination – Best Visual Effects	Dragonheart
1997	Academy Award Nomination – Best Visual Effects	Starship Troopers
2000	Academy Award Nomination – Best Visual Effects	Hollow Man
2002	Clio Awards – Gold & Bronze (Multiple Categories)	Blockbuster “Carl & Ray” commercials
2006	Academy Award Nomination – Best Visual Effects	Pirates of the Caribbean: Dead Man’s Chest
2007	Academy Award Nomination – Best Visual Effects	The Golden Compass
2011	Academy Award Nomination – Best Visual Effects	Harry Potter and the Deathly Hallows – Part 2
2014	Winsor McCay Award (Animation Lifetime Achievement)	Phil Tippett
2015	Academy Award Nomination – Best Visual Effects	Star Wars: The Force Awakens
2009	George Méliès Award for Artistic Excellence	Phil Tippett (VES)
1993	BAFTA Award – Best Special Effects	Jurassic Park
2012	VES Fellow	Phil Tippett
2017	VES Hall of Fame	Phil Tippett



## Board of Directors



**Mr. Bejoy Arputharaj  
Sam Manohar**

Chairman &  
Managing Director



**Mr. Binu Joshua Sam  
Manohar**

Director – COO & CFO



**Mr. Tom  
Antony**

Independent Director



**Mr. Manjit Singh  
Parmar**

Independent Director



**Mr. Suryaraj  
Kumar**

Independent Director



**Mr. Ravindran  
Sivasankaran**

Director – VFX Head



**Mrs. Syntia Moses  
Darry**

Director





## Message From The Chairman & Managing Director

Dear Shareholders,

As Phantom Digital Effects Limited turns another page in its remarkable journey, I am thrilled to share the Annual Report for the financial year 2024-25. This year has been extraordinary—defined by unparalleled creative innovation, bold international expansion, and strategic milestones that position PhantomFX at the forefront of redefining the art and technology of visual storytelling.

The Visual Effects industry is witnessing unprecedented momentum. Globally, the VFX market is set to expand from US\$ 15 billion in 2023 to US\$ 30 billion by 2030, growing at a CAGR of 10.7%. India too has emerged as a vital hub, with the domestic VFX industry valued at around ₹11,400 crore (US\$ 1.38 billion) in FY23, supported by strong outsourcing demand, a growing pool of skilled artists, and government incentives. VFX contributed nearly ₹5,400 crore (US\$ 647 million) to the Indian media and entertainment ecosystem last year, highlighting its central role in content creation. With over 4,000+ studios and rising investments in OTT, gaming, and immersive AR/VR experiences, the industry is entering a golden era. At PhantomFX, we see this as not just an opportunity, but also a responsibility—to set new benchmarks and showcase the creative power of India on the global stage.

FY25 was a year of steady growth for PhantomFX. We delivered revenues of ₹102.16 crore, EBITDA of ₹39.69 crore, and PAT of ₹20.20 crore. Our healthy ROE of 12.25% and ROCE of 15.54% reflect strong operational discipline and client confidence. These numbers are not just a reflection of financial prudence, but of our ability to continuously earn the trust of leading filmmakers, studios, and content creators across the world.

This year was remarkable not just for our results but also for the milestones that strengthened our foundation. Bringing the iconic Tippett Studio into the PhantomFX family was both a strategic and emotional achievement. Tippett's legendary legacy in films like Jurassic Park and Star Wars, guided by Phil Tippett himself, gives us a stronger foothold in North America and access to a world-class pipeline of projects. Our expansion into China through Hangzhou Huantong Digital Technology, a PhantomFX subsidiary, marks a significant milestone in our growth and opening doors to new opportunities in the Chinese market.

From the Indian front, our expansion into Bengaluru through Spectre Post has enhanced our post-production and editing capabilities, allowing us to attract more domestic and OTT-driven projects.

We also welcomed seasoned leaders into our team, such as **Mr. Ian Unterreiner**, our new Executive Vice President, who brings nearly two decades of deep expertise in VFX, corporate strategy, and leadership. We're also thrilled to introduce **Ms. Christina Wise** as our Vice President of Business Development, a seasoned executive with extensive experience in feature film development and VFX.

Joining her is **Mr. Hayden White**, our new Executive Producer, who has led global creative teams on major Hollywood projects,

and **Marc Morissett**, a skilled VFX Supervisor known for his expertise in AI and Project Planning. Additionally, we've brought on board a **Global Director of Marketing & Communications**, Ms. Caroline Bisson-Salama who offers strong strategic insight and storytelling expertise from diverse backgrounds, including luxury, telecom, energy, and advertising. Together, these individuals and our other veteran VFX Supervisors strengthen our capabilities across business development and creative leadership.

PhantomFX and Tippett Studio collaborated on Alibaba Pictures Group's Creation of the Gods II: Demon Force - soon to be released on Apple TV+. This project added a great momentum to Phantom group, as a breakthrough into the Chinese Market. As a large-scale action fantasy based on classic Chinese mythology, we delivered over 200 shots across 11 sequences. PhantomFX further extended its global footprint by collaborating on Marvel's Ironheart through Tippett Studios, strengthening its presence in the international VFX space.

In the Indian cinema space, PhantomFX delivered world-class VFX on IC 814: The Kandahar Hijack, in which we executed over 130 photorealistic CGI shots adding grandeur to the series. For Thandel, PhantomFX delivered more than 99 shots, including a fully CG storm sequence with turbulent waves, mist, and rain, completed within just 30 days through streamlined workflows and precise execution. Both IC 814 and Thandel stand as examples of PhantomFX's in-house creative and technical strength in India.

Together, these projects reflect PhantomFX's dual capability: delivering independent large-scale projects with speed and precision, while also engaging in seamless global collaborations through its subsidiaries. Each project and recognition are a reflection of the collective brilliance of our 426 artists and professionals, who continue to push boundaries and elevate the PhantomFX name across continents.

Beyond marquee acquisitions and projects, FY25 was also about strengthening our global presence. During the year, we entered into strategic partnerships with leading Chinese production houses, backed by government support, to work on high-budget films and short-form content. These collaborations not only provide us with a strong entry into one of the world's fastest-growing entertainment markets but also open exciting opportunities in areas like AI-driven content and immersive storytelling.

Between 2024 and 2025, PhantomFX earned multiple national recognitions across film, OTT, and animation. Major projects such as IC 814, Thandel, Ayalaan and Leo were honored with prestigious accolades, including wins across multiple categories at the VAM Awards, along with the Vikatan, Edison, and other leading awards.

These achievements strengthened PhantomFX's standing as a leading creative powerhouse in India's VFX industry.

Our consistent delivery standards enabled repeat business from leading production houses, reinforcing long-term client partnerships. We also sharpened our

operational backbone—whether through infrastructure investments, capacity expansion, or strengthening our creative teams. Each of these updates, while individually small, collectively represents PhantomFX's ability to grow step by step, quarter by quarter, while staying true to its creative ethos.

**Because of these deliberate steps in FY25, we entered FY26 with a sharper growth trajectory and bigger milestones:**

- **Strategic Fundraise:** In July 2025, PhantomFX raised ₹59.99 crore via QIP, backed by top investors including HDFC Bank, Vikasa India EIF I Fund, and Beacon Stone Capital, to fuel international expansion, AI-driven workflows, and integration of Tippett Studio.
- **China Expansion:** Launched Huantong Digital Technology Co. Ltd. in Hangzhou to serve China's growing film, gaming, and digital content market.
- **European Acquisitions:** Proposed acquisition of Milk VFX and Lola Post which is under process, demonstrates the expansion strategy of the company across the UK, Ireland, France, and Spain, while gaining marquee clients like BBC, Netflix, Prime Video, ITV studios and Universal. Bringing on board talent from these studios, including Oscar-winner Sara Bennett, Oscar and BAFTA nominee Rob Harvey, and Jean-Claude Deguara, is set to further strengthen PhantomFX's creative leadership globally.
- **Global Leadership:** Welcoming Ian Unterreiner, Christina Wise, Hayden White, Marc Morissett, and Caroline Bisson-Salama strengthens PhantomFX's creative leadership and global business development.
- **Unified Global Pipeline:** Operating across eight countries with five major brands, PhantomFX delivers world-class, tax-optimized content using AI, real-time production, and unmatched creative agility.

Looking ahead, the opportunities before us are vast and inspiring. The growth of streaming platforms, the rise of immersive storytelling formats, and India's positioning as a global creative hub provide fertile ground for expansion. PhantomFX is determined to lead this wave—by scaling our talent pool, nurturing new-age creative professionals, and investing in technologies that redefine what's possible in visual storytelling.

None of this would have been possible without the unwavering trust and support of our shareholders, clients, partners, and above all, our employees. Every milestone achieved this year and the transformational moves in FY26 are the result of collective effort and shared belief in a common vision. Together, we are not only building PhantomFX as a global brand but also establishing India as a creative powerhouse in the world of visual effects. The journey ahead is filled with extraordinary promise, and with your continued support, I am confident that the best is yet to come.

Thank You,

sd/-  
**BEJOY ARPUTHARAJ**  
CHAIRMAN & MANAGING DIRECTOR  
PHANTOM DIGITAL EFFECTS LIMITED

“Elevating the Art of Visual Effect at the Forefront of Global Storytelling”



## Corporate Informations

**Corporate Identity Number :** L92100TN2016PLC103929  
**ISIN:** INEOMLZ01019  
**NSE Symbol:** PHANTOMFX

### BOARD OF DIRECTORS

**Mr. Bejoy Arputharaj S,** Chairman & Managing Director  
**Mrs. Syntia Moses Darry,** Whole-time Director  
**Mr. Binu Joshua S,** Whole-time Director  
**Mr. S. Ravindran,** Whole-time Director  
**Mr. Manjit Singh Parmar,** Independent Director  
**Mr. Tom Antony,** Independent Director  
**Mr. Suryaraj Kumar,** Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Binu Joshua S (w.e.f 29<sup>th</sup> May, 2024)

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Poornima Raghu (w.e.f 19<sup>th</sup> Aug, 2024)

### REGISTERED OFFICE

6<sup>th</sup> Floor, Tower B, Kosmo One Tech Park,  
 Plot No.14, 3<sup>rd</sup> Main Road, Ambattur  
 Chennai-600058, Tamilnadu, India

### STATUTORY AUDITORS

M/s L. U. KRISHNAN & Co,  
 Sam's Nathaneal Tower, 3-1, West Club Road,  
 Shenoy Nagar, Chennai-600030,  
 Tamil Nadu, India

### SECRETARIAL AUDITORS

SKD & Associates, Company Secretaries  
 S2, Sri Sai Anugraha Apt.,  
 3rd Main Road, Ramnagar South,  
 Madipakkam, Chennai-600 091

### INTERNAL AUDITORS

M/s. KEK and Associates, LLP  
 New No 28, Old no 27, Parvathy Apartments,  
 Damodaran Street,  
 T.Nagar, Chennai-600 017

### REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Purva Share Registry (India) Private Limited  
 CIN: U67120MH1993PTC074079  
 No 9, Shiv Shakti Industrial Estate,  
 Mumbai-400011, Maharashtra, India

### BANKERS

#### ICICI BANK

No. 02/407, Pushpa Nagar,  
 Mount Poonamallee Road, Ayyappanthangal,  
 Chennai-600056, Tamilnadu, India

#### KOTAK MAHINDRA BANK

Sri Hari Building, Ground Floor, Door No.337,  
 Arcot Road, Kodambakkam,  
 Chennai-600024, Tamilnadu, India

### COMMITTEES OF THE BOARD

#### AUDIT COMMITTEE

Mr. Manjit Singh Parmar, Chairman  
 Mr. Tom Antony  
 Mr. Suryaraj Kumar

#### NOMINATION & REMUNERATION COMMITTEE

Mr. Tom Antony, Chairman  
 Mr. Manjit Singh Parmar  
 Mr. Suryaraj Kumar

#### STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Tom Antony, Chairman  
 Mr. Manjit Singh Parmar  
 Mrs. Syntia Moses Darry

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Tom Antony, Chairman  
 Mr. Manjit Singh Parmar  
 Mrs. Syntia Moses Darry

#### RISK MANAGEMENT COMMITTEE

Mr. Tom Antony, Chairman  
 Mr. Binu Joshua S  
 Mr. Ravindran S

## Management Discussion and Analysis



### Economy Overview

#### Global Economic Overview

FY25 was shaped by an uneven global economic climate. Advanced economies, particularly the United States and Europe, experienced the effects of persistent inflation, tighter monetary policy, and geopolitical disruptions that slowed overall growth momentum. Consumer sentiment in these markets remained cautious, and discretionary spending in several industries, including entertainment, reflected this moderation.

In contrast, emerging economies such as India and China displayed resilience. Strong domestic demand, rapid digital adoption, and structural reforms provided support to these markets, positioning them as growth drivers in the global economy. The shift in global production networks toward more cost-efficient destinations also strengthened the role of emerging markets in value creation.

For the media and entertainment sector, FY25 was a period of sustained stability. While studios in advanced markets streamlined content budgets, demand for compelling and high-quality content remained undiminished. This created opportunities for visual effects service providers that could combine quality with cost competitiveness. India, with its creative talent and scale advantages, emerged as a natural beneficiary of these global dynamics.

Source: IBEF

#### Indian Economic Overview

India continued to stand out as one of the most resilient major economies during FY25. Strong domestic

consumption, steady investment activity, and continued policy support allowed the economy to navigate global headwinds more effectively. Growth was underpinned by a vibrant services sector, a broadening industrial base, and expanding digital infrastructure.

The government's continued emphasis on building an ecosystem for the Animation, Visual Effects, Gaming and Comics (AVGC) sector reinforced the importance of the creative economy. Policy support, coupled with state-level incentives for film and VFX projects, created a favorable backdrop for the industry. The availability of a young talent pool and increasing adoption of advanced technologies positioned India as both a global outsourcing hub and a rapidly expanding domestic market for VFX.

The Indian media and entertainment sector reflected this momentum. The rise of streaming platforms, higher investments in domestic cinema, and greater integration of digital technologies into storytelling accelerated demand for visual effects. Even in the face of global uncertainties, India maintained a position of strength, offering stability, cost advantage, and creative expertise to global production houses.

Source: IBEF

### Industry Overview

#### Global VFX Industry

The global Visual Effects (VFX) industry is witnessing an unprecedented transformation. The market, valued at around US\$ 15 billion in 2023, is expected to double to nearly US\$ 30 billion by 2030, reflecting a strong



compound annual growth trajectory of over 10.7%. This rapid expansion underscores the central role VFX now plays in global content creation and delivery.

A key driver of this growth is the proliferation of OTT platforms and the surge in episodic content. Streaming services are investing heavily in original programming to retain audiences, and high-quality visual effects have become essential in differentiating their content. As audiences increasingly demand cinematic experiences on digital platforms, VFX has become a core enabler of storytelling.

The industry is also benefitting from rising budgets for blockbuster films and franchise driven content. Global studios are allocating greater resources to large-scale productions that rely extensively on VFX, particularly in genres like science fiction, fantasy, and action. This trend is no longer confined to Hollywood; regional industries in Asia and Europe are also enhancing production quality with advanced visual effects, contributing to worldwide growth.

The gaming industry has emerged as another significant growth vertical. From photorealistic character design to immersive virtual environments, gaming experiences are increasingly dependent on advanced VFX. The rise of interactive gaming and e-sports has further broadened opportunities for VFX applications beyond traditional cinema and television.

Another catalyst is the increasing adoption of AR, VR, and mixed reality technologies, which are extending the scope of VFX beyond entertainment into advertising, education, retail, and enterprise solutions. As consumers engage with more immersive and interactive formats, VFX has become a key enabler of these experiences.

Technological innovation is also transforming the industry. The integration of AI-driven production pipelines and virtual production technologies is reshaping how content is created. AI is automating repetitive processes, reducing turnaround times, and expanding creative possibilities, while virtual production allows real-time creation of digital environments, offering both cost efficiencies and greater creative control.

Collectively, these drivers illustrate how the VFX industry has evolved from a support function into a critical pillar of the global creative economy. With demand expanding across film, streaming, gaming, and immersive platforms, the sector is well-positioned for sustained double-digit growth over the coming years.

Source: IBEFW

### Indian VFX Industry

India has emerged as a critical hub in the global content value chain, steadily building its reputation as both a cost-efficient and creatively advanced destination for visual effects. The domestic VFX industry, valued at around ₹11,400 crore (approximately US\$ 1.38 billion) in FY23, has become an essential contributor to the country's media and entertainment ecosystem. Within this, VFX services alone contributed nearly ₹5,400 crore (around US\$ 647 million), underscoring its rising importance as a growth engine for the sector.

Several factors underpin this growth trajectory. The first is outsourcing demand from global studios and streaming platforms, which are increasingly turning to India for high-

quality, cost-effective delivery. With a large base of trained professionals, India offers a unique combination of scale, talent, and efficiency, allowing international players to execute large, complex projects at globally competitive standards.

The second factor is the expansion of India's skilled talent pool. Educational institutions and industry training programs are producing thousands of VFX-ready professionals each year. This, coupled with India's demographic advantage, ensures a steady pipeline of young, technically adept artists who can support both domestic and international productions.

Competitive cost structures also make India a natural choice for global collaborations. Studios are able to achieve significant savings without compromising on creative quality, making Indian VFX service providers preferred long-term partners for international franchises and OTT productions.

Government support has further strengthened the industry. Through the AVGC Task Force and state-level incentives, policymakers have prioritised the development of India's animation, gaming, and VFX ecosystem. Investments in infrastructure, training, and subsidies for production have created an enabling environment for growth. This has also encouraged multinational players to establish deeper partnerships with Indian studios.

On the domestic front, the rise of OTT platforms, high-budget Indian cinema, and the rapid expansion of gaming are all accelerating demand for VFX. Indian audiences today expect global-quality visuals in films and digital series, prompting producers to allocate larger portions of budgets to effects-driven storytelling. Simultaneously, the gaming industry both console and mobile is becoming an important demand driver, creating additional opportunities for VFX applications.

Together, these factors position India not just as an outsourcing hub, but as a creative powerhouse in its own right. With strong policy support, a deepening talent base, and rising domestic demand, the Indian VFX industry is set to play a defining role in shaping the global entertainment landscape in the years ahead.

Source: IBEF

### Business Performance And Strategic Developments In FY25

FY25 was a defining year for Phantom Digital Effects Limited, marked by strong financial performance, creative accomplishments, global expansion, and investments in technology and talent. The company continued to strengthen its position as a leading player in the global VFX ecosystem, combining operational discipline with an ambitious growth strategy.

#### Financial Performance

The company delivered a year of robust growth, supported by strong execution and efficient cost management. Revenue stood at ₹102.16 crore, EBITDA at ₹39.69 crore, and PAT at ₹20.20 crore, reflecting healthy project deliveries across both Indian and international markets. Profitability remained stable, demonstrating the company's ability to balance cost efficiency with strategic investments in technology and talent.

Key financial indicators further highlighted the strength of the business model. Return on Equity (ROE) was 12.25% and Return on Capital Employed (ROCE) was 15.54%, underscoring the company's effective use of resources and commitment to long-term shareholder value creation.

#### Creative Achievements

FY25 was a landmark year on the creative front, with PhantomFX delivering on some of the most celebrated projects across domestic and international markets.



Delivered large-scale VFX for Pushpa 2 and the sci-fi epic Kalki 2898 AD, reinforcing PhantomFX's role in India's biggest blockbuster franchises.



Executed over 99 VFX shots for Thandel, including a technically complex storm sequence, and more than 130 CGI shots for IC814: The Kandahar Hijack, demonstrating large-scale delivery capabilities.



On the international stage, partnered with Tippett Studio for Creation of Gods II: The Demon Force, showcasing PhantomFX's ability to deliver world-class visuals in global collaborations.



Earned industry recognition with two prestigious awards: Best Animation & Visual Effects at the Vikatan Awards 2025 for Ayalaan (which included over 4,500 VFX shots) and Best Collaborative Excellence at the Autodesk Imagine Awards 2025 for Thandel.

These achievements reinforced PhantomFX's position as a creative powerhouse capable of delivering at scale, strengthening its brand equity, and creating sustainable long-term value for stakeholders.

#### Strategic Expansions and Acquisitions

The company pursued strategic initiatives to expand its global footprint and service offerings:

**Tippett Studio (USA):** The acquisition of this iconic Hollywood VFX house provided PhantomFX with access to a rich legacy of creativity, marquee intellectual properties, and seasoned talent.

**Spectre Post (India):** A new entity incorporated in Bengaluru, this expansion marked PhantomFX's entry into post-production and editing services, widening its scope within the content lifecycle.

**Huantong Digital Technology (China):** Entry into China enabled the company to tap into one of the world's fastest-growing content markets, strengthening its position in Asia.

Together, these moves reinforced PhantomFX's evolution from a domestic studio into a diversified global player with a strong presence in multiple regions.

#### Technology & R&D

PhantomFX continued to invest in cutting-edge technology to enhance efficiency and creative capabilities:

The introduction of automation tools improved productivity across projects by streamlining repetitive tasks.

The launch of a Virtual Production unit enabled filmmakers to interact with digital environments in real time, offering creative flexibility and cost efficiency.

Investments in AI-driven research and development allowed the company to deliver photorealistic virtual sets, elevate storytelling quality, and reduce turnaround times.

These advancements not only improved operational

efficiency but also positioned PhantomFX at the forefront of next-generation content creation.

#### Opportunities And Strengths

PhantomFX enters the next phase of its journey with several structural opportunities that reinforce its position as a global creative powerhouse. The company's strengths lie not only in its financial performance but also in the strategic choices it made during FY25 to expand capabilities, markets, and talent.

- Expanding demand from OTT and gaming platforms**
  - The rapid growth of streaming services has created a sustained requirement for high-quality VFX to support original programming and large-scale productions.
  - Simultaneously, the gaming industry is becoming a strong driver of demand, as immersive storytelling and photorealistic design increasingly rely on advanced visual effects.
- Entry into China's fast-growing content market**
  - Through its strategic expansion into China via Huantong Digital Technology, PhantomFX has positioned itself to participate in one of the fastest-growing entertainment ecosystems globally.
  - This entry provides access to large domestic content production, as well as international collaborations routed through China.
- Deepened presence in Europe and North America**
  - PhantomFX strengthened its reach in mature Western markets by working with marquee clients such as BBC, Netflix, Prime Video, and Warner Bros.



- These partnerships enhance the company's global credibility and diversify its revenue pipeline across films, series, and streaming content.

#### 4. Technology investments driving efficiency

- The adoption of AI-driven tools and automation technologies has begun to streamline project delivery, reducing repetitive work and enhancing productivity.
- Virtual production initiatives introduced during FY25 provide real-time creative flexibility, enabling cost savings and superior storytelling outcomes.

#### 5. Strong leadership bench and integrated global pipeline

- Key leadership appointments across production, technology, and business development strengthened the company's ability to scale operations globally.
- With over 650 artists spread across India, the US, Canada, China, and Europe, PhantomFX has built an integrated global delivery model that ensures consistency, collaboration, and creative excellence.

### Risks And Concerns

#### 1. Dependence on global content spending cycles

- A significant portion of PhantomFX's revenues is linked to global studios, streaming platforms, and OTT content budgets.
- Any slowdown in international content investments or shifts in entertainment spending priorities could affect project flow and overall revenue visibility.

#### 2. Intense competition and pricing pressures

- The global VFX industry is highly competitive, with large international studios and mid-sized regional players vying for the same projects.
- Pricing pressure, especially from cost-sensitive clients, poses a risk to maintaining healthy margins, requiring the company to balance competitiveness with profitability.

#### 3. Foreign exchange volatility

- As a company earning a considerable share of its revenue from overseas clients, PhantomFX is exposed to currency fluctuations.
- Adverse foreign exchange movements can impact reported financial performance, even when underlying project delivery remains strong.

#### 4. Rising talent costs and retention challenges

- VFX is a people-driven industry, and the availability of skilled professionals is critical to scaling operations.
- Rising demand for experienced talent across India and abroad has led to increasing cost pressures. Retaining top artists and managers while sustaining margins is a key challenge for the company.

### Ratio Analysis

In accordance with Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Schedule V the listed entities are required to include certain key financial ratios and explanations for

significant changes therein as part of their Management Discussion and Analysis (MD&A).

While the Company acknowledges this requirement, it has chosen not to present a standalone ratio analysis in this section. Instead, stakeholders are encouraged to refer to the audited financial statements and accompanying notes, which comprehensively reflect the Company's financial performance, liquidity, and capital structure. These disclosures provide sufficient data for investors and analysts to derive relevant ratios and conduct their own assessments.

This approach is intended to maintain clarity and avoid redundancy, while ensuring full compliance with applicable accounting and disclosure standards.

### Outlook

PhantomFX concludes FY25 on a strong footing, having combined financial resilience with strategic expansion and creative excellence. The company enters FY26 with a sharper growth trajectory, supported by its strengthened global presence, investments in technology, and an expanding client portfolio.

The successful integration of Tippet Studio in the United States has enhanced the company's creative capabilities, giving it access to world-class talent, marquee intellectual property, and decades of Hollywood expertise. This acquisition, coupled with the establishment of Spectre Post in Bengaluru and the strategic entry into China through Huantong Digital Technology, positions PhantomFX to serve both mature and emerging markets with equal effectiveness.

Technology will continue to be a cornerstone of growth. The company's investments in AI-driven tools, automation, and virtual production are expected to unlock significant efficiency gains and creative flexibility. Real-time production technologies, in particular, will allow PhantomFX to deliver projects with greater speed and cost-effectiveness while expanding its service offerings to clients across films, episodic content, advertising, and gaming.

With a unified global delivery pipeline spanning India, the USA, Canada, Europe, and China, PhantomFX is well placed to meet rising demand for high-quality, cost-efficient VFX solutions. Strong client relationships with leading studios and platforms, combined with a scalable talent pool of over 500+ professionals, provide a robust foundation for sustainable growth.

Looking ahead, PhantomFX remains focused on deepening its global footprint, strengthening its technological edge, and nurturing creative excellence. These priorities position the company not only to capture growth opportunities but also to establish itself among the most agile and profitable VFX networks in the global industry.

## NOTICE

### PHANTOM DIGITAL EFFECTS LIMITED

CIN: L92100TN2016PLC103929

Registered Office: - 6th Floor, Tower B, Kosmo One Tech

Plot No.14, 3rd Main Road, Ambattur, Chennai, 600058, Tamil Nadu, India

Tel; 044-4384 6228, Email ID: cs@phantom-fx.com, Website www.phantomfx.com

### Notice to Shareholders

Notice is hereby given that the **09<sup>th</sup> Annual General Meeting** of the Members of **M/s. PHANTOM DIGITAL EFFECTS LIMITED** (the Company") will be held on Tuesday, 30<sup>th</sup> day of September 2025 at 11:00 A.M through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses.

#### Ordinary Business

**Item No. 1:** To receive, consider and adopt the audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**.

**"RESOLVED THAT** the audited Standalone financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received considered and adopted."

**Item No. 2:** To receive, consider and adopt the audited Consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and the reports of the Auditors thereon, and in this regard, to consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**:

**"RESOLVED THAT** the audited Consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and the reports of the Auditors thereon, as circulated to the members, laid before this Meeting, be and are hereby considered and adopted."

**Item No. 3:** To appoint a director in place of Mr. Binu Joshua Sammanohar (DIN.03459073), who retires by rotation and being eligible, offers himself for reappointment as a Director and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Binu Joshua Sammanohar (DIN.03459073), who retires by rotation, at this Meeting and being eligible, has offered himself for re-appointment be and is hereby reappointed as Director of the Company liable to retire by rotation."

#### Special Business

**Item No. 4:** To approve the re-appointment of Mr. Bejoy Arputharaj Sam Manohar (DIN.03459098) as Chairman and Managing Director of the Company and in this regard to consider, if thought fit, to pass the following as a **Special Resolution**.

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or reenactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary and subject to the Nomination and Remuneration Policy of the Company, the approval of the Members of the Company be and is hereby accorded to the reappointment of Mr. Bejoy Arputharaj Sam Manohar (DIN.03459098) as Chairman and Managing Director of the Company for a further period of 3 years effective from August 08, 2025 to August 07, 2028 (both dates inclusive) on the following terms and conditions:-

I. SALARY: In the range of ₹ 8,00,000/- to ₹ 12,00,000/- per month (with such annual/special increments within the aforesaid range as may be decided by the Board on the recommendation of Nomination and Remuneration Committee from time to time).

II. PERQUISITES:

#### Category A:

1. Medical Reimbursement for self and family as per the rules of the Company.
2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.



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### Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.
- Encashment of leave as per the rules of the Company.

### Category C:

- Car, telephone at residence and mobile phone for use of Company's business.
- All other terms and conditions as applicable to employees of the Company.

**“RESOLVED FURTHER THAT** Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098) shall be liable to retire by rotation and if re-appointed, the same shall not be treated as break in the service as Chairman & Managing Director.”

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Bejoy Arputharaj Sam Manohar, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Bejoy Arputharaj Sam Manohar by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with Mr. Bejoy Arputharaj Sam Manohar.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**Item No. 5:** To approve the Re-appointment of Mrs. Syntia Moses Darry (DIN.03459055) as Whole-time Director of the Company and to consider, if thought fit, to pass the following as a **Special Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014 and all other applicable Rules made under the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or reenactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary and subject to the Nomination and Remuneration Policy of the Company, the approval of the Members of the Company be and is hereby accorded to the reappointment of Mrs. Syntia Moses Darry (DIN.03459055) as Whole-time Director of the Company for a further period of 3 years effective from August 08, 2025 to August 07, 2028 (both dates inclusive) on the following terms and condition;

- SALARY: In the range of ₹ 3,00,000/- to ₹ 6,00,000/- per month (with such annual/special increments within the aforesaid range as may be decided by the Board on the recommendation of Nomination and Remuneration Committee from time to time)

### II. PERQUISITES:

#### Category A:

- Medical Reimbursement for self and family as per the rules of the Company.
- Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

#### Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.
- Encashment of Leave as per the rules of the Company.

#### Category C:

- Car, telephone at residence and mobile phone for use on Company's business.
- All other terms and conditions as applicable to employees of the Company.

**“RESOLVED FURTHER THAT** Mrs. Syntia Moses Darry (DIN:03459055) shall be liable to retire by rotation and if re-appointed, the same shall not be treated as break in the service as Whole-time Director.”

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**“RESOLVED FURTHER THAT** the remuneration payable to Mrs. Syntia Moses Darry, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of her tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mrs. Syntia Moses Darry by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 , as may be applicable for the time being in force with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with Mrs. Syntia Moses Darry.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**Item No. 6:** To approve the Re-appointment of Mr. Binu Joshua Sammanohar (DIN.03459073) as Whole-time Director of the Company and to consider, if thought fit, to pass the following as a **Special Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or reenactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary and subject to the Nomination and Remuneration Policy of the Company, the approval of the Members of the Company be and is hereby accorded to the reappointment of Mr. Binu Joshua Sammanohar (DIN.03459073) as Whole-time Director of the Company for a further period of 3 years effective from August 08, 2025 to August 07, 2028 (both dates inclusive) on the following terms and conditions;

- SALARY: In the range of ₹ 5,00,000/- to ₹ 10,00,000/- per month (with such annual/special increments

within the aforesaid range as may be decided by the Board on the recommendation of Nomination and Remuneration Committee from time to time)

### II. PERQUISITES:

#### Category A:

- Medical Reimbursement for self and family as per the rules of the Company.
- Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

#### Category B:

- Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.
- Encashment of leave as per the rules of the Company.

#### Category C:

- Car, telephone at residence and mobile phone for use on Company's business.
- All other terms and conditions as applicable to employees of the Company.

**“RESOLVED FURTHER THAT** Mr. Binu Joshua Sammanohar (DIN:03459073) shall be liable to retire by rotation and if re-appointed, the same shall not be treated as break in the service as Whole-time Director”

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Binu Joshua Sammanohar (DIN:03459073), shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Binu Joshua Sammanohar by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 , as may be applicable for the time being in force with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with Mr. Binu Joshua Sammanohar.”



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**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

**Item No. 7:** To approve the Re-appointment of Mr. Sivasankaran Ravindran (DIN.08009653) as Whole-time Director of the Company and to consider, if thought fit, to pass the following as a **Special Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) read with Schedule V to the said Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re enactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals and compliances as per the applicable provisions of the Act and other applicable Statutes, as may be necessary and subject to the Nomination and Remuneration Policy of the Company, the approval of the Members of the Company be and is hereby accorded to the reappointment of Mr. Sivasankaran Ravindran (DIN.08009653) as Whole-time Director of the Company for a further period of 3 years effective from August 08, 2025 to August 07, 2028(both dates inclusive) on following terms and conditions;

I. SALARY: In the range of ₹ 3,00,000/- to ₹ 8,00,000/- per month (with such annual/special increments within the aforesaid range as may be decided by the Board on the recommendation of Nomination and Remuneration Committee from time to time)

II. PERQUISITES:

### Category A:

1. Medical Reimbursement for self and family as per the rules of the Company.
2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company.

### Category B:

3. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.

4. Encashment of leave as per the rules of the Company.

### Category C:

3. Car, telephone at residence and mobile phone for use on Company’s business.
4. All other terms and conditions as applicable to employees of the Company.

**“RESOLVED FURTHER THAT** Mr. Sivasankaran Ravindran (DIN:08009653) shall be liable to retire by rotation and if re-appointed, the same shall not be treated as break in the service as Whole-time Director.”

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Sivasankaran Ravindran (DIN:08009653) shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time/”

**“RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Sivasankaran Ravindran by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 , as may be applicable for the time being in force with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with Mr. Sivasankaran Ravindran.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

By Order of the Board of Directors  
For **PHANTOM DIGITAL EFFECTS LIMITED**

Sd/-  
**Bejoy Arputharaj Sam Manohar**  
Chairman & Managing Director  
DIN: 03459098

Place: Chennai  
Date: 03.09.2025

## NOTICE

### Notes:

1. Pursuant to the General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020 and 17/2020 dated 13<sup>th</sup> April, 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013”, General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020, 10/2022 dated 28<sup>th</sup> December, 2022 , 09/2023 dated 25<sup>th</sup> September, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated 19<sup>th</sup> September, 2024 in relation to “Clarification on holding of Annual General Meeting (‘AGM’) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) the Company is convening the 09<sup>th</sup> AGM through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’),without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India (‘SEBI’), vide its Circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022, 5<sup>th</sup> January, 2023 and 7<sup>th</sup> October, 2023 and 3<sup>rd</sup> October, 2024 (‘SEBI Circulars’) and all other applicable circulars issued in this regard, has provide relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

In compliance with the provisions of the Companies Act, 2013 (‘the Act’), the Listing Regulations and MCA Circulars, the 09<sup>th</sup> AGM of the Company is being held through VC/OAVM on Tuesday, 30<sup>th</sup> September, 2025 at 11:00 A.M. IST. The deemed venue for the AGM will be the Registered Office of the Company, i.e., 6<sup>th</sup> Floor, Tower B, Kosmo One Tech, Plot No.14, 3<sup>rd</sup> Main Road, Ambattur, Ambattur Indl Estate, Tiruvallur, Ambattur -600058, Tamil Nadu, India.

2. Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
3. The Annual Report, Notice of the AGM and other documents sent through e-mail are also available on the Company’s website <https://phantomfx.com/>

4. The Company has engaged the services of NSDL to provide VC facility and e-voting facility for the AGM.
5. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No.4 is annexed hereto. The relevant details required to be disclosed in respect to Directors seeking appointment/ re-appointment at this AGM pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, “(LODR Regulations or Listing Regulations)”. Secretarial Standards on General Meeting (“SS-2”) issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in Annexure- A to this Notice. Additional information as required under Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors retiring by rotation at this Meeting is annexed hereto.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutiniser at email ID [seek0519@gmail.com](mailto:seek0519@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and to the Company at [cs@phantom-fx.com](mailto:cs@phantom-fx.com). authorizing its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to section 113 of the Act.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the



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website of the Company at <https://phantomfx.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited (NSE-EMERGE) at [www.nseindia.com](http://www.nseindia.com) respectively and is also available on the website of NS--DL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 30<sup>th</sup> September, 2025. Members seeking to inspect such documents can send an email to [cs@phantom-fx.com](mailto:cs@phantom-fx.com).
11. Members seeking any information with regard to the accounts or any matter to be considered at the AGM, are requested to write to the Company on or before Tuesday, 23<sup>rd</sup> September, 2025 to [cs@phantom-fx.com](mailto:cs@phantom-fx.com). The same will be replied by the Company suitably.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.  
  
**For shares held in electronic form:** to their Depository Participants ("DPs")
13. **NOMINATION:** Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
14. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT** In accordance with the MCA General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020 and 10/2022 dated 28<sup>th</sup> December, 2022, 09/2023 dated 25<sup>th</sup> September, 2023 and being 09/2024 dated 19<sup>th</sup>

September, 2024 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5<sup>th</sup> January, 2023, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022, 5<sup>th</sup> January, 2023 and 7<sup>th</sup> October, 2023 and 3<sup>rd</sup> October, 2024 ('SEBI Circulars') and the financial statements (including Board's Report, Auditors' Report or other documents required to be attached therewith) for the Financial Year ended 31<sup>st</sup> March, 2025 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ Purva Share Registry India Private Limited or the Depository Participant(s) as at closing business hours on Friday, 05<sup>th</sup> September, 2025. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants.

15. **SCRUTINISER FOR E-VOTING:** Ms. Annapurna Shivayogappa Malagund, Practicing Company Secretary (Membership No. 65968, CoP No 24717), has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
16. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will acknowledge the receipt of the same and declare the result of the voting forthwith.
17. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-Voting will not later than two working days from the conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with Scrutinizer's Report shall be placed on the website of the Company. The results shall simultaneously be communicated to stock exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited placed on the Company's website <https://phantomfx.com/>.
18. Subject to approval of the requisite number of votes, the Resolutions set out in this Notice for the AGM

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shall be deemed to be passed on the date of the meeting i.e. Tuesday, 30<sup>th</sup> day of September, 2025.

19. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

20. The Companies (Management and Administration) Rules, 2014 stipulate that the remote electronic voting period shall close at 05:00 P.M (IST) on the date preceding the date of AGM. Accordingly, the remote e-Voting period will commence at 09:00 A.M (IST) on Saturday, 27<sup>th</sup> September, 2025 and will end at 05:00 P.M (IST) on Monday, 29<sup>th</sup> September, 2025. The remote e-Voting will not be allowed beyond the aforesaid period and time, and the remote e-Voting module shall be disabled by NSDL.
21. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim from an unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 for the above-mentioned requests and surrender their original securities certificate(s) for processing of service requests to the RTA. The RTA shall thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the

securities holder/claimant shall make a request to the DP for dematerialising the said securities. Form ISR-4 is available on the website of RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.

22. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company's Registrars and Transfer Agents, Purva Share Registry (India) Private Limited in case the shares are held in physical form.
23. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company.
24. The cut-off date for the purpose of determining the Members eligible for participation in remote e-voting (e-voting from a place other than venue of the AGM) and voting at the AGM is Tuesday, 23<sup>rd</sup> September, 2025. Please note that Members can opt for only one mode of voting i.e., either by voting at the meeting or remote e-voting. If Members opt for remote e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
25. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e., 23<sup>rd</sup> September, 2025, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cs@phantom-fx.com](mailto:cs@phantom-fx.com). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and



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password for casting your vote. If you forgot your password, you may reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll-free no. 1800-222-990. Only a Member who is entitled to vote shall exercise his/her/its vote through e-voting and any recipient of this Notice who has no voting rights as on the Cut-off Date should treat the same as intimation only.

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Saturday, 27<sup>th</sup> September, 2025 at 09:00 A.M. and ends on Monday, 29<sup>th</sup> September, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 23<sup>rd</sup> September, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**share capital of the Company as of the cut-off date, being Tuesday, 23<sup>rd</sup> September, 2025.**

### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>  <b>Google Play</b></p> <div>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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



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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

### **B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

#### **How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial

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password’ and the system will force you to change your password.

- How to retrieve your ‘initial password’?

- If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

- If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

- Now, you will have to click on “Login” button.

- After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- Upon confirmation, the message “Vote cast successfully” will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Ms. Annapurna Shivayogappa Malagund by email to [seek0519@gmail.com](mailto:seek0519@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority



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Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@phantom-fx.com](mailto:cs@phantom-fx.com)
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@phantom-fx.com](mailto:cs@phantom-fx.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#).
- Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their

demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

- The procedure for e-Voting on the day of the EGM/ AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/ AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

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- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Facility of joining the meeting shall be open 15 minutes before the time scheduled for the meeting and shall be closed 15 minutes after such scheduled time and will be available on first come first served basis.
- Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at this AGM, from

their registered e-mail address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's e-mail address at [cs@phantom-fx.com](mailto:cs@phantom-fx.com) before 5.00 p.m. (IST) on Friday, September 26 2025. Such queries will be appropriately responded by the Company.

- Shareholders who would like to express their views/ ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at [cs@phantom-fx.com](mailto:cs@phantom-fx.com). Pre-registration should be done between Wednesday, September 24<sup>th</sup> day of September, 2025 (9:00 a.m. IST) and Saturday, September 27, 2025 (5:00 p.m. IST). The same will be replied by the company suitably.



# NOTICE

## EXPLANATORY STATEMENT

### PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As required by Section 102 of the Companies Act, 2013 (the “Act”), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 to Item No. 7 of the accompanying Notice dated 03<sup>rd</sup> September, 2025:

#### Item No. 4 :

The present term of appointment of Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098) as Chairman and Managing Director of the Company was expired on 07<sup>th</sup> August, 2025. The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee (NRC), has approved the re-appointment of Mr. Bejoy Arputharaj Sam Manohar for a further period of three years, from August 8, 2025 to August 7, 2028 (both dates inclusive), subject to the approval of the Members.

While considering the proposal for re-appointment of Mr. Bejoy Arputharaj Sam Manohar as Chairman and Managing Director of the Company for a further term, the NRC and the Board noted that Mr. Bejoy has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. He has successfully and in a sustained way contributed significantly towards growth and performance of the Company. He has extensive experience in the VFX industry. He is actively involved in exploring growth opportunities in international markets, business strategy and business development functions of the Company. The proposed remuneration is commensurate with the responsibilities handled and at par or lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098), satisfies all the conditions set out in Part-I of Schedule V of the Act including conditions specified under sub-section (3) of Section 196 of the Act for being eligible for his re appointment and that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098), is also not debarred from holding the office of Director by virtue of any Order or any other such authority pursuant

to circulars dated 20/06/2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Director by listed companies. He is the founder and promoter of the company and holds presently 61,54,200 shares in the company.

A statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, in respect of the proposed appointment is provided herein. A brief profile of Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098), is also provided in **Annexure – A** to this Notice.

The Board recommends the Special Resolution as set out in Item No. 4 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in the Resolution set out in Item No. 4 of this Notice except Mr. Bejoy Arputharaj Sammanohar (DIN:03459098), Mr. Binu Joshua Sammanohar (DIN: 03459073) & Mrs. Syntia Moses Darry (DIN:03459055).

#### Item No. 05

The present term of appointment of Mrs. Syntia Moses Darry (DIN: 03459055) as Whole-Time Director of the Company was expired on 07<sup>th</sup> August, 2025. The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee (NRC), has approved the re-appointment of Mrs. Syntia Moses Darry for a further period of three years, from August 8, 2025 to August 7, 2028 (both dates inclusive), subject to the approval of the Members.

While considering the proposal for re-appointment of Mrs. Syntia Moses Darry as Whole-Time Director of the Company for a further term, the NRC and the Board noted that Mrs. Syntia has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. She possesses rich knowledge and experience in various areas of the Company’s operations The proposed remuneration is commensurate with the responsibilities handled and at par or lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

Mrs. Syntia Moses Darry satisfies all the conditions specified in Part-I of Schedule V of the Companies Act, 2013, including the conditions under sub-section (3) of Section 196 of the Act, for her eligibility for re-appointment. She is not disqualified from being appointed as a Director under Section 164 of the Act.

Furthermore, Mrs. Syntia Moses Darry is not debarred from

# NOTICE

holding the office of Director by virtue of any order passed by SEBI or any other regulatory authority, in accordance with the circulars dated June 20, 2018, issued by BSE Limited and the National Stock Exchange of India Limited regarding enforcement of SEBI Orders related to the appointment of Directors by listed companies and she holds 6,21,400 shares in the Company on a beneficial basis.

A statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, in respect of the proposed appointment is provided herein. A brief profile of Mrs. Syntia Moses Darry is also provided in **Annexure - A** to this Notice.

The Board recommends the Special Resolution as set out in Item No. 5 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item No. 5 of this Notice except Mrs. Syntia Moses Darry (DIN:03459055), Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098) who is spouse of Mrs.Syntia and Mr. Binu Joshua Sammanohar (DIN:03459073) as her brother-in-law.

#### Item No. 06:

The present term of appointment of Mr. Binu Joshua Sammanohar (DIN:03459073) as the Whole Time Director of the Company was expired on 07<sup>th</sup> August, 2025. The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee (NRC), has approved the re-appointment of Mr. Binu Joshua Sammanohar as the Whole Time Director and CFO of the Company for a further period of three years, from August 8, 2025 to August 7, 2028 (both dates inclusive), subject to the approval of the Members.

While considering the proposal for re-appointment of Mr. Binu Joshua Sammanohar for a further term, the NRC and the Board noted that Mr. Binu has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. He possesses rich knowledge and experience in various areas of the Company’s operations The proposed remuneration is commensurate with the responsibilities handled and at par or lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

Mr. Binu Joshua Sammanohar, satisfies all the conditions set out in Part-I of Schedule V of the Act including

conditions specified under sub-section (3) of Section 196 of the Act for being eligible for his re appointment and that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Binu Joshua Sammanohar, is also not debarred from holding the office of Director by virtue of any Order or any other such authority pursuant to circulars dated 20/06/2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Director by listed companies. He is the founder and promoter of the company and holds presently 61,54,200 shares in the company.

A statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, in respect of the proposed appointment is provided herein. A brief profile of Mr. Binu Joshua Sammanohar (DIN:03459073) also provided in **Annexure - A** to this Notice.

The Board recommends the Special Resolution as set out in Item No. 6 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item No. 6 of this Notice except Mr. Binu Joshua Sammanohar (DIN: 03459073), Mr. Bejoy Arputharaj Sam Manohar (DIN:03459098) who is related to the Appointee as Brother and Mrs. Syntia Moses Darry related as Sister-in-law.

#### Item No. 07.

The present term of appointment of Mr. Sivasankaran Ravindran (DIN: 08009653) as the Whole Time Director of the Company was expired on 07<sup>th</sup> August, 2025. The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee (NRC), has approved the re-appointment of Mr. Binu Joshua Sammanohar as the Whole Time Director of the Company for a further period of three years, from August 8, 2025 to August 7, 2028 (both dates inclusive), subject to the approval of the Members.

While considering the proposal for re-appointment of Mr. Sivasankaran Ravindran for a further term, the NRC and the Board noted that Mr. Sivasankaran Ravindran has provided dedicated and meritorious services and significant contribution to the overall growth of the Company. He possesses significant technical expertise, deep industry knowledge, and rich operational experience, which continue to contribute meaningfully to the Company’s performance and growth. The proposed



## NOTICE

remuneration is commensurate with the responsibilities handled and at par or lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

Mr. Sivasankaran Ravindran satisfies all the conditions prescribed in Part I of Schedule V of the Companies Act, 2013, including those specified under sub-section (3) of Section 196 of the Act, for being eligible for re-appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act, and is not debarred from holding the office of Director pursuant to any order of any regulatory authority or under the provisions of the circulars dated June 20, 2018, issued by BSE Limited and the National Stock Exchange of India Limited regarding enforcement of SEBI orders on the

appointment of directors in listed companies.

A statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, in respect of the proposed appointment is provided herein. A brief profile of Mr. Sivasankaran Ravindran also provided in **Annexure – A** to this Notice.

The Board recommends the Special Resolution as set out in Item No. 7 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item No. 7 of this Notice.

By Order of the Board of Directors  
**For Phantom Digital Effects Limited**

**Sd/-**  
**Bejoy Arputharaj Sam Manohar**  
**Chairman & Managing Director**  
**DIN: 03459098**

**Place: Chennai**  
**Date: 03.09.2025**

## NOTICE

### **Annexure- A**

#### **DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT**

[Pursuant To Regulation 36(3) of Sebi (Listing and Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India]

#### **Appointment/Reappointment**

1. For Appointment of a director in place Mr. Binu Joshua Sammanohar (DIN.03459073), who retires by rotation and being eligible, offers himself for re appointment

Name of the Director	Mr. Binu Joshua Sammanohar
DIN	03459073
Date of Birth	07.07.1986
Date of first appointment on the Board	08.08.2022
Qualification	He is the Whole Time Director of our Company. He holds a Bachelor degree in commerce from Manonmaniam Sundaranar University.
Nature of expertise in specific functional areas	He has an experience of more than 12 years working in Sales, Marketing and Operations. He is responsible for Company's day to day operations, creating strategies for sustained growth, envisioning Company policies and finance.
Disclosure of relationships between directors inter-se	Brother of Bejoy Arputharaj Sam Manohar. Brother in law of Syntia Moses Darry.
Names of listed entities in which the person also holds the directorship	Nil
The membership of Committees of the board	Risk Management Committee
listed entities from which the person has resigned in the past three years	Nil
Shareholding of directors in the Company as on 31.03.2025	4,43,100 shares
Number of meetings of the Board attended during the year	He has attended 7 (Seven) Board meetings held during FY 2024-25.
Directorship of other Companies as on 31 <sup>st</sup> March, 2025	JOJ Service Private Limited Phantomfx Studios Private Limited
Chairmanship/Membership of Other committees of Companies as on 31 <sup>st</sup> March 2025	Nil
Memberships/ Chairmanships of committees of other Companies as on 31 <sup>st</sup> March 2025	Nil



NOTICE

The information required under Part I and Section II, Part II of Schedule V of the Companies Act, 2013 forming part of explanatory statement of resolutions proposed under Item No. 04 to 07

I. General Information				
1. Nature of industry	Media & Entertainment			
2. Date of commencement of commercial production	The Company was incorporated on 02/02/2016. It is engaged in creative studio, specializing in Film and Commercial VFX.			
3. Financial performance based on given indicators	Financial Year	2024-25	2023-24	2022-23
	Revenue from Operations	10,215.79	8,933.05	5,789.42
	Profit before Tax	2,802.98	3,267.50	2,177.60
	Profit after Tax	2,020.21	2,411.23	1,619.60
4. Foreign investments or collaborators, if any	The Company does not have any foreign investment in its Equity and Debt instruments and also the Company has not made any foreign investments and neither entered into any collaborations during the last year			

II. Information about the appointees					
1. Name and Designation of the Director	Bejoy Arputharaj Sam Manohar Chairman and Managing Director	Binu Sammanohar Whole Time Director & CFO	Joshua Syntia Moses Darry Whole-Time Director	Sivasankaran Ravindran Whole Time Director	
2. Background details	He holds Bachelor Degree in Computer Science. He is the founder and Promotor of the Company	He holds a Master Degree in Marketing - M.B.A (Marketing). He belongs to the Promotor group of the Company	She holds Master of Philosophy in Commerce. She belongs to the Promotor group of the Company	He holds degree of B.E (I.T) from Manonmaniam Sundaranar University.	
3. Past remuneration for 3 years	FY 2023: Rs117.00 FY 2024: Rs 144.00 FY 2025: ₹ 100.80	FY 2023: Rs 72.00 FY 2024: ₹ 96.00 FY 2025: ₹ 67.20	FY 2023: ₹ 52.50 FY 2024: ₹ 60.00 FY 2025: ₹ 42.00	FY 2023: Rs49.89 FY 2024: ₹ 60.00 FY 2025: Rs 42.00	
4. Recognition or awards	The Times Business Award for Excellence in VFX and Animation The Outlook Business Spotlight – Business Icon Award (Company of the Year) Outstanding Young Person of the Year in India by Junior Chamber International	2024 AVGC 40 Under 40 Awards	Nil	Nil	

NOTICE

II. Information about the appointees					
5. Job profile and suitability	He has vast knowledge and experience in the field VFX Supervisor, for around 21 years. Presently, he supervises the operational management of the Company. He has played a key role in growth and development of the Company	He has vast knowledge and experience in the field Business & Marketing Operations for over 12 years. Considering his experience and expertise	She has vast knowledge and experience in the field finance and administration. Presently, she supervises the operational management of the Company. She has played a key role in growth and development of the Company.	He has an experience of over 20 years of Industry experience. He started as a compositor and has multiple domestic and global TV shows and blockbusters to his credit. Prior to joining our Company, he worked at several major studios, overseeing and staffing mega Indian projects like Dashavatharam and Ayirathil Oruvan. He heads VFX of our Company. Taking into consideration his qualifications and expertise in relevant fields, Mr.S.Ravindran is best suited for the responsibilities currently assigned to him by the Board of Directors of the Company	
6. Remuneration proposed	Covered in resolution as set out under Item No. 4 of the Notice	Covered in resolution as set out under Item No. 6 of the Notice.	Covered in resolution as set out under Item No. 5 of the Notice	Covered in resolution as set out under Item No. 7 of the Notice	
7. Comparative remuneration with respect to industry, size of company, profile of the position and person	Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry.	Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry.	Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry.	Taking into consideration the size of the Company, the profile of the appointee, his responsibilities, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies in the industry..	



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II. Information about the appointees				
8.	Pecuniary Relationship with the Company and Other Managerial Person in the Company	Besides the remuneration proposed, he also holds 61,54,200 equity shares of the Company. He does not have any other pecuniary relationship with the company or other managerial personnel in the company.	Besides the remuneration proposed, he also holds 4,43,100 equity shares of the Company. He does not have any other pecuniary relationship with the company or other managerial personnel in the company.	Besides the remuneration proposed, she also holds 8,36,400 equity shares of the Company. She does not have any other pecuniary relationship with the company or other managerial personnel in the company.
III. Other information				
1.	Reasons of loss or inadequate profits	At present the Company has adequate profit for paying the proposed remuneration to the managerial personnel. However, considering that term of appointment span over period of more than one year, approval of the shareholders is sought to pay the remuneration as proposed under Section II of Part II of Schedule V of the Act in the event of loss or inadequacy of profit		
2.	Steps taken or proposed to be taken for improvement	The Company is in the growth phase and several of the businesses are in early stages of maturity. The company continues to invest in technology, infrastructure and team. As the businesses scale and drive operating leverage, and as the integrated offerings facilitate cost sharing, the Company is expected to achieve profitability		
3.	Expected increase in productivity and profits in measurable term₹	In the current economic environment, management has made choices to focus on its strategy to grow transactional and services business along with the emerging segments for better mix		

## NOTICE

### Annexure- A

#### DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

[Pursuant To Regulation 36(3) of Sebi (Listing and Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India]

#### Re-appointment of Mr. Bejoy Arputharaj Sam Manohar (DIN.03459098) as Chairman & Managing Director.

S. No.	Particulars	Details
1.	Name	Mr. Bejoy Arputharaj Sam Manohar
2.	Director Identification Number (DIN)	03459098
3	Date of Birth/Age	March 28, 1983, age 42 years
4	Date of first appointment in the Board	February 2, 2016
5	Experience (including expertise in specific functional area) / Brief Resume	Mr. Bejoy Arputharaj Sam Manohar is founder and Promoter of the Company. He has been serving as the Managing Director of the company since its inception. He has made significant contribution in growing the company and successfully listing the equity shares in NSE EMERGE during October 2022. He has expert knowledge and extensive experience in the VFX Domain with a strong emphasis on strategy, growth, and execution. He is responsible for the managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company. He hold a bachelor degree in Computer Science
6	Remuneration last drawn (including sitting fees, if any) (FY2024-25)	100.80 Lakhs
7	Remuneration proposed to be paid	In the range of ₹ 8,00,000/- to ₹ 12,00,000/- per month
8	Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2025	61,54,200 shares
9	Relationship with other Directors / Key Managerial Personnel	Mr. Bejoy is the spouse of Mrs. Syntia Moses Darry and brother of Mr. Binu Joshua Sammanohar.
10	Number of meetings of the Board attended	Eight (8)
11	Directorships of other Boards as on March 31, 2025	Phantomfx Studios Private Limited
12	Membership / Chairmanship of Committees of other Boards as on March 31, 2025	Nil
13	Listed entities from which the Director has resigned in the past three years	Nil



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Re-appointment of Mrs. Syntia Moses Darry (DIN:03459055) as Whole-time Director

S. No.	Particulars	Details
1.	Name	Mrs. Syntia Moses Darry
2.	Director Identification Number (DIN)	03459055
3	Date of Birth/Age	June 14, 1984, age 41 years
4	Date of first appointment in the Board	August 8, 2022
5	Experience (including expertise in specific functional area) / Brief Resume	She is the Whole Time Director of our Company. She holds a Master degree in Commerce and Computer Application. She has over 13 years of experience in industry. She is responsible for budgets, cost effectiveness and Company's finance.
6	Remuneration last drawn (including sitting fees, if any) (FY2024-25)	42 Lakhs
7	Remuneration proposed to be paid	In the range of Rs.3,00,000/- to Rs.6,00,000/- per month
8	Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2025	8,36,400 Shares
9	Relationship with other Directors / Key Managerial Personnel	Spouse of Bejoy Arputharaj Sam Manohar Sister in law of Binu Joshua Sammanohar
10	Number of meetings of the Board attended	Seven (7)
11	Directorships of other Boards as on March 31, 2025	Spectre Post Private Limited
12	Membership / Chairmanship of Committees of other Boards as on March 31, 2025	Nil
13	Listed entities from which the Director has resigned in the past three years	Nil

Re-appointment of Mr. Sivasankaran Ravindran (DIN: 08009653) as Whole-time Director

S. No.	Particulars	Details
1.	Name	Mr. Sivasankaran Ravindran
2.	Director Identification Number (DIN)	08009653
3	Date of Birth/Age	November 13, 1982, age 40 years
4	Date of first appointment in the Board	August 8, 2022
5	Experience (including expertise in specific functional area) / Brief Resume	He is a Whole Time Director of our Company. He holds degree of B.E (I.T) from Manonmaniam Sundaranar University. He has an experience of over 19 years of Industry experience. He started as a compositor and has multiple domestic and global TV shows and blockbusters to his credit. Prior to joining our Company, he worked at several major studios, overseeing and staffing mega Indian projects like Dashavatharam and Ayirathil Oruvan. He heads VFX of our Company.

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S. No.	Particulars	Details
6	Remuneration last drawn (including sitting fees, if any) (FY2024-25)	42 Lakhs
7	Remuneration proposed to be paid	In the range of ₹ 3,00,000/- to ₹ 8,00,000/- per month
8	Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2025	36,000 Shares
9	Relationship with other Directors / Key Managerial Personnel	Nil
10	Number of meetings of the Board attended	Eight (8)
11	Directorships of other Boards as on March 31, 2025	Nil
12	Membership / Chairmanship of Committees of other Boards as on March 31, 2025	Nil
13	Listed entities from which the Director has resigned in the past three years	Nil

By Order of the Board of Directors  
For Phantom Digital Effects Limited

Sd/-  
Bejoy Arputharaj Sam Manohar  
Managing Director & Chairman  
DIN: 03459098

Place: Chennai  
Date: 03.09.2025



# BOARDS' REPORT

Dear Members,

The Board of Directors have the pleasure in presenting the 09<sup>th</sup> Annual Report of the Company along with audited financial statements for the financial year ended March 31, 2025.

## 1. FINANCIAL RESULTS

Your Company's Standalone and Consolidated Financial Performance during the Financial Year 2024-25 as compared to that of the previous Financial Year 2023-24 is summarized below:

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Revenue from operations	9,852.43	8,933.05	10,215.79	8,933.05
Other Income	221.15	110.38	221.23	110.38
<b>Total Income</b>	<b>10,073.58</b>	<b>9,043.43</b>	<b>10,437.01</b>	<b>9,043.43</b>
<b>Total Expenses</b>	<b>7,269.09</b>	<b>5,775.93</b>	<b>7,634.03</b>	<b>5,775.93</b>
Profit Before Taxation & Exceptional Items	2,804.49	3,267.50	2,802.98	3,267.50
Less: Exceptional Expense	-	-	-	-
<b>Profit Before Taxation (PBT)</b>	<b>2,804.49</b>	<b>3,267.50</b>	<b>2,802.98</b>	<b>3,267.50</b>
Less: Tax Expense	782.77	856.27	782.77	856.27
<b>Profit After Taxation (PAT)</b>	<b>2,021.72</b>	<b>2,411.23</b>	<b>2,020.21</b>	<b>2,411.23</b>
<b>Earnings per share (Basic &amp; Diluted) (in ₹)</b>	<b>14.89</b>	<b>19.80</b>	<b>14.88</b>	<b>19.80</b>

## 2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, the Company recorded revenue of ₹ 9,852.43 lakhs from its operation as against ₹ 8,933.05 lakhs in the previous financial year 2023-24. Other Income during the current financial year 2024-25 was ₹ 221.15 lakhs as against ₹ 110.38 lakhs in the previous financial year 2023-24. The Consolidated revenue from the year is ₹ 10,215.79 lakhs. The Company recorded Profit before Tax of ₹ 2,804.49 lakhs for the financial year 2024-25 as against ₹ 3,267.50 lakhs for the previous financial year 2023-24. The net profit for the financial year 2024-25 stood at ₹ 2,021.72 lakhs as against ₹ 2,411.23 lakhs in the previous financial year. The Consolidated net profit for the year is ₹ 2,020.21 lakhs.

## 3. BUSINESS OVERVIEW

As a creative visual effects company, we create computer-generated images which can be seamlessly integrated into live-action in feature films, TV shows, web series, online and offline games, etc. Our diverse services in the visual effects space start from R&D and feasibility tests before the project's initiation to services like rigging and texturing.

We are a certified Trusted Partner Network ("TPN") provide creative visual effects solutions for commercials, films, and web series. We offer pre-production services and post production services including final compositing and roto to creating 3D elements, photo real creatures and environments, 3d, match move, and animations. Our diverse service in the visual effect space start from R&D and feasibility tests before the project's commence to

# BOARDS' REPORT

rigging and texturing. We believe that visual Effects (VFX) industry stands as a crucial pillar of modern filmmaking, breathing life into fantastical worlds, epic battles, and breathtaking sequences. We have established a strong presence in the industry by forging direct partnerships with diverse production houses, as well as collaborating with prominent VFX companies and studios through sub-contracting arrangements. We support production houses by providing end to end services. We conduct our operations with focus on to provide reliable, cost-effective and high-quality VFX shots at competitive price. We have delivered shots for Domestic and International deature films (Hollywood). We have the flexibility to work on any kind of project, either small or large with scalability to generate long-term value for the Company.

A detailed overview of the business is provided in the Management Discussion & Analysis Report which forms part of this report.

## 4. DIVIDEND

Considering the capital requirement for expansion and growth of business operations and to augment working capital requirements, the Board of Directors do not recommend any dividend on the Equity shares for the financial year 2024-25.

## 7. AWARDS & RECOGNITIONS

Year	Award / Recognition	Project / Recipient	Event / Date
2024	40 Under 40 Award	Binu Joshua	AVGC 40 Under 40 Awards 2024
2024	Movers and Shakers / VFX Excellence Award	PhantomFX	MAAC 24FPS Awards 2024
2025	Best Created Environment (Digital OTT)	IC 814	VAM Awards – April 23, 2025
2025	Best VFX Shot	IC 814	VAM Awards – April 23, 2025
2025	Best VFX in All Content Formats (OTT/TV/Films)	PhantomFX	VAM Awards – April 23, 2025
2025	Best Effect Simulation (Feature Film)	Thandel	VAM Awards – April 23, 2025
2025	VFX Shot of the Year – TV/OTT/Animated Ads	IC 814	FICCI BAF Awards – circa April/ May 2025
2025	Collaboration Excellence	Thandel	Autodesk Imagine Awards – August 2025
2025	Best VFX Award	Ayalaan	Blacksheep Cine Awards – March 2025
2025	Best Animation & Visual Effects Award	Ayalaan	Vikatan Awards – March 2025

To bring transparency in the matter of the declaration of dividend, the company had adopted a Dividend Policy. The policy has been displayed on the Company's website at link <https://www.phantomfx.com/investor/policies.php>

## 5. TRANSFER TO RESERVES

Your directors do not propose to transfer any amount to the general reserves and the entire amount of profit for the year forms part of the 'Retained Earnings'.

## 6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report, which forms part of this report. There were no revisions to the financial statements and the Board's Report of the Company during the year under review



## BOARDS' REPORT

### 8. CHANGE IN THE NATURE BUSINESS

There has been no change in the nature of business of the Company in the Financial Year under review.

### 9. CHANGE IN CAPITAL STRUCTURE

During the year, the Authorised Share Capital of the Company has been increased from ₹ 20,00,00,000/- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crores and Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each. Consequential amendments were made in the Memorandum and Articles of Association of the Company.

The issued, subscribed and paid-up share capital of the Company stood at ₹ 13,57,92,000/- divided into 1,35,79,200 equity shares of ₹ 10/- each as on March 31, 2025. During the year there was no change in the issued, subscribed and paid-up capital of the Company.

### 10. ISSUE OF SHARES, INCLUDING DISCLOSURE ABOUT ESOP AND SWEAT EQUITY SHARE:

- BUY BACK OF SECURITIES:** - The Company has not bought back any of its securities during the year under review.
- SWEAT EQUITY:** - The Company has not issued any Sweat Equity Shares during the year under review.
- BONUS SHARES:** - No Bonus Shares were issued during the year under review.
- EMPLOYEES STOCK OPTION PLAN:** - The Company has not provided any Stock Option Scheme to the employees.
- ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS AS TO DIVIDEND, VOTING OR OTHERWISE:** - The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- ISSUE OF SHARES (INCLUDING SWEAT EQUITY SHARES) TO EMPLOYEES OF THE COMPANY UNDER ANY SCHEME:** - The Company has not issued any shares (including sweat equity shares) to employees of the Company under any scheme.

### g. WARRANTS &/ QUALIFIED INSTITUTIONAL PLACEMENT: -

During the year, pursuant to the approval of the Board on 03<sup>rd</sup> March, 2025 and the Members at their Extra Ordinary General Meeting held on 26<sup>th</sup> March, 2025, the Company has accorded approval to the following:-

- issue of convertible warrants of up to 24,27,000 (Twenty Four Lakhs Twenty Seven Thousand only) Fully Convertible Warrants ("Warrants") at an issue price of ₹ 247/- (Rupees Two Hundred and Forty-Seven Only) per warrant, to be convertible at an option of Warrant holder(s) in one or more tranches, within 18 (Eighteen) months from its allotment date into an equivalent number of fully paid-up equity shares of the face value of ₹ 10 each/-, for cash, for an aggregate amount of up to ₹ 59,94,69,000/- (Rupees Fifty-Nine Crores Ninety-Four Lakhs Sixty-Nine Thousand Only) on preferential basis to the persons belonging to the 'Promoter & Promoter Group' and 'Non-Promoter Group' category.
- issue of equity shares and/or equity linked securities by way of Qualified Institutions Placement ("QIP") for an aggregate amount not exceeding ₹ 80,00,00,000/- (Rupees Eighty Crore only) by way of qualified institutions placement to any eligible person(s) including qualified institutional buyers in terms of Chapter VI of the SEBI ICDR Regulations.

During the year the company has not carried out any allotment of shares/warrants pursuant to the above approvals.

### 11. UTILIZATION OF FUNDS RAISED THROUGH PUBLIC ISSUE

The funds raised through the Initial Public Offer (IPO) during October 2022 as well as through the Qualified Institutional Placement (QIP) during December 2023 are being utilized, for the purpose for which it was raised by the Company in accordance with the terms of the issue. As on date of this report there was no deviation(s) or variation(s) in the utilization of issue proceeds from the objects as stated in the prospectus/placement memorandum.

## BOARDS' REPORT

### 12. PUBLIC DEPOSITS

The Company has not accepted any deposits from public falling within the ambit of Section 73 and Section 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, no disclosure is required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

### 13. BORROWINGS

As on 31<sup>st</sup> March 2025, an amount of ₹ 4,193.84 lakhs are outstanding towards borrowings, which comprises of both long term and short term, secured and unsecured loans.

### 14. SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India ('ICSI') and approved by the Central Government under Section 118 (10) of the Act for the Financial Year ended 2024-25.

### 15. DIRECTORS' RESPONSIBILITY STATEMENT

**In terms of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:**

- in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act 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 judgements 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, 2025 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 16. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE ACT

The Company has made an investment of ₹ 5.32 Lakhs towards its contribution to share capital of its subsidiary viz., Phantomfx Studios Limited, UK and an investment of ₹ 99.99 Lakhs towards its contribution to share capital of its wholly owned subsidiary viz., Spectre Post Private Limited, aggregating to ₹ 105.31 Lakhs. The Company has given loans and advances to the related parties to an extent of ₹ 58.62 Lakhs. Apart from the above, Company has not given any Loans, Guarantees or provided any Securities in connection with any loan during the Financial Year coming under the purview of Section 186 of the Act.

### 17. CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF THE ACT

With reference to Section 134(3)(h) of the Act, all contracts, and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were approved by the Audit Committee and wherever required, also by the Board of Directors. No contract or arrangement required approval of shareholders by a resolution. Further, during the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' (i.e. transactions entered into individually or taken together with previous transactions during the financial year, exceeding rupees one thousand crore or ten percent of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower) according to the policy of the Company on materiality of Related Party Transactions.



## BOARDS' REPORT

The Company has not entered into any contract / arrangement / transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, hence the disclosure under Form AOC-2 is not applicable to the Company. The details in respect of other related party transactions are provided under Note No.26 of the financial statements.

### 18. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company is available on the Company's website and can be accessed at <https://phantomfx.com/>

### 19. BOARD OF DIRECTORS

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with One

Woman Director and three (3) Independent Directors (IDs). The Chairperson of the Board is an Executive Director from Promoter Category. The profiles of Directors can be accessed on the Company's website at <https://phantomfx.com/>

The composition of the Board is in conformity with the Act and consists of a combination of Executive and Non-Executive Directors and not less than 1/3<sup>rd</sup> of the Board comprising of Independent Directors as required under the Act.

### 20. NUMBER OF BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

During the Financial Year 2024-25, the Company held 8 (Eight) meetings of the Board of Directors as per Section 173 of Companies Act, 2013. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

The composition of the board and the details of meetings attended by its members are given below:

S No.	DIRECTOR	DESIGNATION	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mr. Bejoy Arputharaj S	Chairman & Managing Director	8	8
2	Mrs. Syntia Moses Darry	Whole Time Director	8	7
3	Mr. Binu Joshua S	Whole Time Director & CFO	8	7
4	Mr. S Ravindran	Whole Time Director	8	8
5	Mr. P V Jeemon*	Non-Executive Director	1	1
6	Mr. Manjit Singh Parmar	Independent Director	8	7
7	Mr. Tom Antony	Independent Director	8	8
8	Mr. Suryaraj Kumar	Independent Director	8	8

\*Mr. P V Jeemon has resigned from the Board with effect from 29/05/2024.

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to the Board to ensure transparent decision making by the Board.

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for attending meetings and commission as specified

above. During FY 2024-25, the Company did not advance any loan to any of its directors. Further, no loans and advances in the nature of loans to firms/ companies in which directors are interested was given by the Company and its subsidiaries.

The Non-Executive Directors including Independent Directors are entitled for sitting fees for attending meetings of the board/ committees thereof. The Company pays sitting fees of ₹ 20,000/- per meeting to its Non-Executive Directors for attending the meetings of Board and Committees.

## BOARDS' REPORT

Remuneration to the executive directors consists of a salary and other benefits. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

### 21. DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THE CHANGES THEREOF

During the Financial Year 2024-25 there are no changes in the composition of the Board except as stated below.

The following are the changes in the Board of Directors/KMPs of the Company during the year under review:

Name	DIN/PAN	Particulars	Effective Date/period of Appointment & Resignation
Mr. Tamiz Selvan Dakshinamoorthy	ATGPD7437F	Appointed as Chief Financial officer	26.04.2024
Mr. Jeemon P V	00876858	Resigned from Directorship	29.05.2024
Mr. Tamiz Selvan Dakshinamoorthy	ATGPD7437F	Resigned as Chief Financial officer	29.05.2024
Mr. Binu Jousha Sammanohar	ASQPB8188G	Appointed as Chief Financial officer	29.05.2024
Ms. Pallavi Tongia	ACS 66438	Resigned as Company Secretary and Compliance officer	18.08.2024
Ms. Poornima Raghu	ACS 66317	Appointed as Company Secretary and Compliance officer	19.08.2024

(\*) The Changes Occurred between the end of the Financial Year to which this Financial Statements relate and the date of this Report.

Name	DIN/PAN	Particulars	Effective Date/period of Appointment & Resignation
Ms. Poornima Raghu*	ACS 66317	Resigned as Company Secretary and Compliance officer	15.07.2025

### 22. AUDITORS AND AUDITORS' REPORT

#### A. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and in accordance with the resolution passed by the members at the AGM held on August 25, 2022, M/s. L. U. KRISHNAN & Co., Chartered Accountants, Chennai (bearing FRN:001527S), were re-appointed as the Statutory Auditors of the Company to hold office for a period of five years i.e., till the conclusion of 11<sup>th</sup> Annual General

Meeting (for the financial year 31.03.2027) on remuneration as may be agreed between the Board and the Auditors.

M/s. L. U. Krishnan & Co, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2024-25, which forms part of the Annual Report 2024-25. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation/ comment from the Board of Directors.



BOARDS' REPORT

B. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148 of the Companies Act, 2013 are not applicable to the Company for the year under review.

C. SECRETARIAL AUDITOR AND THEIR REPORT

M/s. SKD & Associates, Company Secretaries (FRN: S2023TN958600), were appointed as Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit Report submitted by them for the said financial year in the prescribed form MR-3 pursuant to the provisions of Section 204 of the Act is annexed as 'Annexure IV' to this report.

The Secretarial Auditors' Report for the financial year 2024-25 does not contain any qualification, reservation or adverse remark except that certain forms/returns under the Act had been filed belatedly. However, the company has filed all applicable forms and returns wherever applicable and as of the date of this report.

D. INTERNAL AUDITOR:

In terms of the provision of section 138 of the Companies Act, 2013 with rule 13 of the Companies (Accounts) Rules, 2014, the Board of Directors of the Company at their Meeting held on 29<sup>th</sup> May, 2024 appointed M/s. K E K and Associates LLP, Chartered Accountant, as Internal Auditors of the Company to conduct internal audit functions and activities of the Company for the year 2024-25.

23. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has put in place an effective internal control system to synchronize its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. The Company ensures that a standard and effective internal control framework operates throughout the organization, providing assurance about the safekeeping of the assets and the execution of transactions as per the authorization in compliance with the internal control policies of the Company.

The internal control system is supplemented by extensive internal audits, regular reviews by the

management and guidelines that ensure the reliability of financial and all other records. The management periodically reviews the framework, efficacy, and operating effectiveness of the Internal Financial Controls of the Company.

The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respects, adequate internal financial control over financial reporting, and such controls are operating effectively. Internal Audits are carried out to review the adequacy of the internal control systems and compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score, and other factors such as probability, impact, significance, and strength of the control environment. Its adequacy was assessed, and the operating effectiveness was also tested.

24. COMPLIANCE TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013 READ WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) RULES, 2013.

The Company has zero tolerance for sexual harassment at workplace and has a mechanism in place for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. All employees (permanent, contractual, temporary, trainees) are covered.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace. During the year under review, Company has not received any complaints on sexual harassment and hence there are no complaints pending as on the end of the Financial Year 2024-25 on sexual harassment

BOARDS' REPORT

25. DISCLOSURE WITH RESPECT TO THE COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, including the grant of maternity leave, work-from-home options where applicable, and provision of creche facilities as required. The Company remains committed to ensuring a safe and supportive work environment for its women employees.

26. MANAGEMENT REPLIES TO COMMENTS/OBSERVATIONS IN THE AUDITORS REPORT

S. No.	Auditor Comments	Management Reply
1	Annexure B to the Independent Auditors Report	Management acknowledges the material weakness related to the absence of an appropriate internal control system for customer and vendor acceptance, credit evaluation, and the establishment of customer credit limits for sales and vendor selection for purchases.
	Qualified Opinion	
	According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2025:	We recognize the potential risk this poses in terms of revenue recognition and capital expenditure management. To address this, management has already initiated the following corrective actions:
	The Company did not have an appropriate internal control system for customer or vendor acceptance, credit evaluation and establishing customer credit limits for sales or vendor selection for purchases, which could potentially result in the Company recognizing revenue or capital expenditure without establishing reasonable certainty of ultimate collection or timely completion of Capital projects.	Development and implementation of a formal customer and vendor onboarding policy, which includes rigorous acceptance criteria and documentation requirements.
		Establishment of a structured credit evaluation process to assess customer creditworthiness and determine appropriate credit limits prior to order approval.
		Integration of credit limit checks into the sales order processing system to prevent sales exceeding approved limits.
		Formalization of vendor selection and approval procedures, ensuring procurement decisions are aligned with company policies and project timelines.
		Training and awareness programs for relevant staff to reinforce compliance with these new controls.
		Management is committed to strengthening the internal control environment to ensure accurate revenue recognition and timely completion of capital projects. We will monitor the effectiveness of these controls on an ongoing basis and report progress to the Audit Committee regularly.

## BOARDS' REPORT

### 27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

### 28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

### 29. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Act, including rules made there under.

### 30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with Section 135 of the Companies Act, 2013 read with the Rules made thereunder, the Company has formed Corporate Social Responsibility ("CSR") Committee. The Company has framed a Corporate Social Responsibility (CSR) Policy as required under Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, to oversee the CSR activities initiated by the Company. The CSR Committee has adopted a CSR Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. The details of the CSR initiatives undertaken by the Company during the FY 2024-25 in the prescribed format are annexed as "Annexure-V".

The Company has not spent the CSR obligation of ₹ 40.68 Lakhs for the financial year 2024-25. As the amount is not earmarked for any ongoing project, the Company shall transfer the unspent amount to a fund specified in Schedule VII of the Companies Act, 2013, on or before 30<sup>th</sup> September 2025, in accordance with the provisions of Section 135(5) of the Companies Act, 2013.

### 31. RISK MANAGEMENT

Pursuant to provisions of Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) & 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors of the Company has formed a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Committee considers the risks that impact the mid-term to the long-term objectives of the business, including those reputational in nature. The Company has an elaborate risk charter and risk policy defining the risk management governance model, risk assessment, and prioritization process. The Risk Management Committee reviews and monitors the key risks and their mitigation measures periodically and provides an update to the Board on the Company's risks outlined in the risk registers.

During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed. The policy can be accessed at <https://www.phantomfx.com/investor/policies.php>

### 32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in Annexure-II to this Report.

### 33. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board, based on the recommendation of the Nomination and Remuneration Committee, has framed a policy for the selection and appointment of Directors and Senior Management Personnel and their remuneration. The Company's policy relating to the Directors appointment, payment of remuneration and discharge of their duties is available on the website of the Company at <https://www.phantomfx.com/investor/policies.php>

## BOARDS' REPORT

### 34. PARTICULARS OF EMPLOYEES

Employee relations continued to be cordial during the year under review. The Company continued its trust on Human Resources Development.

Disclosures required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, inter-alia, the ratio of remuneration of Directors to median remuneration of employees, percentage increase in the median remuneration, are annexed to this Report as **Annexure-VI**. The details of employee who have received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure – VI**.

A statement containing the particulars of the top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act, read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is an annexure forming part of this Report. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. The said statement is kept open for inspection during working hours at the Registered Office of the Company. Any member who is interested in obtaining these, may write to the Company Secretary at the Registered Office of the Company.

### 35. PARTICULARS OF HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE

Your Company does not have any Holding, Joint venture or Associate Company as on March 31, 2025. The Company presently has presence in three cities in India viz., Chennai, Mumbai and Hyderabad. The Company has been operating three state of the art studios in these cities and also has its marketing team in USA and Canada. Further, as part of the expansion of the business of the Company, the Company has incorporated three wholly owned subsidiaries, the details of which are given below:

- (i) Spectre Post Private Limited on July 14, 2024
- (ii) Phantomfx Studios Limited in the United Kingdom on June 23, 2023, and

- (iii) Hangzhou Huantong Digital Technology Co., Ltd. in China on March 12, 2025.

Hangzhou Huantong Digital Technology Co., Ltd. is yet to commence its operations.

The Company has entered into a Share Purchase Agreement with Philip A. Tippet, Julie R. Tippet and Tippet Studio Inc. for acquisition of 80% of the common stock of M/s. Tippet Studio Inc., a California corporation, having its principal place of business located at 914, Grayson Street, Berkeley, California 94710, United States of America. The acquisition of Tippet Studio Inc. has been successfully completed, following the remittance of the ODI (Overseas Direct Investment) payment and full compliance with applicable FEMA (Foreign Exchange Management Act) regulations and with Effective 1<sup>st</sup> July 2025, Tippet Studio Inc. becomes a subsidiary of our Company, pursuant to our acquisition of 80% of its common stock. Tippet Studio Inc. is engaged inter alia in the business of creating visual effects and computer animation specializing in computer graphics for films and television commercials.

During the Financial Year under review, there are no companies which have ceased to be Subsidiary, Joint Venture/ Associate Companies. Form AOC-1 as required under Section 129 (3) of the Companies Act 2013 is attached as **Annexure III**.

### 36. RECEIPT OF REMUNERATION OR COMMISSION BY THE MANAGING / WHOLE TIME DIRECTOR FROM ITS HOLDING OR SUBSIDIARY COMPANY

There was no remuneration or commission received by the Managing Director / Whole-time Directors from its subsidiary company during the year under review.

### 37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Business Responsibility and Sustainability Report pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company for the financial year ended on 31<sup>st</sup> March, 2025.

### 38. CORPORATE GOVERNANCE

The Equity Shares of the Company are listed on the SME platform (NSE-emerge) of NSE Limited. Pursuant to Regulation 15(2) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the



## BOARDS' REPORT

compliance with the Corporate Governance provision as specified in Regulation 17 to 27 and clause (b) to (i) of sub regulations (2) of regulation 46 and par as C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 shall not apply. The Company voluntarily adopted various practices of governance conforming to highest ethical and responsible standards of business and is committed to focus on long term value creation for its shareholders. The Corporate Governance practices followed by the Company is included as part of this Report.

### 39. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. As on March 31, 2025 the following Committees constituted by the Board function according to their respective roles and defined scope:

- A) Audit Committee;
- B) Nomination and Remuneration Committee;

The composition of the Committee as on March 31, 2025 and the details of meetings attended by its members during the financial year 2024-25 are given below:

S. No.	DIRECTOR	DESIGNATION	No. OF MEETING ENTITLED	No. OF MEETING ATTENDED
1	Mr. Manjit Singh Parmar	Chairman	07	07
2	Mr. Tom Antony	Member	07	07
3	Mr. Suryaraj Kumar	Member	07	07

All recommendations of Audit Committee during the year under review were accepted by the Board of Directors. The Company Secretary act as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 177 of the Companies Act, 2013 & Listing Regulations and is available on the website of the Company at <https://phantomfx.com>

#### B. NOMINATION AND REMUNERATION COMMITTEE

During the Financial Year 2024-25, the Company held 04 (Four) Nomination and Remuneration Committee meetings, viz., 04<sup>th</sup> April, 2024, 29<sup>th</sup> May, 2024, 12<sup>th</sup> August, 2024 and 13<sup>th</sup> November, 2024.

The composition of the Committee and the details of meetings attended by its members are given below:

S No.	DIRECTOR	DESIGNATION	No. OF MEETING ENTITLED	No. OF MEETING ATTENDED
1	Mr. Tom Antony	Chairman	04	04
2	Mr. Manjit Singh Parmar	Member	04	04
3	Mr. Suryaraj Kumar	Member	04	04

- C) Stakeholders Relationship Committee;
- D) Corporate Social Responsibility Committee;
- E) Risk Management Committee;

The composition of various Committees of the Board of Directors is made available on the website of the Company. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various committees. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance are provided below. Further, during the year under review, the Board has accepted all recommendations made by various committees.

#### A. AUDIT COMMITTEE

During the Financial Year 2024-25, the Company had 07 (Seven) Audit Committee meetings, viz 04<sup>th</sup> April, 2024, 29<sup>th</sup> May, 2024, 12<sup>th</sup> August, 2024, 13<sup>th</sup> November, 2024, 30<sup>th</sup> January, 2025, 03<sup>rd</sup> March, 2025 and 27<sup>th</sup> March, 2025.

## BOARDS' REPORT

The Company Secretary act as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://phantomfx.com>

#### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the Financial Year 2024-25, the Company held 01 (One) Stakeholders' Relationship Committee meeting on March 24, 2025.

The composition of the Committee and the details of meetings attended by its members are given below:

S No.	DIRECTOR	DESIGNATION	No. OF MEETING ENTITLED	No. OF MEETING ATTENDED
1	Mr. Tom Antony	Chairman	01	01
2	Mr. Manjit Singh Parmar	Member	01	01
3	Mrs. Syntia Moses Darry	Member	01	01

The Company Secretary act as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://phantomfx.com>

#### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the Financial Year 2024-25, the Company held 02 (Two) Corporate Social Responsibility Committee meeting, viz 12<sup>th</sup> August, 2024 and 24<sup>th</sup> March, 2025.

The composition of the Committee and the details of meetings attended by its members are given below:

S No.	DIRECTOR	DESIGNATION	No. OF MEETING ENTITLED	No. OF MEETING ATTENDED
1	Mr. Tom Antony	Chairman	02	02
2	Mr. Manjit Singh Parmar	Member	02	02
3	Mrs. Syntia Moses Darry	Member	02	01

The Company Secretary act as the secretary of the Committee. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 135 of the Companies Act, 2013 and Listing Regulations and is available on the website of the Company at <https://phantomfx.com>

#### E. RISK MANAGEMENT COMMITTEE

During the Financial Year 2024-25, the Company held 01 (One) Risk Management Committee meetings, viz October 04, 2024.

## BOARDS' REPORT

The composition of the Committee and the details of a meeting attended by its members are given below:

S NO	DIRECTOR	DESIGNATION	NO. OF MEETING ENTITLED	NO. OF MEETING ATTENDED
1	Mr. Tom Antony	Chairman	01	01
2	Mr. Binu Joshua S	Member	01	00
3	Mr. S Ravindran	Member	01	01

The Company Secretary act as the secretary of the Committee. The terms of reference of the RMC include review and assessment of the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The Risk Management policy of the Company is available on the website of the Company at <https://www.phantomfx.com/investor/policies.php>

of the Company and can be accessed at <https://phantomfx.com>

#### 42. TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company <https://phantomfx.com>

#### 40. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have confirmed that they meet the criteria of independence laid down under Section 149(6) read with Schedule IV of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same and is of the opinion that they fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

#### 41. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company endeavors, through presentations at regular intervals to familiarize the Independent Directors with the strategy, operations and functioning of the Company.

The details of such familiarization programmes for Independent Directors are posted on the website

#### 43. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Independent Directors of the Company met separately on March 31, 2025 without the presence of Non-Independent Directors and members of Management. In accordance with the Listing Regulations, read with Section 149 (8) and Schedule-IV of the Act, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole;
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors;
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

All the Independent Directors were present at the meeting.

#### 44. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS INCLUDING INDEPENDENT DIRECTORS

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire

## BOARDS' REPORT

Board of the Company, its Committees and individual directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

#### 45. VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy in accordance with the provisions of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 7 of the Companies (Meeting of the Board and its Power) Rules 2014. The policy enables directors, employees and business associates to report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct, leak or suspected leak of unpublished price sensitive information without fear of reprisal for appropriate action. Under the vigil mechanism, all directors, employees, business associates have direct access to the Chairman of the Audit committee. The whistle blower policy can be accessed at <https://www.phantomfx.com/investor/policies.php>

#### 46. CODE FOR PREVENTION OF INSIDER-TRADING

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place the following:-

- Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).
- Policy for determination of "legitimate purposes" forms part of this Code.
- Policy and procedures for inquiry in case of leak of UPSI/ suspected leak of UPSI

All compliances relating to Code of Conduct for Prevention of Insider Trading which includes maintenance of structural digital data base (SDD) are being managed through a software installed by the Company in-house including maintenance of structural digital data base (SDD). This code lays down guidelines advising the designated employees and other connected persons, on procedures to be followed and disclosures to be made by them while dealing

with the shares of the company, and while handling any unpublished price sensitive information.

#### 47. CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board members and senior management personnel of the company. The duties of Directors including duties as an Independent Director as laid down in the Act also forms part of the Code of Conduct. The Code of Conduct is available on the website of the Company <https://www.phantomfx.com/investor/policies.php>. All Board members and senior management personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chairman and Managing Director to this effect is annexed as **Annexure-I** to this report.

#### 48. POLICIES OF THE COMPANY

The Company is committed to a good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of professionalism and building shareholder equity with principles of fairness, integrity and ethics. The Board of Directors of the Company have from time to time framed and approved various Policies as required by the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. These Policies and Codes are reviewed by the Board and are updated, if required. The aforesaid policies can be accessed at <https://www.phantomfx.com/investor/policies.php>

#### 49. REGISTRAR AND TRANSFER AGENT (RTA)

The Company has appointed Purva Share Registry (India) Private Limited as its RTA. As required under Regulation 7(3) of the Listing Regulations, the Company files, on annual basis, certificate issued by RTA and compliance officer of the Company certifying that all activities in relation to share transfer facility are maintained by RTA registered with SEBI. Details of the RTA are given below

Purva Share Registry (India) Private Limited  
CIN: U67120MH1993PTC074079  
No 9, Shiv Shakti Industrial Estate  
Mumbai - 400011, Maharashtra, India



# BOARDS' REPORT

## 50. LISTING

At present, the equity shares of the Company are listed at the EMERGE Platform on NSE under Stock Code-PHANTOMFX  
ISIN : INEOMLZ01019

## 51. POSTAL BALLOT

During the financial year under review, the Company has not conducted any postal ballot.

## 52. SCORES

SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The company uploads the action taken on the complaint which can be viewed by the shareholder. The company and shareholder can seek and provide clarifications online through SEBI.

## 53. ONLINE DISPUTE RESOLUTION (ODR) PORTAL

As per the SEBI circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023, on "Online Resolution of Disputes in the Indian Securities Market" a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market has been established.

## 54. RECONCILIATION OF SHARE CAPITAL AUDIT

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories Participants) Regulations, 2018 [erstwhile : vide SEBI circular No. D&CC /FIT TC/CIR-16/2002 dated December 31, 2002 read with Securities and Exchange Board of India (Depositories Participants) Regulations, 1996], a Company Secretary in Practice carries out audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The said report, duly signed by practicing company secretary is submitted to stock exchanges

where the securities of the company are listed within 30 days of the end of each quarter and this Report is also placed before the Board of Directors of the company.

## 55. CREDIT RATING

There were no instances during the year which requires the company to obtain credit rating from any credit rating agencies.

## 56. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year and hence not being commented upon.

## 57. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the Financial Year under review, there has been no incident of one time settlement for loan taken from the banks of financial institutions and hence not being commented upon.

## 58. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

As per the information available with the Company, there are no agreements entered into by the shareholders, Promoters, Promoters Group entities, Related Parties, Directors, Key Managerial Personnel, Employees of the Company, its subsidiaries and associates companies which are binding the Company in terms of clause 5A of Para A of Part A of Schedule III of the Listing Regulations

## 59. FAILURE TO IMPLEMENT ANY CORPORATE ACTION

There were no instances where the Company failed to implement any corporate action within the specified time limit.

## 60. GREEN INITIATIVES

In commitment to keeping in line with the Green Initiative and going beyond it to create new green

# BOARDS' REPORT

initiations, an electronic copy of the Notice of the 09<sup>th</sup> Annual General Meeting of the Company along with a copy of the Annual Report is being sent to all Members whose email addresses are registered with the Company/ Depository Participant(s) and will be also available at the Company's website at <http://www.phantom-fx.com>

## 61. INVESTOR GRIEVANCE REDRESSAL

During the financial year 2024-25, there were no complaints received from the investors. The designated email id for Investor complaint is [cs@phantom-fx.com](mailto:cs@phantom-fx.com)

## 62. COMPLIANCE OFFICER DETAILS AND ADDRESS FOR CORRESPONDENCE

### Company Secretary & Compliance Officer

Registered Office: 6th Floor, Tower B, Kosmo One Tech Park, Plot No.14, 3rd Main Road, Ambattur Industrial Estate, Ambattur, Chennai, 600058, Tamil Nadu, India  
Phone No. 044-43846228, email: [cs@phantom-fx.com](mailto:cs@phantom-fx.com)

## 63. BUSINESS LOCATIONS

As on March 31, 2025, the company has its place of business (Studios) in the following locations

CHENNAI	MUMBAI	HYDERABAD
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Hangzhou Huantong Digital Technology Co., Ltd. in China and PhantomFX also have administrative offices in the UK, United States, Canada and Dubai.

## 64. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the government and regulatory authorities, stock exchange, financial institutions, banks, business associates, customers, vendors, members, for their co-operation and support and looks forward to their continued support in future. The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

**By Order of the Board of Directors  
For PHANTOM DIGITAL EFFECTS LIMITED**

**Sd/-  
Binu Joshua Sammanohar  
Whole Time Director  
DIN: 03459073**

**Sd/-  
Bejoy Arputharaj Sam Manohar  
Chairman & Managing Director  
DIN: 03459098**

**Place: Chennai  
Date: 03.09.2025**

ANNEXURE I  
TO THE BOARDS' REPORT

DECLARATION BY THE CHARIMAN & MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Bejoy Arputharaj Sam Manohar, Chairman & Managing Director of the Company hereby declare that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the Financial Year ended March 31, 2025.

By Order of the Board of Directors  
For PHANTOM DIGITAL EFFECTS LIMITED

Sd/-  
Bejoy Arputharaj Sam Manohar  
Chairman & Managing Director  
DIN: 03459098

Place: Chennai  
Date: 03.09.2025

ANNEXURE II  
TO THE BOARDS' REPORT

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo  
(Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the ompanies (Accounts) Rules, 2014)

The Company is taking undertaking adequate measures for conservation of energy and technology absorption.

(A) Conservation of energy

- (i) Steps taken or impact on conservation of energy: Your Company is not engaged in manufacturing activities. The Company continue to pursue and adopt appropriate energy conservation measures. The Company makes every effort to conserve energy as far as possible in its postproduction facilities, Studios, Offices, etc. The Company also takes significant measures to reduce energy consumption by using energy efficient computers and by purchasing energy efficient equipment. The Company purchases PCs, laptops, air conditioners etc. that meet environment standards, wherever possible and replace old equipment with more energy-efficient equipment.
- (i) Steps taken or impact on conservation of energy: The Company continues to work towards Conservation of Energy and has been taking various measures like replacement of out dated energy intensive equipment with energy saving equipment and timely maintenance of electrical equipment etc.
- (ii) Alternate sources of Energy: Presently, the Company does not use any alternate source of energy. However, it is exploring the possibility of making use of renewable powers sources in order to reduce the carbon foot print as well to reduce the energy cost.
- (iii) Capital investment on energy conservation equipment: Company has not made any major capital investment on energy conservation equipment.

(B) Technology Absorption

(i)	the efforts made towards technology absorption	The Company is constantly exploring the latest trends in the technology development and adopts it wherever it is feasible.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The company has constantly engaged in bringing system improvements through in built software which has enhanced productivity.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	The Company has no foreign collaboration and endeavours to develop indigenous technology.
	(a) the details of technology imported	Not Applicable
	(b) the year of import;	- Not Applicable
	(c) whether the technology been fully absorbed	- Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	- Not Applicable
(iv)	the expenditure incurred on Research and Development	Your company is yet to set up a formal R&D unit, however continuous research and development is carried out at various development centers as an integral part of the activities of the Company



ANNEXURE II  
TO THE BOARDS' REPORT

(C) Foreign exchange earnings and Outgo

(Amount in Lakhs)		
Particulars	2024-25	2023-24
Foreign Exchange Earnings	2876.18	5,815.85
Foreign Exchange Outgo	271.81	251.19

By Order of the Board of Directors  
For PHANTOM DIGITAL EFFECTS LIMITED

Sd/-  
Binu Joshua Sammanohar  
Whole Time Director  
DIN: 03459073

Sd/-  
Bejoy Arputharaj Sam Manohar  
Chairman & Managing Director  
DIN: 03459098

Place: Chennai  
Date: 03.09.2025

ANNEXURE III  
TO THE BOARDS' REPORT

AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/Associate companies/ joint ventures

Part "A": Subsidiaries

Name of the subsidiary	M/s. PhantomFX Studios Limited
The date since when Subsidiary was acquired	23.06.2023
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2025
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	GBP (Pounds Sterling) and Exchange Rate is INR _5000 @110.3660 as on 31 <sup>ST</sup> March 2025
Share capital (₹)	5.32 Lakhs (GBP 5,000.00 X 110.3660 INR)
Reserves & surplus	5.38 Lakhs
Total assets ( ₹)	10.70 Lakhs
Total Liabilities (₹)	10.70 Lakhs
Investments	Nil
Turnover	5.31 Lakhs
Profit before taxation	5.31 Lakhs
Provision for taxation	0.98 Lakhs
Profit after taxation	4.33 Lakhs
Proposed Dividend	0
% of shareholding	100%

Name of the subsidiary	M/s. Spectre Post Private Limited
The date since when Subsidiary was acquired	14.06.2024
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2025
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N/A
Share capital (₹)	100 Lakhs
Reserves & surplus	6.81 Lakhs
Total assets ( ₹)	135.29 Lakhs
Total Liabilities (₹)	135.29 Lakhs
Investments	0

## ANNEXURE III

### TO THE BOARDS' REPORT

Turnover	358.13 Lakhs
Profit before taxation	-6.81 Lakhs
Provision for taxation	0
Profit after taxation	-6.81 Lakhs
Proposed Dividend	NIL
% of shareholding	100%

Name of the subsidiary	M/s. Hangzhou Huantong Digital Technology
The date since when Subsidiary was acquired	12.03.2025
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2025
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	CNY (Chinese Yuan) and Exchange Rate is INR 0 @ 11.7746 as on 31 <sup>ST</sup> March 2025
Share capital (₹)	0
Reserves & surplus	0
Total assets ( ₹)	0
Total Liabilities (₹)	0
Investments	0
Turnover	0
Profit before taxation	0
Provision for taxation	0
Profit after taxation	0
Proposed Dividend	0
% of shareholding	100%

- Names of subsidiaries which are yet to commence operations:  
Hangzhou Huantong Digital Technology Co., Ltd. in China on March 12, 2025.
- Names of subsidiaries which have been liquidated or sold during the year- NIL

## ANNEXURE III

### TO THE BOARDS' REPORT

#### Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Nil
1. Date on which the associate or JV was associated or acquired by the company	
2. Latest audited Balance Sheet Date	
3. Shares of Associate/Joint Ventures held by the company on the year end -	
No.	
Amount of Investment in Associates/Joint Venture Extend of Holding %	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

**By Order of the Board of Directors**  
**For PHANTOM DIGITAL EFFECTS LIMITED**

**SD/-**  
**Syntia Moses Darry**  
**Whole Time Director**  
**DIN: 03459055**

**SD/-**  
**Binu Joshua Sammanohar**  
**Whole Time Director & CFO**  
**DIN: 03459078**

**Place: Chennai**  
**Date: 30.05.2025**

**Sd/-**  
**Bejoy Arputharaj Sam Manohar**  
**Chairman & Managing Director DIN: 03459098**

**Sd/-**  
**Poornima Raghu**  
**Company Secretary**  
**Mem No: A66317**



## ANNEXURE IV

### TO THE BOARDS' REPORT

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the**  
**Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**PHANTOM DIGITAL EFFECTS LIMITED**  
CIN: L92100TN2016PLC103929  
Registered Office: - 6<sup>th</sup> Floor, Tower B, Kosmo One Tech  
Plot No.14, 3<sup>rd</sup> Main Road, Ambattur,  
Chennai, 600058, Tamilnadu, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PHANTOM DIGITAL EFFECTS LIMITED** having CIN L92100TN2016PLC103929 (hereinafter called the company) for the financial year ended March 31, 2025 (“**Audit Period**”). The Secretarial Audit was conducted in a manner that provided us 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, the explanations and clarifications given to me and representations made by the Management, I hereby report that in my opinion, the company has, during the audit period, 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, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (vi) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

## ANNEXURE IV

### TO THE BOARDS' REPORT

- d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- e. The Securities and Exchange Board of India (Depositories and Participants Regulations, 2018)
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **No events / actions occurred during the Audit Period coming under the purview of this regulation.**
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **No events / actions occurred during the Audit Period coming under the purview of this regulation;**
- h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; – **No events / actions occurred during the Audit Period coming under the purview of this regulation; and**
- j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; – **No events / actions occurred during the Audit Period coming under the purview of this regulation;**

Other specifically applicable laws to the Company, namely

- a. The Cinematograph Act, 1952;
- b. The Cinematograph Film Rules, 1948.

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

- (i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Ltd (NSE) in respect of listing of equity shares of the company on NSE EMERGE Platform.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the fact that certain forms/returns required to be filed under the Act have been filed belatedly with payment of applicable additional fees. The Company has not spent the required amount towards CSR activities during the year, as required under Section 135 of the Companies Act, 2013. In the absence of any ongoing projects in respect of CSR activities undertaken by the Company, the Company is obliged to transfer unspent amount aggregating to ₹ 40.68 lakhs to any Fund specified in Schedule VII to the Companies Act on or before September 30, 2025 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

#### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including a Woman Director. 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.

Adequate notice is given to all directors for the meetings of the Board and Committees. Except where consent of directors was received for scheduling meeting at a shorter notice, 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 by the directors.

## ANNEXURE IV

### TO THE BOARDS' REPORT

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

**I further report that** the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory auditors, tax auditors and other designated professionals

**I further report that** as per the explanations given to me, by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, the representation made by the Management and relied upon by me, 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** during the audit period, there were following specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:

1. Appointment of Mr. Tamiz Selvan Dakshinamoorthy (PAN: ATGPD7437F) as the Chief Financial Officer of the Company, w.e.f 26/04/2024
2. Resignation of Mr. Tamiz Selvan Dakshinamoorthy (PAN: ATGPD7437F) as the Chief Financial Officer of the Company, w.e.f 29/05/2024
3. Appointment of Mr. Binu Joshua Sammanohar (PAN: ASQPB8188G) as the Chief Financial Officer of the Company, w.e.f 29/05/2024
4. Resignation of Mr. Jeemon P V (DIN: 00876858), Non-executive, Non independent Director from the Board of the Directors of the Company with effect from 29/05/2024.
5. Resignation of Ms. Pallavi Toniga (M.No: A66348) as the Company Secretary and Compliance Officer of the Company, w.e.f 18/08/2024
6. Appointment of Ms. Poornima Raghu (M.No: A66317) as the Company Secretary and Compliance Officer of the Company, w.e.f 19/08/2024 consequent to the resignation of Ms. Pallavi Toniga.
7. Increase in the Authorized Share capital of the company from ₹ 20,00,00,000/-(Rupees Twenty Crores Only) divided into 2,00,00,000 equity shares of face value ₹ 10/- each to ₹ 25,00,00,000/-(Rupees Twenty Five Crores Only) divided into 2,50,00,000 equity shares of face value ₹ 10/- each which was approved by the members at their Extra-ordinary General Meeting (EGM) held on 26/03/ 2025.
8. Approval of shareholders to Issue up to 24,27,000 (Twenty Four Lakhs Twenty Seven Thousand only) Fully Convertible Warrants ("Warrants") at an issue price of ₹ 247/- (Rupees Two Hundred and Forty-Seven Only) per warrant on a preferential basis which was approved at the EGM held on 26/03/ 2025.
9. Approval of shareholders to raise Capital for an aggregate amount not exceeding ₹ 80,00,00,000/- (Rupees Eighty Crore only) by way of qualified institutional placement in one or more tranches which was approved at the EGM held on 26/03/ 2025.
10. Incorporation of a Wholly Owned Subsidiary Company in Bangalore, Karnataka, India in the name of Spectre Post Private Limited on 14<sup>th</sup> June 2024 vide CIN: U59121KA2024PTC189771.

## ANNEXURE IV

### TO THE BOARDS' REPORT

11. Incorporation of a Wholly Owned Subsidiary Company in China in the name of Hangzhou Huantong Digital Technology Co., Ltd on 12<sup>th</sup> March 2025 with Unified Social Credit Code 91330185MAED8KL57C.

**For SKD & ASSOCIATES**  
Company Secretary in Practice  
Firm Regn. No. S2023TN958600

**Susanta Kumar Dehury**  
Proprietor  
Membership No. F.7408  
C.P.No. 27050  
Peer Review Cert No. 5384/2023  
UDIN Number: F007408G001159636

Date: 03/09/2025

Place: Chennai

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



## ANNEXURE IV

### TO THE BOARDS' REPORT

#### Annexure – A

To,  
The Members,  
**PHANTOM DIGITAL EFFECTS LIMITED**  
CIN: L92100TN2016PLC103929  
Registered Office :-6th Floor, Tower B, Kosmo One Tech  
Plot No.14, 3<sup>rd</sup> Main Road, Ambattur,  
Chennai, 600058, Tamilnadu, India .

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 appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my 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 the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SKD & ASSOCIATES**  
Company Secretary in Practice  
Firm Regn. No. S2023TN958600

**Susanta Kumar Dehury**  
Proprietor  
Membership No. F.7408  
C.P.No. 27050  
Peer Review Cert No. 5384/2023  
UDIN Number: F007408G001159636

Date: 03/09/2025  
Place: Chennai

## ANNEXURE IV

### TO THE BOARDS' REPORT

#### Certificate of Non-Disqualification of Directors

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

To:  
The Members  
**PHANTOM DIGITAL EFFECTS LIMITED**  
CIN: L92100TN2016PLC103929

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PHANTOM DIGITAL EFFECTS LIMITED** having CIN L92100TN2016PLC103929 and registered office at 6<sup>th</sup> Floor, Tower B, Kosmo One Tech, Plot No.14, 3<sup>rd</sup> Main Road, Ambattur Indl Estate, Ambattur TN 600058 IN (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 ended 31 March, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment in the Company
1	SURYARAJ KUMAR	00714694	13/02/2023
2	TOM ANTONY	01413738	08/08/2022
3	SYNTIA MOSES DARRY	03459055	02/02/2016
4	BINU JOSHUA SAMMANOHAR	03459073	01/06/2022
5	BEJOY ARPUTHARAJ SAM MANOHAR	03459098	02/02/2016
6	MANJIT SINGH PARMAR	07511020	08/08/2022
7	SIVASANKARAN RAVINDRAN	08009653	08/08/2022

Ensuring the eligibility of 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.

**For SKD & ASSOCIATES**  
Company Secretary in Practice  
Firm Regn. No. S2023TN958600

**Susanta Kumar Dehury**  
Proprietor  
Membership No. F.7408  
C.P.No. 27050  
Peer Review Cert No. 5384/2023  
UDIN Number: F007408G001159757

Date: 03/09/2025  
Place: Chennai

## ANNEXURE V

### TO THE BOARDS' REPORT

#### ANNEXURE V TO THE BOARDS' REPORT

##### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2024-25

- Brief outline on CSR Policy of the Company:** The Company's focus areas are education, healthcare, water and sanitation, women empowerment, support of rehabilitation centers and disaster management. The Company's has framed the CSR Policy making it more comprehensive and in alignment with the broad framework of Schedule VII of the Companies Act, 2013. The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.
- Composition of CSR Committee—**

S no.	Name of Director	Designation in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Tom Antony, Independent Director	Chairman	02	02
2	Mr. Manjit Singh Parmar, Independent Director	Member	02	02
3	Mrs. Syntia Moses Darry	Member	02	01
- Provide the web-link(s) where the Composition of the CSR Committee, CSR Policy, and CSR Projects approved by the Board are disclosed on the company's website - <https://phantomfx.com>
- Provide an executive summary along with the web-link(s) of the Impact Assessment of CSR Projects undertaken pursuant to sub-rule (3) of rule 8, if applicable – Not Applicable
- Average net profit of the company as per sub-section (5) of section 135: ₹ **2034.03/-**
  - Two percent of the average net profit of the company as per sub-section (5) of section 135: ₹ **40.68 Lakhs /-**
  - Surplus arising out of CSR Projects, programmes, or activities from previous financial years: ₹ **57,000/-**
  - Amount required to be set off for the financial year, if any: **NIL**
  - Total CSR obligation for the financial year (b+c+d): 40.68 Lakhs
- Amount spent on CSR Projects (including both Ongoing Projects and other Projects): ₹ NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. no	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project. State District	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency Name CSR reg number
1.							NOT APPPLICABLE
					TOTAL	NA	

## ANNEXURE V

### TO THE BOARDS' REPORT

- Amount spent on Administrative Overheads.: Nil
- Amount spent on Impact Assessment, if applicable. Nil
- Total amount spent for the Financial Year (a+b+c): Nil
- CSR amount spent or Unspent for the Financial Year: **40.68 Lakh**

Total Amount Spent for the Financial Year (In Rs)	Amount Unspent (In Rs)				
	Total Amount transferred to Unspent CSR Account as per Sub Section (6) of Section 135	Amount transferred to any fund specified under Schedule VII as per Second Proviso to Sub - Section (5) of Section 135			
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NIL	-	-	-	-	-

- Excess amount for set-off, If any

Sl No (1)	Particular (2)	Amount (In Lakhs) (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	40.68
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

- Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any Amount (in ₹) Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, If any
1	2023-2024	Nil	Nil	Nil	Nil	Nil	Nil
2	2022-2023	Nil	Nil	Nil	Nil	Nil	Nil
3	2021-2022	Nil	Nil	Nil	Nil	Nil	Nil





## ANNEXURE VI

### TO THE BOARDS' REPORT

#### 5. The key parameters for any variable component of remuneration availed by the directors; -

Not Applicable

*Explanation:* - For the purposes of this rule: -

- (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;
- (ii) if there is an even number of observations, the median shall be the average of the two middle values.

#### 6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

#### (B) Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

Sr. No	Particulars	(A) Employed throughout the financial year	(B) Employed for part of the financial year
1.	Name	Bejoy Arputharaj Sam Manohar	-
2.	Age	42 years	-
3.	Designation	Chairman & Managing Director	-
4.	Nature of Employment (Contractual or otherwise)	Appointed for a fixed-term	-
5.	Gross Remuneration	₹ 144.00 Lakhs	-
6.	Qualification	Bachelor in Computer Applications	-
7.	Experience (Years)	21 years	-
8.	Date of commencement of Employment	02/02/2016	-
9.	Previous Employment held	Prime Focus Ltd	-
10.	No. of Shares held in the Company as On 31 <sup>st</sup> March, 2025	61,54,200 Shares (45.32%)	-

#### Notes

- Gross Remuneration comprises salary allowances Company's contribution to provident fund and taxable value of perquisites.
- Mr. Bejoy Arputharaj Sam Manohar, Mrs. Syntia Moses Darry and Mr. Binu Joshua Sammanohar are related to each other.

## ANNEXURE VI

### TO THE BOARDS' REPORT

#### C) Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:

There were no employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.

#### D) Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:

There was no employee employed throughout the financial year or part thereof, who was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

#### E) Employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month:

There are no employees who are posted outside India and in receipt of a remuneration of ₹ 60.00 lakh or more per annum or ₹ 5.00 lakh or more a month.

**By Order of the Board of Directors**  
**For PHANTOM DIGITAL EFFECTS LIMITED**

**Sd/-**  
**Binu Joshua Sammanohar**  
**Whole Time Director**  
**DIN: 03459073**

**Sd/-**  
**Bejoy Arputharaj Sam Manohar**  
**Chairman & Managing Director**  
**DIN: 03459098**

**Place: Chennai**  
**Date: 03.09.2025**



# INDEPENDENT AUDITOR’S REPORT

To the Members of Phantom Digital Effects Limited.,

## Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying Standalone financial statements of **Phantom Digital Effects Limited** (the “**Company**”), which comprise the Standalone Balance Sheet **as at 31<sup>st</sup> March, 2025**, the Standalone Statement of Profit and Loss, the Standalone Statement of cashflows for the year then ended, and notes to the Standalone financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as the “Standalone Financial statements”).
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements for the period ended 31<sup>st</sup> March, 2025 give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone state of affairs of the Company as at 31<sup>st</sup> March, 2025, and standalone profit, and its standalone cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"><li>▪ The Company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. The revenue from VFX Service contracts are recognised on proportionate completion basis. Sales are shown net of sales returns, if any.</li><li>▪ We identified the revenue recognition for Visual effects (VFX) Service contracts where proportionate completion basis method is used as a key audit matter because of the significant judgement involved in estimating the efforts to complete such contracts.</li><li>▪ This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to date and estimates of efforts required to complete the remaining performance obligations.</li></ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"><li>1. Assessed the appropriateness of the revenue recognition, accounting policies, with the applicable accounting standards.</li><li>2. We have verified the contract with customers made in this regard and revenues accounted under proportionate Completion method.</li><li>3. The progress of each projects are separately treated in terms of human resources and other resources and the billing is made as per the stages of completion.</li><li>4. The unbilled revenue is recognised once the milestone is reached and tax invoice is accounted in the books after obtaining approval from the concerned customer in the subsequent financial year.</li></ol>

# INDEPENDENT AUDITOR’S REPORT

### Emphasis of Matter

A payment of ₹ 1427.66 lakhs made to one of the parties, which, as per the Agreement, pertains to 3D and VFX services; however, this amount has not been given effect in Profit & Loss Account and pending revenue recognition by the Company.

### Other Matters

The foreign currency denominated monetary items appearing in the financial statements as on the balance sheet date have not been restated in accordance with Accounting Standard (AS) 11 – The Effects of Changes in Foreign Exchange Rates.

### Information Other than the Financial Statements and Auditor’s Report Thereon

5. The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Company’s Board Report including Annexures and Corporate Governance Report, but does not include the standalone financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report
6. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

### Responsibilities of the Management and Those charged with Governance for the Financial Statements:

8. The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance and standalone cash flows in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 judgements 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 accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

### Auditor’s Responsibilities for the Audit of the Financial Statements:

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

## INDEPENDENT AUDITOR'S REPORT

- 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.
- ii. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
  14. 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.
  15. 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.
  16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Report on Other Legal and Regulatory Requirements:**
17. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  18. As required by Section 143(3) of the Act, we report that:
    - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - ii. 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.
    - iii. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

## INDEPENDENT AUDITOR'S REPORT

- iv. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
  - v. On the basis of written representation received from the directors as on 31<sup>st</sup> March 2025 taken on record by the board of directors, none of the directors are disqualified as on 31<sup>st</sup> March 2025 from being appointed as directors in terms of section 164(2) of the Act.
  - vi. With respect to the adequacy of the **internal financial controls** over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses a Qualified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
  - vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - a) The Company has no pending litigations as at 31<sup>st</sup> March 2025 which would impact its Standalone Financial Position.
    - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March 2025.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2025.
  - ix. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



## INDEPENDENT AUDITOR’S REPORT

- x. The Company did not declare or paid any dividend during the period.
- xi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2025, which has a feature of recording audit trail

(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For L U Krishnan & Co.**  
Chartered Accountants  
Firm’s Registration No: 001527S

**P K Manoj**  
Partner  
Membership No:207550  
UDIN: 25207550BMJDIK4485

Place: Chennai  
Date: 30/05/2025

## ANNEXURE - A

### **TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025**

(Referred to in paragraph 18 under ‘Report on Other Legal and Regulatory Requirements’ section of our report)

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the Standalone financial statements (Hereinafter referred to as the “Standalone Financial statements”) for the period ended 31<sup>st</sup> March, 2025 we report that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - B. The Company has maintained proper records showing full particulars of Intangible Assets
  - b. The Company has a regular program of physical verification of its Property, Plant and Equipment by which its Property, Plant and Equipment are verified at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification of Property, Plant and Equipment
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company do not have Immovable Property.
  - d. The Company has not revalued any of its Property, Plant and Equipment during the financial year.
  - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a. The activities of the Company do not involve purchase of inventory and sale of goods during the period and accordingly Clause (ii) of the paragraph 3 of the Order is not applicable to the Company for the period.

- b. The Company has been sanctioned working capital limit in excess of ₹ 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets. The monthly returns or statements filed by the Company with such banks or financial institutions are generally in agreement with the books of account of the Company and no material discrepancies observed.

- iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
  - a. During the year the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties during the period, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
  - b. During the year, the Company has not made investments, provided guarantees, given security and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company’s interest, hence reporting under clause 3(iii)(b) of the Order is not applicable.
  - c. During the year the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties during the period, and hence reporting under clause 3(iii)(c) to (f) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.

## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025

- vi. Company does not come under the maintenance of cost records as prescribed by the Central Government under section 148(1) of the Act. Hence reporting clause (vi) of the order is not applicable to Company.
- vii. In respect of statutory dues:
- a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services
- tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities. Undisputed amounts payable of ₹ 4,69,000 in respect thereof, which were outstanding at the 31<sup>st</sup> March 2025 for a period of more than six months from the date they became payable are as follows:

#### Statement of arrears of statutory dues outstanding for more than six months:

Nature of Statute	Section	Amount	Due Date for Making Payment
Income Tax Act, 1961	194 J	60,000	07-05-2024
Income Tax Act, 1961	194 J	1,00,000	07-05-2024
Income Tax Act, 1961	194 C	50,000	07-05-2024
Income Tax Act, 1961	194 C	25,000	07-05-2024
Income Tax Act, 1961	194 C	40,000	07-07-2024
Income Tax Act, 1961	194 C	38,000	07-07-2024
Income Tax Act, 1961	194 C	78,000	07-08-2024
Income Tax Act, 1961	194 C	78,000	07-09-2024

- b. According to the information and explanations given to us, there were no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any dispute.
- b. The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
- c. The Company has taken term loan and the same were applied for the purpose for which the loan were obtained.
- d. On examination of the standalone financial statements of the Company, Company has not raised any funds on short term basis which has been used for long-term purposes hence reporting under clause 3(ix)(d) of the Order is not applicable.
- e. On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of subsidiaries, associates or joint ventures and hence reporting on clause 3(ix)(e) of the Order is not applicable.
- viii. According to the information and explanation given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. In respect of loans and other borrowings:
- a. The Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025

- f. The Company has not raised any loans on the pledge of securities held in its subsidiaries, associate companies during the period and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. In respect of public offer:
- A. The Company has passed special resolution to issue Equity shares (Face value ₹ 10) through a Qualified Institutional Placement for an amount aggregating up to ₹ 80.00 crores on 26<sup>th</sup> March 2025.
- B. During the year, the Company has passed a special resolution for preferential allotment of 24,27,000 Convertible Warrants of ₹ 10 each at a premium of ₹ 237 each (₹ 59,94,69,000) in compliance with sections 42 and 62 of the Companies Act, 2013 on 26<sup>th</sup> March, 2025. The Company made allotment of 4,00,000 shares of ₹ 9,88,00,000 out of issue of shares (being the total amount) and ₹ 2,47,00,000 out of issue of Share warrant (being 25% of total amount) on 30<sup>th</sup> April, 2025.
- xi. In respect of fraud:
- a. According to the information and explanations given to us, during the period Company has not noticed any fraud by the Company or on the Company.
- b. No reportable fraud has been committed by the Company hence Form ADT-4 has not been filed by the auditors as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. During the period Company has not received any whistle-blower complaints to be considered by the auditors.
- xii. 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, all transactions entered by the Company with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been properly disclosed in the notes to the financial statements as required by the applicable accounting standards.
- xiv. In respect of Internal Audit system:
- a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause 3(xv) of the Order for reporting the provisions of section 192 of the Companies Act is not applicable.
- xvi. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), & (b) of the Order is not applicable and Company is not a Core Investment Company and there is no core investment company within the group. Accordingly, paragraph 3(xvi) (c) & (d) of the Order is not applicable.
- xvii. The Company has not incurred any cash loss during the financial period covered by our audit and immediately preceding financial period.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the standalone financial ratios, ageing and expected dates of realisation of standalone financial assets and payment of standalone financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one period from the balance sheet date, will get discharged by the Company as and when they fall due.



## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025

- xx. A. In respect of other than ongoing projects, the Company is expected to transfer unspent amount ₹ 40.68 lakhs to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- B. The amendments to section 135 of the Act, by inclusion of sub-section (6), through the introduction of the Companies (Amendment) Act, 2019 is yet to be notified and as such provisions of this clause are not yet applicable to the company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For L U Krishnan & Co.  
Chartered Accountants  
Firm's Registration No: 001527S

P K Manoj  
Partner  
Membership No:207550  
UDIN: 25207550BMJDIK4485

Place: Chennai  
Date: 30/05/2025

## ANNEXURE - B

### TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2025

(Referred to in paragraph 19(VI) under 'Report on Other Legal and Regulatory Requirements' section of our report)

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

We have audited the internal financial controls over financial reporting of **Phantom Digital Effects Limited** (the "**Company**") as of **31<sup>st</sup> March, 2025** in conjunction with our audit of the Standalone financial statements (Hereinafter referred to as the "Standalone Financial Statements") of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur

## ANNEXURE - B

### TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31st MARCH 2025

and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2025:

- a) The Company did not have an appropriate internal control system for customer or vendor acceptance, credit evaluation and establishing customer credit limits for sales or vendor selection for purchases, which could potentially result in the Company recognizing revenue or capital expenditure without establishing reasonable certainty of ultimate collection or timely completion of Capital projects.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial

reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company

For L U Krishnan & Co.  
Chartered Accountants  
Firm’s Registration No: 001527S

P K Manoj  
Partner  
Membership No:207550  
UDIN: 25207550BMJDIK4485

Place: Chennai  
Date: 30/05/2025

## Standalone Balance Sheet

as at March 31,2025

(₹ in Lakhs)			
Particulars	Note No.	As at 31 Mar 2025	As at 31 Mar 2024
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	1,357.92	1,357.92
(b) Reserves and Surplus	2	15,138.11	13,116.40
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	3	1,270.61	569.11
(b) Long-Term Provisions	4	107.82	86.93
<b>4 CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	5	2,923.23	1,519.46
(b) Trade Payables	6		
(A) Total outstanding dues of micro enterprises and small enterprises and		235.37	177.09
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		360.80	198.03
(c) Other Current Liabilities	7	455.53	534.98
(d) Short-Term Provisions	8	938.93	451.37
<b>TOTAL</b>		<b>22,788.33</b>	<b>18,011.29</b>
<b>II. ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	9	1,377.34	970.04
(ii) Intangible Assets	10	461.59	840.37
(iii) Capital Work-in-Progress	11	1,236.56	1,523.04
(b) Non-Current Investments	12	105.32	5.32
(c) Deferred Tax Assets (Net)	13	49.07	1.51
(d) Long-Term Loans & Advances	14	521.41	1,099.28
(e) Other Non-Current Assets	15	333.95	333.95
<b>2 CURRENT ASSETS</b>			
(a) Inventories	16	4,048.72	3,516.09
(b) Trade Receivables	17	8,572.60	5,071.86
(c) Cash & Bank Balances	18	1,873.26	1,821.95
(d) Short-Term Loans and Advances	19	58.62	-
(e) Other Current Assets	20	4,149.90	2,827.91
<b>TOTAL</b>		<b>22,788.33</b>	<b>18,011.29</b>
Company overview & Significant Accounting Policies	28		
Other notes to accounts	29		

The accompanying notes 1 to 29 form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

Place: Chennai  
Date: 30-05-2025

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025



## Standalone Statement of Profit and Loss

for the year ended March 31,2025

(₹ in Lakhs)			
Particulars	Note No.	For the year ended 31-Mar-25	For the year ended 31-Mar-24
I Revenue From Operations	21	9,852.43	8,933.05
II Other Income	22	221.15	110.38
III <b>Total Income (I+II)</b>		<b>10,073.58</b>	<b>9,043.43</b>
IV <b>Expenses</b>			
Changes in Inventories of Work-in-Progress	23	(532.63)	(2,772.03)
Employee Benefits Expense	24	3,845.37	4,876.38
Other Direct Expenses	25	1,393.14	1,520.67
Finance Costs	26	413.88	154.05
Depreciation & Amortisation Expenses	9 & 10	749.55	454.65
Other Expenses	27	1,399.79	1,541.94
<b>Total Expenses (IV)</b>		<b>7,269.09</b>	<b>5,775.66</b>
V <b>Profit Before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>2,804.48</b>	<b>3,267.77</b>
VI Exceptional Items (Expenses / Income)		-	-
VII <b>Profit before extraordinary items and tax (V-VI)</b>		<b>2,804.48</b>	<b>3,267.77</b>
VIII Extraordinary items (Expenses / Income)		-	-
IX <b>Profit before tax (VII-VIII)</b>		<b>2,804.48</b>	<b>3,267.77</b>
X <b>Tax Expense:</b>			
(1) Current Tax		775.99	856.72
(2) Deferred Tax		(47.56)	(8.47)
(3) Tax expense of earlier periods		54.34	8.03
<b>Total Tax Expenses</b>		<b>782.77</b>	<b>856.27</b>
XI <b>Profit ( Loss) for the period from continuing operations (IX-X)</b>		<b>2,021.71</b>	<b>2,411.49</b>
XII <b>Profit ( Loss) for the period from discontinuing operations</b>		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV <b>Profit ( Loss) for the period from discontinuing operations (after tax) (XII-XIII)</b>		-	-
XV <b>Profit/(Loss) For The Period (XI+XIV)</b>		<b>2,021.71</b>	<b>2,411.49</b>
XVI <b>Earnings per equity share before extraordinary items: (In ₹)</b>			
(1) Basic		14.89	19.81
(2) Diluted		14.89	19.81
XVII <b>Earnings per equity share after extraordinary items: (In ₹)</b>			
(1) Basic		14.89	19.81
(2) Diluted		14.89	19.81
Company overview, Significant Accounting Policies & Other notes on accounts	28 & 29		

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**
**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

Place: Chennai  
Date: 30-05-2025

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

## Standalone Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	Year ended March 31, 31-Mar-25	Year ended March 31, 31-Mar-24
<b>A CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Tax	2,804.48	3,267.77
<b>Adjustments for:</b>		
Foreign Exchange (Gain)/Loss	(5.64)	(6.80)
Depreciation and Amortization	749.55	454.65
Interest Expenses	413.88	149.38
Interest Income	(215.51)	(102.52)
Provision for Employees Compensation Expense	20.89	33.96
Other Provisions	-	-
<b>Operating Profit before working capital changes:</b>	<b>3,767.65</b>	<b>3,796.42</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/Decrease in Inventories	(532.63)	(2,772.03)
(Increase)/Decrease in Trade Receivables	(3,500.74)	(3,497.75)
Increase/(Decrease) in Trade Payables	221.04	201.64
(Increase)/Decrease in Short term Loans & Advances	(58.62)	-
(Increase)/Decrease in Other Current Assets	(1,431.01)	(2,769.70)
Increase/(Decrease) in Other Current Liabilities & provisions	31.74	391.16
<b>Cash generated from operations</b>	<b>(1,502.57)</b>	<b>(4,650.24)</b>
Income Taxes paid	(344.95)	(767.01)
<b>Cash flow before extraordinary item</b>	<b>(1,847.52)</b>	<b>(5,417.25)</b>
Extraordinary items relating to Operating Activity	-	-
<b>NET CASH FROM OPERATING ACTIVITES (A)</b>	<b>(1,847.52)</b>	<b>(5,417.25)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	215.51	102.52
Fixed assets purchased including Intangible Assets	(778.08)	(1,225.06)
Capital work in progress	286.48	(1,523.04)
Increase/(Decrease) in Non-Current Investments	(100.00)	(5.32)
(Increase)/Decrease in Long Term Loans & Advances	577.87	701.31
Increase/(Decrease) in Other Non-Current assets	-	(75.96)
Taxes arising from investing activites (activity to be specified)	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>201.78</b>	<b>(2,025.54)</b>

Standalone Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	Year ended March 31, 31-Mar-25	Year ended March 31, 31-Mar-24
<b>C CASH FLOWS FORM FINANCING ACTIVITES</b>		
Interest paid	(413.88)	(149.38)
Proceeds from Issue of Share Capital	-	7,641.98
Net proceeds from Borrowings	2,105.28	1,359.46
Extraordinary items relating to Financing Activity	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES (C )</b>	<b>1,691.40</b>	<b>8,852.07</b>
<b>Effect of Exchange Difference</b>		
Exchange difference on Realized (Loss)/Gain	5.64	6.80
<b>D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>51.31</b>	<b>1,416.08</b>
Opening Cash and Cash Equivalents	1,821.95	405.87
<b>CLOSING CASH AND CASH EQUIVALENT- Refer Note No.30 in Other Notes to Accounts</b>	<b>1,873.26</b>	<b>1,821.95</b>
Significant Accounting Policies & Other Notes on accounts - Note no: <b>28 &amp; 29</b>		

The accompanying notes 1 to 29 form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

Place: Chennai  
Date: 30-05-2025

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

Notes to Standalone Financial Statements

as at March 31,2025

Note: 1 Share Capital

(₹ in Lakhs)				
Particulars	As at 31-Mar-2025		As at 31-Mar-2024	
	Number	Amount	Number	Amount
a) Number and amount of equity shares authorised	2,00,00,000.00	2,000.00	2,00,00,000.00	2,000.00
b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up	1,35,79,200.00	1,357.92	1,35,79,200.00	1,357.92
(ii) Number and amount of equity shares Subscribed but not fully Paid-Up (amount paid up per shares to be mentioned)	-	-	-	-
<b>Total of b (i) and (ii)</b>	<b>1,35,79,200.00</b>	<b>1,357.92</b>	<b>1,35,79,200.00</b>	<b>1,357.92</b>
c) Par value per Equity share (in ₹ each)		<b>10.00</b>		<b>10.00</b>

d) Reconciliation of Number of Equity shares outstanding at the beginning and at the end of the reporting period

	As at 31-Mar-25	As at 31-Mar-24
Shares outstanding at the beginning of the year	1,35,79,200.00	1,16,40,000.00
Shares issued during the year	-	19,39,200.00
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,35,79,200.00</b>	<b>1,35,79,200.00</b>

e) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

f) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

g) Details of shareholders holding more than 5% of shares:

Name of the Shareholder	As at 31-Mar-2025		As at 31-Mar-2024	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Bejoy Arputharaj	61,54,200.00	45.32 %	61,54,200.00	45.32 %
Syntia Moses Darry	8,36,400.00	6.16 %	8,36,400.00	6.16 %

h) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts;



## Notes to Standalone Financial Statements

as at March 31,2025

i) Shares information related to immediately preceding five years from reporting date:

Number & class of Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : NIL

Aggregate number and class of shares allotted as fully paid up bonus shares : During the FY 2022-23 the Company has issued 89,90,000 bonus shares in the ratio of 899 equity shares for every one share held.

Aggregate number and class of shares brought back : NIL

j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

k) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

l) The Company has not forfeited any shares during the reporting period

m) Shareholding of Promoters

Equity Shares held by promoters as at 31-Mar-2025					
Promoter Name	No. of Shares at the beginning of the year	% of total shares	No. of Shares at the end of the year	% of total shares	% Change during the year
Bejoy Arputharaj	61,54,200.00	45.32 %	61,54,200.00	45.32 %	- %

Note: 2 Reserves and Surplus

(₹ in Lakhs)		
	As at 31-Mar-25	As at 31-Mar-24
<b>(a) Securities Premium</b>		
Opening Balance	9,459.77	2,011.71
Add: Additions during the year	-	7,448.06
Less: Deduction during the year (Bonus, others)	-	-
<b>Closing Balance</b>	<b>9,459.77</b>	<b>9,459.77</b>
<b>(b) Surplus</b>		
Opening Balance	3,656.63	1,245.13
Add: Additions during the year	2,021.71	2,411.49
Less: Transferred to Other Reserves (Dividend, Bonus, to reserves)	-	-
<b>Closing Balance</b>	<b>5,678.34</b>	<b>3,656.63</b>
<b>Total</b>	<b>15,138.11</b>	<b>13,116.40</b>

## Notes to Standalone Financial Statements

as at March 31,2025

Note: 3 Long-Term Borrowings

(₹ in Lakhs)		
	As at 31-Mar-25	As at 31-Mar-24
<b>Secured</b>		
a) Term Loans:		
i. From banks (Refer note 3.1 below)	999.35	521.90
<b>Unsecured</b>		
a) Loans and advances from related parties	271.26	47.21
<b>Total</b>	<b>1,270.61</b>	<b>569.11</b>

Note:

1. Disclosure about the nature of security and it should also cover the type of asset given as security

Particulars	Rate of Interest	No of O/S Instalments	Instalment Amount (₹ in Lakhs)	Starting Date	Outstanding (₹ in lakhs)	Nature of Security / Pledge
ICICI bank - Car Loan	8.35 %	69.00	2.15	10-01-2023	82.66	Vehicle
ICICI bank - Car Loan	7.99 %	40.00	1.08	10-08-2022	16.32	Vehicle
Kotak bank - Term Loan	9.25 %	39.00	11.21	01-07-2024	186.45	Current Assets & Movable Fixed Assets
Kotak bank - Term Loan	9.50 %	60.00	21.00	05-08-2024	713.92	Current Assets & Movable Fixed Assets

Note: 4 Long-Term Provisions

(₹ in Lakhs)		
	As at 31-Mar-25	As at 31-Mar-24
a) Provision for Employee Benefits	107.82	86.93
<b>Total</b>	<b>107.82</b>	<b>86.93</b>

## Notes to Standalone Financial Statements

as at March 31,2025

### Note: 5 Short-Term Borrowings

	(₹ in Lakhs)	
	As at 31-Mar-25	As at 31-Mar-24
<b>Secured</b>		
a) Loans repayable on demand:		
i. From banks	2,607.45	1,492.58
b) Current Maturities of Long-term borrowings (Refer note 3.1 of Notes to Balance Sheet)	315.78	26.88
<b>Total</b>	<b>2,923.23</b>	<b>1,519.46</b>

### Note: 6 Trade Payables

#### I. Trade Payables relating to MSME

	(₹ in Lakhs)	
	As at 31-Mar-25	As at 31-Mar-24
a) The principal amount and the interest due thereon, remaining unpaid to any supplier as at the end of accounting year		
Principal	217.81	169.54
Interest Due	17.56	7.54
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	17.56	7.54
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

## Notes to Standalone Financial Statements

as at March 31,2025

### II. Trade Payables ageing schedule

#### a) Trade Payables ageing schedule For the year ended 31-Mar-2025

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	235.37	-	-	-	235.37
(ii) Others	360.80	-	-	-	360.80
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Sub total</b>					<b>596.17</b>
Unbilled Payables					-
<b>Total:</b>					<b>596.17</b>

#### b) Trade Payables ageing schedule For the year ended 31-Mar-2024

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	177.09	-	-	-	177.09
(ii) Others	198.03	-	-	-	198.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Sub total</b>					<b>375.12</b>
Unbilled Payables					-
<b>Total:</b>					<b>375.12</b>



## Notes to Standalone Financial Statements

as at March 31,2025

Note: 7 Other Current Liabilities

(₹ in Lakhs)		
	As at 31-Mar-25	As at 31-Mar-24
a) GST payable	76.67	12.75
b) TDS payable	70.36	143.76
c) EPF payable	14.30	18.79
d) ESI payable	0.10	0.14
e) Professional tax payable	0.88	1.16
f) Credit card	23.35	20.06
g) Salary payable	269.88	338.33
Total	455.53	534.98

Note: 8 Short-Term Provisions

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
a)Provision for Taxation	807.53	399.62
b) Provision for expenses	108.80	46.14
c) Provision for interest	22.60	5.61
Total	938.93	451.37

## Notes to Standalone Financial Statements

as at March 31,2025

Note No: 9 Property, Plant & Equipment

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	April 1, 2024	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2025	April 1, 2024	Depreciation for the Year	Effect of Foreign exchange translation
Land	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-
Computers & Accessories	229.47	3.17	-	-	232.63	183.29	28.22	21.12
Furniture & Fittings	291.57	769.05	-	-	1,060.62	102.24	151.13	253.36
Office Equipment's	799.37	5.86	-	-	805.23	242.23	143.68	385.91
Vehicles	203.88	-	-	-	203.88	71.08	34.42	105.50
Others(specify nature)	67.92	-	-	-	67.92	23.33	13.31	36.64
TOTAL (A)	1592.20	778.08	-	-	2,370.28	622.16	370.77	992.94
Previous Year	1251.98	340.23	-	-	1,592.21	285.41	336.76	622.17
					0.02			

Note: 10 Intangible Assets

Particulars	Gross Block			Accumulated Amortization			Net Block	
	April 1, 2024	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2025	April 1, 2024	Amortization for the Year	Effect of Foreign exchange translation
Goodwill	-	-	-	-	-	-	-	-
Brands / Trademarks	-	-	-	-	-	-	-	-
Computer Software	984.65	-	-	-	984.65	144.28	378.78	523.05
Mining Rights	-	-	-	-	-	-	-	-
Mastheads and Publishing Titles	-	-	-	-	-	-	-	-
Copyrights	-	-	-	-	-	-	-	-
Patents	-	-	-	-	-	-	-	-
Licenses and Franchise	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
TOTAL (A)	984.65	-	-	-	984.65	144.28	378.78	523.05
Previous Year	99.81	884.84	-	-	984.65	26.39	117.89	144.28

# Notes to Standalone Financial Statements

as at March 31,2025

## Note: 9 & 10 Depreciation & Amortisation Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Depreciation on Tangible Assets	370.77	336.76
Amortization on Intangible Assets	378.78	117.89
<b>Total</b>	<b>749.55</b>	<b>454.65</b>

## Note: 11 (iii) Capital Work-in-Progress (CWIP)

### I. CWIP aging schedule

(₹ in Lakhs)					
CWIP	Amount in CWIP for a period of				As at 31-Mar-2025
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	31-Mar-25
a) Projects In Progress	1,236.56	-	-	-	<b>1,236.56</b>
<b>Total</b>					<b>1,236.56</b>

(₹ in Lakhs)					
CWIP	Amount in CWIP for a period of				As at 31-Mar-2024
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	31-Mar-24
a) Projects In Progress	1,523.04	-	-	-	<b>1,523.04</b>
<b>Total</b>					<b>1,523.04</b>

## Note: 12 Non-Current Investments

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>Unquoted Investments at cost</b>		
<b>Investments in Equity Instruments</b>		
<b>In Subsidiaries</b>		
a) PhantomFX Studios Limited (UK)	5.32	5.32
(invested to the extent of 100% of total equity shares having face value of 0.01 GBP)		
b) Spectre Post Private Limited	100.00	-
(invested to the extent of 99.99% of total equity shares having face value of INR 10)		
<b>Total</b>	<b>105.32</b>	<b>5.32</b>

# Notes to Standalone Financial Statements

as at March 31,2025

Particulars	As at 31-Mar-25	As at 31-Mar-24
Aggregate amount of unquoted investments	105.32	5.32
	<b>105.32</b>	<b>5.32</b>

## Note: 13 Deferred Tax Assets (Net)

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Deferred Tax Asset	49.07	1.51
<b>Total</b>	<b>49.07</b>	<b>1.51</b>

## Note: 14 Long-Term Loans & Advances

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Unsecured, Considered good</b>		
a) Trade advances	521.41	1,099.28
<b>Total</b>	<b>521.41</b>	<b>1,099.28</b>

## Note: 15 Other Non-Current Assets

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
A. Security Deposits	333.95	333.95
<b>Total</b>	<b>333.95</b>	<b>333.95</b>

## Note: 16 Inventories

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
a) Work-in-Progress	4,048.72	3,516.09
<b>Total</b>	<b>4,048.72</b>	<b>3,516.09</b>

## Note: 17 Trade Receivables

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Trade receivable considered good – Secured	-	-
Trade receivable considered good – Unsecured	8,572.60	5,071.86
Trade receivable which have significant increase in credit risk	-	-
Trade receivable – credit impaired	-	-
<b>Total Trade Receivables</b>	<b>8,572.60</b>	<b>5,071.86</b>



# Notes to Standalone Financial Statements

as at March 31,2025

## Ageing Schedule

### I. Trade Receivables ageing schedule For the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	727.60	2,870.66	611.34	-	-	4,209.60
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
<b>Sub total</b>						<b>4,209.60</b>
Unbilled Receivables						4,363.00
<b>Total:</b>						<b>8,572.60</b>

# Notes to Standalone Financial Statements

as at March 31,2025

## II. Trade Receivables ageing schedule For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	4,890.58	125.97	55.31	-	-	5,071.86
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
<b>Sub total</b>						<b>5,071.86</b>
Unbilled Receivables						-
<b>Total:</b>						<b>5,071.86</b>

### Note: 18 Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>a) Cash &amp; Cash Equivalents</b>		
i) Balance with banks	60.25	310.95
ii) Bank Deposits with less than 3 months maturity	1,470.00	-
<b>b) Other Bank Balances</b>		
i) Bank Deposits with more than 3 months but less than 12 months maturity	343.01	1,511.00
<b>Total</b>	<b>1,873.26</b>	<b>1,821.95</b>

# Notes to Standalone Financial Statements

as at March 31,2025

## Note: 19 Short-Term Loans and Advances

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Unsecured, Considered good</b>		
a) Loans and advances to related parties	58.62	-
<b>Total</b>	<b>58.62</b>	<b>-</b>

## Note: 20 Other Current Assets

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Advance paid to suppliers	3,578.96	262.52
Prepaid expenses	146.54	128.62
TDS receivable	293.17	188.68
Accrued interest	30.96	6.54
Salary advance	0.53	0.24
SEPC incentive receivable	-	11.31
GST input credit	99.74	-
Bank deposits	-	2,230.00
<b>Total</b>	<b>4,149.90</b>	<b>2,827.91</b>

## Note: 21 Revenue From Operations

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
<b>Sale of services:</b>		
Domestic services	2,613.25	3,117.21
International services	2,876.18	5,815.85
Unbilled revenue	4,363.00	-
<b>Total</b>	<b>9,852.43</b>	<b>8,933.05</b>

# Notes to Standalone Financial Statements

as at March 31,2025

## Note: 22 Other Income

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Interest Income	215.51	102.52
Foreign Exchange Gain	5.64	6.80
Other non-operating income	-	1.05
<b>Total</b>	<b>221.15</b>	<b>110.38</b>

## Note: 23 Changes in Inventories of Work-in-Progress

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Opening inventory of Work in Progress	3,516.09	744.06
Less: Closing inventory of Work in Progress	4,048.72	3,516.09
<b>Total</b>	<b>(532.63)</b>	<b>(2,772.03)</b>

## Note: 24 Employee Benefits Expense

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Salaries & Wages	3,429.52	4,180.53
Contribution to Provident fund & ESI	95.73	225.49
Directors Remuneration	251.14	358.27
Provision for Gratuity	20.89	33.96
Staff Welfare	48.09	78.14
<b>Total</b>	<b>3,845.37</b>	<b>4,876.38</b>

## Note: 25 Other Direct Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Job outsource expense	384.51	456.10
Computer rent	497.07	579.28
Office rent	511.56	485.29
<b>Total</b>	<b>1,393.14</b>	<b>1,520.67</b>



# Notes to Standalone Financial Statements

as at March 31,2025

## Note: 26 Finance Costs

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Interest Expenses	413.88	149.38
Other Borrowing costs	-	4.67
<b>Total</b>	<b>413.88</b>	<b>154.05</b>

## Note: 27 Other Expenses

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Advertisement charges	177.79	201.88
Audit Fees	8.00	6.00
Bank Charges	22.37	3.54
Annual listing fees	12.81	1.15
Common Area Maintenance Expenses	6.62	3.21
Consultancy Charges	20.36	20.41
Corporate social Responsibility Expenses	40.68	-
Director Sitting Fees	13.40	14.20
Donation	0.39	19.47
Electricity Charges	189.60	200.06
Insurance Expenses	8.28	5.61
Internet Charges	40.00	38.03
Legal and Professional Charges	269.03	410.28
Miscellaneous expenses	77.21	31.91
Office Maintenance	65.50	91.74
Postage & Telegram	0.94	1.52
Printing and Stationery	6.95	7.59
Rates and Taxes	1.57	0.47
Repairs to buildings	32.98	19.72
Repairs to machinery	23.39	114.05
Sales Commission	-	16.51
Security Charges	36.06	42.60
Subscriptions	188.60	128.98
Telephone Charges	6.87	8.43
Travelling Expense	150.40	154.60
<b>TOTAL</b>	<b>1,399.79</b>	<b>1,541.94</b>

# Notes to Standalone Financial Statements

as at March 31,2025

## Note: 28 Company Overview & Significant Accounting Policies

### I Company Overview

The Company is a Public Limited Company having CIN:L92100TN2016PLC103929 incorporated on 02nd February, 2016 under the provisions of the Companies Act 2013, and having its registered office at Ambattur, Chennai, Tamil Nadu, India. The shares of the company are listed in National Stock Exchange in India.

The Company engaged in business of post production activities (Visual effects (VFX) services ) including digital intermediate and other creative services to the Media and Entertainment industry.

The Company is head quartered in Chennai and operates through delivery centres in Chennai, Mumbai and Hyderabad.

The Company has incorporated a subsidiary (Spectre Post Private Limited) during the year.

### II Significant Accounting Policies

#### 1 Basis of preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

#### 2 Revenue recognition:

##### a) Sale of services:

The company derives its revenues primarily from Sale of Visual Effects (VFX) services. The revenue from VFX services are recognised on Percentage of completion basis. Sales are shown net of sales returns, if any.

##### b) Other Income

Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends should only be recognised when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following bases:

(i) **Interest** : on a time proportion basis taking into account the amount outstanding and the rate applicable.

(ii) **Royalties** : on an accrual basis in accordance with the terms of the relevant agreement.

(iii) **Dividends from** : when the owner's right to receive payment is established by investments in shares.

#### 3 Property Plant and Equipment including Intangible assets:

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

#### 4 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired

# Notes to Standalone Financial Statements

as at March 31,2025

during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

## Useful life of Property, Plant and Equipment's

Category	Useful life
Computer & accessories	3-6 years
Furniture & fittings	10 years
Office equipments	5 years
Computer software	5 years
Vehicles	10 years
VFX production equipments	10 years

## 5 Impairment of assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

## 6 Use of estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipment's and intangible assets.

## 7 Foreign currency transactions:

### Domestic Operation:

#### I . Initial recognition :

A foreign currency transaction should be recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### II . Measurement :

Foreign currency monetary items should be reported using the closing rate.

# Notes to Standalone Financial Statements

as at March 31,2025

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

## III . Treatment of Foreign exchange :

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

## 8 Employee Benefits:

### A. Short - term employee benefits:

#### Leave encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

### B. Post-Employment benefits:

#### Defined benefit plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

#### Defined contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

## 9 Taxes on Income:

I ncome Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

### A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

### B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.



# Notes to Standalone Financial Statements

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## 10 Research & Development:

Expenditure of intangible asset on the research phase are recognised as an expense when it is incurred and expenditure on development phase are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

## 11 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 12 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

## 13 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and Cheque in hand, balance with bank, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where it has a short maturity of three months or less from the date of acquisition.

## 14 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

The Company’s cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company’s cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

## 15 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

# Notes to Standalone Financial Statements

as at March 31,2025

## 16 Leases

### I. Financial Lease

The Company recognise the finance lease as an asset and a liability. Such recognition will be at an amount equal to the fair value of the leased asset at the inception of the lease. However, from the standpoint of the Company, if the fair value of the leased asset exceeds the present value of the minimum lease payments, the amount recorded as an asset and a liability will be the present value of the minimum lease payments. In calculating the present value of the minimum lease payments the discount rate is the interest rate implicit in the lease, if this is practicable to determine; if not, the Company’s incremental borrowing rate is used.

### II. Operating Lease

Lease payments under an operating lease is recognised as an expense in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user’s benefit.

## Note: 29 Other notes to accounts

### 1 Contingent liabilities and commitments (to the extent not provided for):

#### A. Contingent Liabilities

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Claims against the company not acknowledged as debt	-	-
Guarantees	-	-
Other money for which the company is contingently liable	-	-
<b>Total</b>	-	-

#### B. Commitments

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
<b>Total</b>	-	-

### 2 Proposed Dividend Details:

The company has not declared dividend during the period under review.

### 3 No issue of securities were made for the specific purpose by the company during the reporting year. The compnay has utilized the amount received through QIP issue of previous year for the purpose as stated in the prospectus and the unutilized part amounting to INR 1812.62 Lakhs are kept in Fixed Deposit.

## Notes to Standalone Financial Statements

as at March 31,2025

- 4 The company has utilized the amount borrowed during the year from banks and financial institution for the purpose for which it has been raised.
- 5 In the opinion of the Board, the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated

### 6 Details of Benami Property held

The Company has no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

### 7 Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, the following are the details of statements submitted to bank:-

Name of the Current Asset	Date of Filing Monthly Return to Banks	Amount as per books	Amount as per the document submitted to the bank	Status/ Remarks
Sundry Debtors	10-10-2024	6,609.36	6,609.36	
	13-01-2025	6,642.02	6,642.02	
	15-04-2025	8,577.72	8,577.72	

- 8 The company is not declared as wilful defaulter by any bank or financial institution or other lender during the reporting period.
- 9 The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 10 The Company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 11 **Compliance with number of layers of companies:**
- The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

### 12 Compliance with approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the reporting period.

### 13 Utilisation of Borrowed funds and share premium:

- A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

## Notes to Standalone Financial Statements

as at March 31,2025

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

### 14 Payment to the Auditor:

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Auditor	5.00	5.00
Taxation Matters	1.00	1.00
Company Law Matters	-	-
Management Services	-	-
Other Services	4.99	2.45
Reimbursement Expenses	-	-
<b>Total</b>	<b>10.99</b>	<b>8.45</b>

### 15 Corporate Social Responsibility:

The Company is covered under section 135, amount of expenditure incurred on corporate social responsibility activities are as follows:

- a. amount required to be spent by the company during the year is INR 40.68 lakhs
- b. amount of expenditure incurred is Nil

S. No	Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i)	Construction/ acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	-	40.68	40.68
	<b>Total</b>			<b>40.68</b>

- c. shortfall at the end of the year out of the amount required to be spent by the Company during the year is INR 40.68 lakhs
- d. total of previous years shortfall is NIL
- e. The reason for above shortfalls by way of a note, (a) the company intends to transfer the unspent amount to the Prime Minister's National Relief Fund within six months from the end of the financial year.
- f. The nature of CSR activities undertaken by the Company - Nil
- g. Details of related party transactions - Nil



## Notes to Standalone Financial Statements

as at March 31,2025

### 16 Service Income

In case of Companies Rendering or Supplying Services:

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
VFX services	9,852.43	8,933.05
<b>Total</b>	<b>9,852.43</b>	<b>8,933.05</b>

### 17 In the case of all concerns having works in progress

(₹ in Lakhs)		
Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Works in Progress - VFX services	4,048.72	3,516.09
<b>Total</b>	<b>4,048.72</b>	<b>3,516.09</b>

18 The company has not set aside any material amounts to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up.

19 The company has not set aside any material amounts to provisions made for meeting specific liabilities, contingencies or commitments.

20 (a) Dividends from subsidiary companies - Nil

(b) Provisions for losses of subsidiary companies - Nil

### 21 Value of Imports:

Value of imports calculated on C.I.F basis by the company during the financial year is as follows:

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Raw Materials	-	-
Components and Spare Parts	-	-
Capital Goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Notes to Standalone Financial Statements

as at March 31,2025

### 22 Foreign Currency earned and expended:

₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Foreign currency earned</b>		
Export of services	2,876.18	5,815.85
Royalty	-	-
Interest and dividend	-	-
Other income, indicating the nature thereof	-	-
<b>Total</b>	<b>2,876.18</b>	<b>5,815.85</b>
<b>B. Foreign currency expended</b>		
Marketing expenses	149.84	146.97
Professional and Consultation Fees	26.35	-
Travelling expenses	27.66	104.22
Purchase of Asset	27.49	-
Software subscription	31.93	-
Other Matters	8.54	-
<b>Total</b>	<b>271.81</b>	<b>251.19</b>

23 The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related - Nil

### 24 Undisclosed income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of the Income Tax Act, 1961). There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

### 25 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

# Notes to Standalone Financial Statements

as at March 31,2025

## 26 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 “Related Party Disclosures”:

### A. List of Related Parties:

Name of Related Party	Relationship
BEJOY ARPUTHARAJ	Managing Director
BINU JOSHUA	Whole time director & CFO
SYNTIA MOSES DARRY	Whole time director
RAVINDRAN	Whole time director
POORNIMA R	Company Secretary
PHANTOMFX STUDIOS LIMITED (UK)	Wholly Owned Subsidiary
SPECTRE POST PRIVATE LIMITED	Wholly Owned Subsidiary
TOM ANTONY	Independent Director
MANJIT SINGH PARMAR	Independent Director
SURYARAJ KUMAR	Independent Director
JEEMON PULLELLY VARGHESE	Independent Director

### B. Transaction with related Parties:

Particulars	Subsidiaries	Key Mangerial Persons	Independent directors
Director remuneration	-	252.00	-
	-	(360.00)	-
Rental expenses - Guest House	-	5.40	-
	-	(5.40)	-
Loan from Director	-	700.00	-
	-	-	-
Director sitting fees	-	-	12.20
	-	-	(14.20)
Investment in subsidiary	100.00	-	-
	(5.32)	-	-

Figures within brackets ( ) represents Previous Year's amount.

# Notes to Standalone Financial Statements

as at March 31,2025

## C. Balances of Related Parties As at 31 March,2025

Particulars	Subsidiaries	Key Mangerial Persons	Independent directors
Rental expenses- guest house	-	0.41	-
	-	(0.41)	-
Loan from director	-	271.26	-
	-	-	-
Director sitting fees	-	-	2.16
	-	-	(1.08)
Investment in subsidiary	105.32	-	-
	(5.32)	-	-

Figures within brackets ( ) represents Previous Year's amount.

## D. Material Transaction with related parties:

Particulars	Name of Related Party	Amount
Director Remuneration	Bejoy Arputharaj	100.80
		(144.00)
	Binu Joshua	67.20
		(96.00)
Director Sitting Fees	Tom Antony	4.40
		(4.40)
	Manjit Singh Parmar	4.00
		(4.20)
	Suryaraj Kumar	3.60
		(4.00)
	Jeemon Pullelly Varghese	0.20
		(1.60)

Figures within brackets ( ) represents Previous Year's amount.

## E. Material Balance with related parties:

Particulars	Name of Related Party	Amount
Investment in subsidiaries	Spectre Post Private Limited	271.26
		-
	PHANTOMFX STUDIOS LIMITED (UK)	-
		-
-	-	-

Figures within brackets ( ) represents Previous Year's amount.



# Notes to Standalone Financial Statements

as at March 31,2025

## F. Compensation of Key Management Personnel

(₹ in Lakhs)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024
Short-term employee benefits	251.14	358.27
Post-employment benefits	-	-
Termination benefits	-	-

### Notes to be disclosed

- Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2025, the Company has not recorded any loss allowances for transactions between the related parties.
- As the future liabilities for gratuity and leave encashment is provided on an actuarial basis and payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above.
- No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.

## 27 Income Taxes:

### I. Minimum Alternate Tax

The Company has opted the lower tax regime under section 115BAA of the Income Tax Act, 1961. Hence, there is no Minimum Alternate Tax credit recognised in the reporting year.

### II. Current Tax

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current Tax	775.99	856.72
Less: MAT credit entitlement	-	-
<b>Net Current Tax</b>	<b>775.99</b>	<b>856.72</b>

### III. Details of Interest and Penalties

- Interest on Shortfall in payment of Advance Tax Interest under Section 234C - INR 31.54 Lakhs
- Any Penalties levied under Income Tax Act - Nil
- Excess/Short Provision of Taxes relating to earlier years - INR 54.34 Lakhs

# Notes to Standalone Financial Statements

as at March 31,2025

## 28 Exchange Difference:

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Exchange Difference Gain/(Loss)	5.64	6.80
<b>Total</b>	<b>5.64</b>	<b>6.80</b>

## 29 Employee Benefit (Incurred in India):

- (1) Provident Fund - The Company has contributed ₹ 94.66 Lakhs for the year 2025 towards the Employees Provident Fund.
- Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

**Interest cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

### Gratuity

#### (i) Reconciliation of Opening and closing balance of Gratuity Obligations:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Net Liability as at the beginning of the period	86.93	52.98
Net Expenses in P/L A/c	20.89	33.96
Benefits Paid	-	-
<b>Net Liability as at the end of the period</b>	<b>107.82</b>	<b>86.93</b>

(No Fund is being maintained)

# Notes to Standalone Financial Statements

as at March 31,2025

## (ii) Reconciliation of Opening and closing balance of Gratuity Obligations:

Expenses recognized during the year in Profit &amp; Loss Account:

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Interest Cost	6.30	3.91
Current Service Cost	24.57	21.26
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(9.98)	8.78
<b>Net Expenses to be recognized in P&amp;L</b>	<b>20.89</b>	<b>33.96</b>

## (iii) Changes in Benefit Obligations:

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
Opening Defined benefit Obligation	86.93	52.98
Current service cost	24.57	21.26
Interest cost for the year	6.30	3.91
Actuarial losses (gains)	(9.98)	8.78
Benefits paid	-	-
<b>Closing Defined benefit Obligation</b>	<b>107.82</b>	<b>86.93</b>

## 30 Cashflow Statement

- The Company has no significant amount of cash and cash equivalent balances held that are not readily available for use.
- The company has a borrowing facility upto INR 3000 Lakhs and there are undrawn borrowing facilities that may be available for future operating activities amounting to INR 392 Lakhs.
- The company has appropriate amount of cash flows that are required to maintain operating capacity.
- There are no non-cash transactions happened in investing and financing activities to be excluded from the cash flow statement.

# Notes to Standalone Financial Statements

as at March 31,2025

## Additional Disclosures:

### I. Components of Cash and Cash Equivalents:

(₹ in Lakhs)		
	31-Mar-25	31-Mar-24
Balance with banks	60.25	310.95
Demand deposits with banks	1,813.01	1,511.00
<b>Total Components of Cash and Cash Equivalents:</b>	<b>1,873.26</b>	<b>1,821.95</b>

### II. Amount Spent for CSR Activities

(₹ in Lakhs)				
S. No	Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i)	Construction/ acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	-	40.68	40.68
<b>Total</b>				

## 31 Disclosures on PPE and Intangible Assets

### I. Property, plant and equipment

- The Company do have any restrictions on title, and property, plant and equipment pledged as security for liabilities.
- There is no amount of expenditure recognised in the carrying amount of an item of property, plant and equipment in the course of its construction.
- There is no contractual commitments for the acquisition of property, plant and equipment
- There is no amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in the statement of profit and loss;
- The Company has no assets that are retired from active use and held for disposal
- There is no temporarily idle property, plant and equipment at the reporting date
- The company has not fully depreciated property, plant and equipment that is still in use
- The company has not revalued any class of property, plant and equipment during the financial year
- The Company has no property, plant and equipment that are retired from active use and not held for disposal.



## Notes to Standalone Financial Statements

as at March 31,2025

### II. Intangible asset

- 1) The carrying amount and remaining amortization period of any individual intangible asset that is material to the financial statements of the enterprise as a whole - Nil
- 2) The Company does not have any restrictions on the title and the carrying amounts of intangible assets pledged as security for liabilities
- 3) There is no contractual commitments for the acquisition of intangible assets.
- 4) The Company has no fully amortised intangible asset that is still in use
- 5) There is no acquisition of intangible assets through business combinations

### 32 Investments

#### I. Profits and losses with regard to investments have been disclosed as under:

- a) profits and losses on disposal of current investments - Nil
- b) profits and losses on changes in the carrying amount of current investments - Nil
- c) profits and losses on disposal of long-term investments - Nil
- d) profits and losses on changes in the carrying amount of long- term investments - Nil

#### II. The Company has no significant restrictions with regard to investments in subsidiaries on the right of ownership, realisability of investments or the remittance of income and proceeds of disposals.

### 33 Leases

Operating lease agreement has been made by the Company for Rental of Office premises with Kosmo One Business Park Limited for Chennai, with iSprout Business Centre Private Limited for Hyderabad & with Techniplex for Mumbai Office.

The total of future minimum lease payments under non - cancellable operating leases for each of the following periods:

Particulars	< 1 year	1-5 years	>5 years	Total
Future minimum lease payments for office rent	414.44	523.93	-	938.37

## Notes to Standalone Financial Statements

as at March 31,2025

### 34 Earnings Per Share

(₹ in Lakhs)		
Particulars	As at 31-Mar-25	As at 31-Mar-24
1. Profit attributable to equity shareholders before extraordinary items (A)	2,021.71	2,411.49
2. Profit attributable to equity shareholders after extraordinary items (B)	2,021.71	2,411.49
3. Weighted average number of equity shares outstanding during the year (C)	1,35,79,200	1,21,75,134
4. Adjusted Weighted average number of equity shares outstanding during the year (D)*	-	-
5. Effect of potential equity shares on employee stock options outstanding	-	-
6. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (E)	1,35,79,200	1,21,75,134
8. Adjsuted weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (F)		
7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C)	14.89	19.81
8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C)	14.89	19.81

### 35 Previous year's figure have been regrouped/reclassified wherever necessary to confirm with current year's classification.

### 36 Ratios

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
a.	<b>Current Ratio</b> Current Assets / Current liabilities ( <b>Current Assets</b> -Current Investments, Inventories, Trade Receivables, Cash and Bank Balances, Short Term Loans and Advances, Other Current Assets <b>Current Liabilities</b> -Short Term Borrowings, Trade Payables, Other Current Liabilities, Short term Provisions )	3.81	4.59	-17%	-
b.	<b>Debt-Equity Ratio</b> Total Debt / Shareholder's Equity ( <b>Total Debt</b> -Long Term Debt + Short Term Debt <b>Shareholder's Equity</b> -Share Capital, Reserves and Surplus)	25.42%	14.43%	76%	Increase primarily on account of increase in trade receivables and advance payments to suppliers.

## Notes to Standalone Financial Statements

as at March 31,2025

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
c.	<b>Debt Service Coverage Ratio</b> Earnings available for debt service / Debt Service <b>(Earnings available for debt service-Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc., Debt Service-Interest &amp; Lease Payments + Principal Repayments)</b>	9.33	9.12	2%	-
d.	<b>Return on Equity Ratio</b> (Net Profit After Taxes - Preference Dividend if any) / Average Shareholder's Equity <b>Average Shareholder's Equity-(Opening Share Capital+Opening Reserves and Surplus+Closing Share Capital+Closing Reserves and Surplus)/2</b>	12.26%	16.66%	-26%	-
e.	<b>Inventory Turnover Ratio</b> Cost of Goods Sold (or) Sales / Average Inventory <b>Cost of Goods Sold-Cost of sales Average Inventory-(Opening Inventory+Closing Inventory)/2</b>	1.38	3.00	-54%	Decreased primarily on account of decrease in cost of sales during the current year and increase in closing work-in progress.
f.	<b>Trade Receivables Turnover Ratio</b> Net Credit Sales / Average Trade Receivables <b>Net Credit Sales -Gross Credit Sales - Sales Return Average Trade Receivables-(Opening Trade Receivables + Closing Trade Receivables)/2</b>	1.44	2.69	-46%	-
g.	<b>Trade Payable Turnover Ratio</b> Net Credit Purchases / Average Trade Payables <b>Net Credit Purchases-Gross Credit Purchases - Purchase Return Average Trade Payables-(Opening Trade Payables + Closing Trade Payables)/2</b>	2.87	5.54	-48%	-
h.	<b>Net Capital Turnover Ratio</b> Net Sales / Average Working Capital <b>Net Sales-Total Sales-Sales Return Average Working Capital-((Opening Current Assets - Opening Current Liabilities)+(Closing Current Assets - Closing Current Liabilities))/2</b>	0.82	0.78	4%	-

## Notes to Standalone Financial Statements

as at March 31,2025

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
i.	<b>Net Profit Ratio</b> Net Profit / Net Sales <b>Net Profit- Profit after tax Net Sales-Total Sales-Sales Return</b>	20.52%	27.00%	-24%	-
j.	<b>Return on Capital Employed</b> (Earning before interest and taxes / Capital Employed) * 100 <b>Earning before interest and taxes-Profit before Taxes + Interest Capital Employed-Tangible Net Worth + Total Debt + Deferred Tax Liability</b>	15.56%	20.66%	-25%	-
k.	<b>Return on Investment</b> Income generated from investments/ Total Investment*100	7.56%	4.95%	53%	Increase due to increase in profit from subsidiary.

For and on behalf of the Board of Directors of  
Phantom Digital Effects Limited

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

Place: Chennai  
Date: 30-05-2025



# INDEPENDENT AUDITOR’S REPORT

To the Members of Phantom Digital Effects Limited.,

## Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying Consolidated financial statements of **Phantom Digital Effects Limited** (Hereinafter referred to the “**Holding Company**”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “**the Group**”), which comprise the Consolidated Balance Sheet **as at 31<sup>st</sup> March, 2025**, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cashflows for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as the “**Consolidated Financial Statements**”).
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements for the period ended 31<sup>st</sup> March, 2025 give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2025, and consolidated profit, and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated 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 Companies Act, 2013 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 on the Consolidated Financial Statements.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
<ul style="list-style-type: none"><li>▪ The Company derives its revenues primarily from Sale of Visual effects (VFX) Service contracts. The revenue from VFX Service contracts are recognised on proportionate completion basis. Sales are shown net of sales returns, if any.</li><li>▪ We identified the revenue recognition for Visual effects (VFX) Service contracts where proportionate completion basis method is used as a key audit matter because of the significant judgement involved in estimating the efforts to complete such contracts.</li><li>▪ This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to date and estimates of efforts required to complete the remaining performance obligations.</li></ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ol style="list-style-type: none"><li>1. Assessed the appropriateness of the revenue recognition, accounting policies, with the applicable accounting standards.</li><li>2. We have verified the contract with customers made in this regard and revenues accounted under proportionate Completion method.</li><li>3. The progress of each projects are separately treated in terms of human resources and other resources and the billing is made as per the stages of completion.</li><li>4. The unbilled revenue is recognised once the milestone is reached and tax invoice is accounted in the books after obtaining approval from the concerned customer in the subsequent financial year.</li></ol>

# INDEPENDENT AUDITOR’S REPORT

### Emphasis of Matter

A payment of ₹ 1427.66 lakhs made to one of the parties, which, as per the Agreement, pertains to 3D and VFX services; however, this amount has not been given effect in Profit & Loss Account and pending revenue recognition by the Company.

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

5. The Holding Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Management Discussion and Analysis, Holding Board Report including Annexures and Corporate Governance Report, but does not include the consolidated financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

### Responsibilities of the Management and Those charged with Governance for the Financial Statements:

8. The Holding Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

### Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements:

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

## INDEPENDENT AUDITOR'S REPORT

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.

- ii. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we

are the independent auditors. We remain solely responsible for our audit opinion.

13. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
14. We also provide those charged with governance of the Holding Company 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.
15. From the matters communicated with those charged with governance of the Holding Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

16. The foreign currency denominated monetary items appearing in the financial statements as on the balance sheet date have not been restated in accordance with Accounting Standard (AS) 11 – The Effects of Changes in Foreign Exchange Rates.
17. We did not audit the financial statements of a subsidiary (PhantomFX Studios Limited, UK) included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 10.70 Lakhs and net assets of ₹ 10.70 Lakhs as at March 31, 2025, total revenue 5.31 Lakhs, total net profit of 5.31 Lakhs and net cash flow of 5.70 Lakhs for the year ended March 31, 2025, as considered in the Consolidated Financial Statements which have been certified by the concerned management. Management certified unaudited financial statements of this entity have been furnished to

## INDEPENDENT AUDITOR'S REPORT

us and our opinion on the Consolidated Financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the financial statements provided by the Management.

18. Our opinion above on the consolidated financial statements, and our report on Other Legal and regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements:

19. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Annexure - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. 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 purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
  - e. On the basis of the written representation received from the directors of the Holding Company as on 31<sup>st</sup> March, 2025 taken on records by the Board of Directors of the Holding

Company, none of the directors of the Group companies incorporated in India are disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a Directors in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls, reporting under this section is not applicable for subsidiary, as the subsidiary is not incorporated in India and for Holding Company refer to our separate report in "Annexure B" of the Standalone Auditor's Report included in this annual report.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group companies incorporated in India to its directors during the period is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a) There were no pending litigations as at 31<sup>st</sup> March 2025 which would impact the consolidated financial position of the Group.
  - b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March 2025.
  - c) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March 2025.
  - i. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have



## INDEPENDENT AUDITOR’S REPORT

been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- j. The Group did not declare or pay any dividend during the year.
- k. Based on our examination, which included test checks, the Holding Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For L U Krishnan & Co.  
Chartered Accountants  
Firm’s Registration No: 001527S

P K Manoj  
Partner  
Membership No:207550  
UDIN: 25207550BMJDIK4485

Place: Chennai  
Date: 30/05/2025

## ANNEXURE - A

### TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PHANTOM DIGITAL EFFECTS LIMITED FOR THE YEAR ENDED 31st MARCH 2025

(Referred to in paragraph 20 under ‘Report on Other Legal and Regulatory Requirements’ section of our report)

- a.) With respect to the reporting under clause 3(xxi) of the Order, in our opinion and according to the information and explanations given to us, the Companies (Auditor’s Report) Order, 2020 of the Parent Company did not include any qualifications or adverse remarks.

- b.) With respect to subsidiary, (reporting under the Companies (Auditor’s Report) Order, 2020 is not applicable) / (the financial statements are unaudited). Accordingly, no comments for the said subsidiary have been included for the purpose of reporting under this clause.

For L U Krishnan & Co.  
Chartered Accountants  
Firm’s Registration No: 001527S

P K Manoj  
Partner  
Membership No:207550  
UDIN: 25207550BMJDIK4485

Place: Chennai  
Date: 30/05/2025

# Consolidated Balance Sheet

as at March 31,2025

(₹ in Lakhs)			
Particulars	Note No.	As at 31 Mar 2025	As at 31 Mar 2024
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	1,357.92	1,357.92
(b) Reserves and Surplus	2	15,136.69	13,116.08
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long-Term Borrowings	3	1,279.41	569.11
(c) Long-Term Provisions	4	107.82	86.93
<b>4 CURRENT LIABILITIES</b>			
(a) Short-Term Borrowings	5	2,924.80	1,519.46
(b) Trade Payables	6		
(A) Total outstanding dues of micro enterprises and small enterprises and		239.14	177.09
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		367.59	198.03
(c) Other Current Liabilities	7	476.71	534.98
(d) Short-Term Provisions	8	938.93	451.37
<b>TOTAL</b>		<b>22,829.00</b>	<b>18,010.98</b>
<b>II. ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	9	1,390.47	970.04
(ii) Intangible Assets	10	461.59	840.37
(iii) Capital Work-in-Progress	11	1,236.56	1,523.04
(c) Deferred Tax Assets (Net)	12	49.07	1.51
(d) Long-Term Loans & Advances	13	521.41	1,099.28
(e) Other Non-Current Assets	14	367.68	333.95
<b>2 CURRENT ASSETS</b>			
(a) Inventories	15	4,073.26	3,516.09
(b) Trade Receivables	16	8,588.23	5,071.86
(c) Cash & Bank Balances	17	1,906.19	1,826.95
(d) Short-Term Loans and Advances	18	58.62	-
(e) Other Current Assets	19	4,175.91	2,827.91
<b>TOTAL</b>		<b>22,829.00</b>	<b>18,010.98</b>
Company overview & Significant Accounting Policies	28		
Other notes to accounts	29		

The accompanying notes 1 to 29 form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

Place: Chennai  
Date: 30-05-2025

# Consolidated Statement of Profit and Loss

for the year ended March 31,2025

(₹ in Lakhs)			
Particulars	Note No.	For the year ended 31-Mar-25	For the year ended 31-Mar-24
I Revenue From Operations	20	10,215.79	8,933.05
II Other Income	21	221.23	110.38
III <b>Total Income (I+II)</b>		<b>10,437.01</b>	<b>9,043.43</b>
IV <b>Expenses</b>			
Changes in Inventories of Work-in-Progress	22	(557.17)	(2,772.03)
Employee Benefits Expense	23	4,012.27	4,876.38
Other Direct Expenses	24	1,593.28	1,520.67
Finance Costs	25	414.48	154.05
Depreciation & Amortisation Expenses	9 & 10	751.70	454.65
Other Expenses	26	1,419.47	1,542.21
<b>Total Expenses (IV)</b>		<b>7,634.03</b>	<b>5,775.93</b>
V <b>Profit Before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>2,802.98</b>	<b>3,267.50</b>
VI Exceptional Items		-	-
VII <b>Profit before extraordinary items and tax (V-VI)</b>		<b>2,802.98</b>	<b>3,267.50</b>
VIII Extraordinary items		-	-
IX <b>Profit before tax (VII-VIII)</b>		<b>2,802.98</b>	<b>3,267.50</b>
X <b>Tax Expense:</b>			
(1) Current Tax		775.99	856.72
(2) Deferred Tax		(47.56)	(8.47)
(3) Tax expense of earlier periods		54.34	8.03
<b>Total Tax Expenses</b>		<b>782.77</b>	<b>856.27</b>
XI <b>Profit ( Loss) for the period from continuning operations (IX-X)</b>		<b>2,020.21</b>	<b>2,411.23</b>
a Attributable to Minority Interest		-	-
b Attributable to Owners of the parent		2,020.21	2,411.23
XII <b>Profit ( Loss) for the period from discontinuing operations</b>		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV <b>Profit ( Loss) for the period from discontinuing operations (after tax) (XII-XIII)</b>		-	-
a Attributable to Minority Interest			
b Attributable to Owners of the parent		-	-
XV <b>Profit/(Loss) For The Period (XI+XIV)</b>		<b>2,020.21</b>	<b>2,411.23</b>
Attributable to Minority Interest		-	-
XVI <b>Profit/(Loss) For The Period Attributable to Owners of the Parent (XIb+XIVb)</b>		<b>2,020.21</b>	<b>2,411.23</b>
XVII <b>Earnings per equity share before extraordinary items: (In ₹)</b>			
(1) Basic		14.88	19.80
(2) Diluted		14.88	19.80
XVIII <b>Earnings per equity share after extraordinary items: (In ₹)</b>			
(1) Basic		14.88	19.80
(2) Diluted		14.88	19.80
Company overview, Significant Accounting Policies & Other notes on accounts	28 & 29		

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

Place: Chennai  
Date: 30-05-2025

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

## Consolidated Statement of Cash Flow

as at March 31,2025 for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	Year ended March 31, 31-Mar-25	Year ended March 31, 31-Mar-24
<b>A CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Tax	2,802.98	3,267.50
<b>Adjustments for:</b>		
Foreign Exchange (Gain)/Loss	(5.64)	(6.80)
Depreciation and Amortization	751.70	454.65
Profit on Sale of Fixed Assets	-	-
Loss on Sale of Fixed Assets	-	-
Prior Period Errors Adjustments	-	-
Interest Expenses	414.42	149.38
Interest Income	(215.58)	(102.52)
Provision for Employees Compensation Expense	20.89	33.96
Provision for Doubtful Debts	-	-
Other Provisions	-	-
<b>Operating Profit before working capital changes:</b>	<b>3,768.78</b>	<b>3,796.16</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/Decrease in Inventories	(557.17)	(2,772.03)
(Increase)/Decrease in Trade Receivables	(3,516.37)	(3,497.75)
(Increase)/Decrease in Trade Payables	231.61	201.64
(Increase)/Decrease in Short term Loans & Advances	(58.62)	-
(Increase)/Decrease in Other Current Assets	(1,457.02)	(2,769.70)
(Increase)/Decrease in Other Current Liabilities	52.91	391.16
<b>Cash generated from operations</b>	<b>(1,535.89)</b>	<b>(4,650.50)</b>
Income Taxes paid	(344.95)	(767.01)
<b>Cash flow before extraordinary item</b>	<b>(1,880.84)</b>	<b>(5,417.51)</b>
Extraordinary items relating to Operating Activity	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(1,880.84)</b>	<b>(5,417.51)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	215.58	102.52
Fixed assets purchased including Intangible Assets	(793.36)	(1,225.06)
Capital work in progress	286.48	(1,523.04)
Proceeds from sale of Fixed Assets	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Loans Made to Others	-	-
Increase/(Decrease) in Non-Current Investments	-	-
Increase/(Decrease) in Long Term Loans & Advances	577.87	701.31
Increase/(Decrease) in Other Non-Current Investments	(33.74)	(75.96)

## Consolidated Statement of Cash Flow

as at March 31,2025 for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	Year ended March 31, 31-Mar-25	Year ended March 31, 31-Mar-24
Taxes arising from investing activites (activity to be specified)	-	-
Cash flows arising from acquisitions and from disposals of subsidiaries or other business units	-	-
<b>Note:The cash flow effects of disposals should not be deducted from those of acquisitions.</b>		
Extraordinary items relating to Investing Activity	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>252.84</b>	<b>(2,020.22)</b>
<b>C CASH FLOWS FORM FINANCING ACTIVITES</b>		
Interest paid	(414.42)	(149.38)
Share Buy-Back	-	-
Loan Received/(Re-paid)	-	-
Proceeds from issue of equity shares to employees under ESOP scheme	-	-
Taxes arising from financing activites (activity to be specified)	-	-
Increase/(Decrease) in Long-Term Borrowings	-	-
Proceeds from Issue of Share Capital	-	7,641.98
Proceeds from Borrowings	2,115.64	1,359.46
Repayment of Borrowings	-	-
Payment of Dividend	-	-
Extraordinary items relating to Financing Activity	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES (C )</b>	<b>1,701.22</b>	<b>8,852.07</b>
<b>Effect of Exchange Difference</b>		
Exchange difference on Realized (Loss)/Gain	6.03	6.74
<b>D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>79.24</b>	<b>1,421.08</b>
Opening Cash and Cash Equivalents	1,826.95	405.87
<b>CLOSING CASH AND CASH EQUIVALENT- Refer Note No.31 in Other Notes to Accounts</b>	<b>1,906.19</b>	<b>1,826.95</b>
Significant Accounting Policies & Other Notes on accounts - Note no: 28 & 29		

The accompanying notes 1 to 29 form an integral part of the financial statements

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

Place: Chennai  
Date: 30-05-2025

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 0015275

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025



## Notes to Consolidated Financial Statements

as at March 31,2025

### Note: 1 Share Capital

(₹ in Lakhs)

Particulars	As at 31-Mar-2025		As at 31-Mar-2024	
	Number	Amount	Number	Amount
a) Number and amount of equity shares authorised	2,00,00,000.00	2,000.00	2,00,00,000.00	2,000.00
b) (i) Number and amount of equity shares Issued, Subscribed and Paid-Up	1,35,79,200.00	1,357.92	1,35,79,200.00	1,357.92
(ii) Number and amount of equity shares Subscribed but not fully Paid-Up	-	-	-	-
<b>Total of b (i) and (ii)</b>	<b>1,35,79,200.00</b>	<b>1,357.92</b>	1,35,79,200.00	1,357.92
c) Par value per Equity share (in ₹ each)	-		-	
d) Reconciliation of Number of Equity shares outstanding at the beginning and at the end of the reporting period				

Particulars	As at 31-Mar-25	As at 31-Mar-24
Shares outstanding at the beginning of the year	1,35,79,200.00	1,16,40,000.00
Shares issued during the year	-	19,39,200.00
Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,35,79,200.00</b>	<b>1,35,79,200.00</b>

- e) The rights, preferences and restrictions attaching to each class of shares:

The Company has only one class of shares and all shareholder have equal rights and there are no restriction and preferences attached to any shareholders including the right to receive dividend and repayment of Capital.

- f) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

- g) Details of shareholders holding more than 5% of shares:

Name of the Shareholder	As at 31-Mar-2025		As at 31-Mar-2024	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Bejoy Arputharaj	61,54,200.00	45.32 %	61,54,200.00	45.32 %
Syntia Moses Darry	8,36,400.00	6.16 %	8,36,400.00	6.16 %

- h) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts;

## Notes to Consolidated Financial Statements

as at March 31,2025

- i) Shares information related to immediately preceding five years from reporting date:

Number & class of Share allotted as fully paid up pursuant to contract(s) without payment being received in cash : NIL

Aggregate number and class of shares allotted as fully paid up bonus shares : During the FY 2022-23 the Holding Company has issued 89,90,000 bonus shares in the ratio of 899 equity shares for every one share held.

Aggregate number and class of shares brought back : NIL

- j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

- k) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)

- l) The Company has not forfeited any shares during the reporting period

- m) Shareholding of Promoters

Equity Shares held by promoters as at 31-Mar-2025					
Promoter Name	No. of Shares at the beginning of the year	% of total shares	No. of Shares at the end of the year	% of total shares	% Change during the year
Bejoy Arputharaj	61,54,200.00	45.32 %	<b>61,54,200.00</b>	45.32 %	- %
<b>Total</b>	<b>61,54,200.00</b>	<b>45.32 %</b>	<b>61,54,200.00</b>	<b>45.32 %</b>	<b>- %</b>

### Note: 2 Reserves and Surplus

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>(a) Securities Premium</b>		
Opening Balance	9,459.77	9,459.77
Add: Additions during the year	-	-
Less: Deduction during the year (Bonus, others)	-	-
<b>Closing Balance</b>	<b>9,459.77</b>	<b>9,459.77</b>
<b>(b) Foreign Currency Translation Reserve</b>		
Opening Balance		-
Add: Additions during the year	0.35	(0.06)
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>0.35</b>	<b>(0.06)</b>
<b>(c) Surplus</b>		
Opening Balance	3,656.35	1,245.13
Add: Additions during the year	2,020.21	2,411.23
Less: Transferred to Other Reserves (Dividend, Bonus, to reserves)	-	-
<b>Closing Balance</b>	<b>5,676.56</b>	<b>3,656.36</b>
<b>Total</b>	<b>15,136.69</b>	<b>13,116.08</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 3 Long-Term Borrowings

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>Secured</b>		
a) Term Loans:		
i. From banks	1,008.15	521.90
<b>Unsecured</b>		
a) Loans and advances from related parties	271.26	47.21
<b>Total</b>	<b>1,279.41</b>	<b>569.11</b>

### Note:

5. Disclosure about the nature of security and it should also cover the type of asset given as security

Particulars	Rate of Interest	No of O/S Instalments	Instalment Amount (₹ In Lakhs)	Starting Date	Outstanding (₹ in lakhs)	Nature of Security / Pledge
ICICI bank - Car Loan	8.35 %	69.00	2.15	10-01-2023	82.66	Vehicle
ICICI bank - Car Loan	7.99 %	40.00	1.08	10-08-2022	16.32	Vehicle
Kotak bank - Term Loan	9.25 %	39.00	11.21	01-07-2024	186.45	Current Assets & Movable Fixed Assets
Kotak bank - Term Loan	9.50 %	60.00	21.00	05-08-2024	713.92	Current Assets & Movable Fixed Assets
Kotak bank - Car Loan	7.99 %	28.00	0.40	31-08-2024	10.36	Vehicle
Add line Before this						

## Note: 4 Long-Term Provisions

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
a) Provision for Employee Benefits	107.82	86.93
<b>Total</b>	<b>107.82</b>	<b>86.93</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 5 Short-Term Borrowings

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>Secured</b>		
a) Loans repayable on demand:	-	-
i. From banks	2,607.45	1,492.58
b) Current Maturities of Long-term borrowings (Refer note 3.1 of Notes to Balance Sheet)	317.34	26.88
<b>Total</b>	<b>2,924.80</b>	<b>1,519.46</b>

## Note: 6 Trade Payables

### I. Trade Payables relating to MSME

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
a) The principal amount and the interest due thereon, remaining unpaid to any supplier as at the end of accounting year		
Principal	221.58	169.54
Interest Due	17.56	7.54
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	17.56	7.54
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

## Notes to Consolidated Financial Statements

as at March 31,2025

### II. Trade Payables ageing schedule

#### a) Trade Payables ageing schedule For the year ended 31-Mar-2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	239.14	-	-	-	239.14
(ii) Others	367.59	-	-	-	367.59
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					606.73
Unbilled Payables					-
Total:					606.73

#### b) Trade Payables ageing schedule For the year ended 31-Mar-2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) MSME	177.09	-	-	-	177.09
(ii) Others	198.03	-	-	-	198.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Sub total					375.12
Unbilled Payables					-
Total:					375.12

## Notes to Consolidated Financial Statements

as at March 31,2025

### Note: 7 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
a) GST payable	76.67	12.75
b) TDS payable	72.06	143.76
c) EPF payable	15.56	18.79
d) ESI payable	0.13	0.14
e) Professional tax payable	0.95	1.16
f) Credit card	23.35	20.06
g) Salary payable	287.98	338.33
Total	476.71	534.98

### Note: 8 Short-Term Provisions

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
b)Provision for Taxation	807.53	399.62
c) Provision for expenses	108.80	46.14
c) Provision for interest	22.60	5.61
Total	938.93	451.37



Notes to Consolidated Financial Statements

as at March 31,2025

Note No: 9 Property, Plant & Equipment

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	April 1, 2024	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2025	April 1, 2024	Depreciation for the Year	Effect of Foreign exchange translation	March 31, 2025
Land	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-
Computers & Accessories	229.47	3.17	-	-	232.63	183.29	28.22	-	211.52
Furniture & Fittings	291.57	769.12	-	-	1,060.69	102.24	151.13	-	253.37
Office Equipment's	799.37	6.48	-	-	805.85	242.23	143.74	-	385.97
Vehicles	203.88	14.59	-	-	218.46	71.08	36.51	-	107.58
Others(specify nature)	67.92	-	-	-	67.92	23.33	13.31	-	36.64
TOTAL (A)	1,592.20	793.36	-	-	2,385.56	622.16	372.92	-	995.09
Previous Year	1,251.98	340.23	-	-	1,592.21	285.41	336.76	-	622.17

Note: 10 Intangible Assets

Particulars	Gross Block			Accumulated Amortization			Net Block		
	April 1, 2024	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2025	April 1, 2024	Amortization for the Year	Effect of Foreign exchange translation	March 31, 2025
Goodwill	-	-	-	-	-	-	-	-	-
Brands / Trademarks	-	-	-	-	-	-	-	-	-
Computer Software	984.65	-	-	-	984.65	144.28	378.78	-	523.05
Mining Rights	-	-	-	-	-	-	-	-	-
Mastheads and Publishing Titles	-	-	-	-	-	-	-	-	-
Copyrights	-	-	-	-	-	-	-	-	-
Patents	-	-	-	-	-	-	-	-	-
Licenses and Franchise	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
TOTAL (A)	984.65	-	-	-	984.65	144.28	378.78	-	523.05
Previous Year	99.81	884.84	-	-	984.65	26.39	117.89	-	144.28

Notes to Consolidated Financial Statements

as at March 31,2025

Note: 9 & 10 Depreciation & Amortisation Expenses

Particulars	(₹ in Lakhs)	
	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Depreciation on Tangible Assets	372.92	336.76
Amortization on Intangible Assets	378.78	117.89
Total	751.70	454.65

Note: 11 (iii) Capital Work-in-Progress (CWIP)

I. CWIP aging schedule

CWIP	Amount in CWIP for a period of				(₹ in Lakhs)
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	As at 31-Mar-25
a) Projects In Progress	1,236.56	-	-	-	1,236.56
Total					1,236.56

CWIP	Amount in CWIP for a period of				(₹ in Lakhs)
	< 1 year	1 - 2 Years	2 - 3 Years	> 3 Years	As at 31-Mar-24
a) Projects In Progress	1,523.04	-	-	-	1,523.04
Total					1,523.04

Note: 12 Deferred Tax Assets (Net)

Particulars	(₹ in Lakhs)	
	As at 31-Mar-25	As at 31-Mar-24
	49.07	1.51
Total	49.07	1.51

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 13 Long-Term Loans & Advances

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Unsecured, Considered good</b>	-	-
a) Trade advances	521.41	1,099.28
<b>Total</b>	<b>521.41</b>	<b>1,099.28</b>

## Note: 14 Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
A. Security Deposits	367.68	333.95
<b>Total</b>	<b>367.68</b>	<b>333.95</b>

## Note: 15 Inventories

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
a) Work-in-Progress	4,073.26	3,516.09
<b>Total</b>	<b>4,073.26</b>	<b>3,516.09</b>

## Note: 16 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Trade receivable considered good – Secured	-	-
Trade receivable considered good – Unsecured	8,588.23	5,071.86
Trade receivable which have significant increase in credit risk	-	-
Trade receivable – credit impaired	-	-
<b>Total Trade Receivables</b>	<b>8,588.23</b>	<b>5,071.86</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Ageing Schedule

### I. Trade Receivables ageing schedule For the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	743.23	2,870.66	611.34	-	-	4,225.23
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
<b>Sub total</b>						4,225.23
Unbilled Receivables						4,363.00
<b>Total:</b>						8,588.23

# Notes to Consolidated Financial Statements

as at March 31,2025

## II. Trade Receivables ageing schedule For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered good	4,890.58	125.97	55.31	-	-	5,071.86
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for Doubtful Receivables	-	-	-	-	-	-
<b>Sub total</b>						5,071.86
Unbilled Receivables						-
<b>Total:</b>						5,071.86

## Note: 17 Cash & Bank Balances

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>a) Cash &amp; Cash Equivalents</b>		
i) Balance with banks	93.13	315.95
ii) Cash in hand	0.05	-
iii) Bank Deposits with less than 3 months maturity	1,470.00	-
<b>b) Other Bank Balances</b>		
i) Bank Deposits with more than 3 months but less than 12 months maturity	343.01	1,511.00
<b>Total</b>	<b>1,906.19</b>	<b>1,826.95</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 18 Short-Term Loans and Advances

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Unsecured, Considered good</b>		
a) Loans and advances to related parties	58.62	-
<b>Total</b>	<b>58.62</b>	<b>-</b>

## Note: 19 Other Current Assets

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Advance paid to suppliers	3,578.96	262.52
Prepaid expenses	153.92	128.62
TDS receivable	308.87	188.68
Accrued interest	30.96	6.54
Salary advance	0.53	0.24
SEPC incentive receivable	-	11.31
GST input credit	100.05	-
Pre-incorporation expense	2.62	-
Bank deposits	-	2,230.00
<b>Total</b>	<b>4,175.91</b>	<b>2,827.91</b>

## Note: 20 Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
<b>Sale of services:</b>		
Domestic services	2,976.60	3,117.21
International services	2,876.18	5,815.85
Unbilled revenue	4,363.00	-
<b>Total</b>	<b>10,215.79</b>	<b>8,933.05</b>



# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 21 Other Income

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Interest Income	215.58	102.52
Foreign Exchange Loss	5.64	6.80
Other non-operating income	0.00	1.05
<b>Total</b>	<b>221.23</b>	<b>110.38</b>

## Note: 22 Changes in Inventories of Work-in-Progress

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Opening inventory of Work in Progress	3,516.09	744.06
Less: Closing inventory of Work in Progress	4,073.26	3,516.09
<b>Total</b>	<b>(557.17)</b>	<b>(2,772.03)</b>

## Note: 23 Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Salaries & Wages	3,586.94	4,180.53
Contribution to Provident fund	100.70	225.49
Directors Remuneration	251.14	358.27
Provision for Gratuity	20.89	33.96
Staff Welfare	52.59	78.14
<b>Total</b>	<b>4,012.27</b>	<b>4,876.38</b>

## Note: 24 Other Direct Expenses

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Job outsource expenses	492.44	456.10
Computer rent	523.64	579.28
Office rent	577.20	485.29
<b>Total</b>	<b>1,593.28</b>	<b>1,520.67</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 25 Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Interest Expenses	414.42	149.38
Other Borrowing costs	0.06	4.67
<b>Total</b>	<b>414.48</b>	<b>154.05</b>

## Note: 26 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Advertisement Charges	180.02	201.88
Audit Fees	8.00	6.00
Bank Charges	22.37	3.80
Annual listing fees	12.81	1.15
Common Area Maintenance Expenses	6.62	3.21
Consultancy Charges	20.36	20.41
Corporate social Responsibility Expenses	40.68	-
Director Sitting Fees	13.40	14.20
Donation	0.39	19.47
Electricity Charges	189.60	200.06
Insurance Expenses	8.28	5.61
Internet Charges	41.43	38.03
Legal and Professional Charges	269.75	410.28
Miscellaneous expenses	77.21	31.91
Office Maintenance	71.59	91.74
Postage & Telegram	0.98	1.52
Printing and Stationery	7.58	7.59
Rates and Taxes	1.79	0.47
Repairs to buildings	34.24	19.72
Repairs to machinery	24.00	114.05
Sales Commission	-	16.51
Security Charges	36.06	42.60
Subscriptions	191.05	128.98
Telephone Charges	6.95	8.43
Travelling Expense	154.31	154.60
<b>TOTAL</b>	<b>1,419.47</b>	<b>1,542.21</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## Note: 28 Company Overview & Significant Accounting Policies

### I Company Overview

Limited Company having CIN:L92100TN2016PLC103929 incorporated on 02nd February, 2016 under the provisions of the Companies Act 2013, and having its registered office at Ambattur, Chennai, Tamil Nadu, India. The shares of the company are listed in National Stock Exchange in India.

The Company engaged in business of post production activities (Visual effects (VFX) services ) including digital intermediate and other creative services to the Media and Entertainment industry.

The Company is head quartered in Chennai and operates through delivery centres in Chennai, Mumbai and Hyderabad.

### II Significant Accounting Policies

#### 1 Basis of preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

#### 2 Revenue recognition:

##### a) Sale of services:

The company derives its revenues primarily from Sale of Visual Effects (VFX) services. The revenue from VFX services are recognised on Percentage of completion basis. Sales are shown net of sales returns, if any.

##### b) Other Income

Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends should only be recognised when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following bases:

- (i) **Interest :** on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (ii) **Royalties :** on an accrual basis in accordance with the terms of the relevant agreement.
- (iii) **Dividends from :** when the owner's right to receive payment is established by investments in shares.

#### 3 Property Plant and Equipment including Intangible assets:

Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

#### 4 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In

# Notes to Consolidated Financial Statements

as at March 31,2025

respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

### Useful life of Property, Plant and Equipment's

Category	Useful life
Computer & accessories	3-6 years
Furniture & fittings	10 years
Office equipments	5 years
Computer software	5 years
Vehicles	10 years
VFX production equipments	10 years

#### 5 Impairment of assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

#### 6 Use of estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipment's and intangible assets.

#### 7 Foreign currency transactions:

##### Domestic Operation:

##### I . Initial recognition :

A foreign currency transaction should be recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### II . Measurement :

Foreign currency monetary items should be reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction

# Notes to Consolidated Financial Statements

as at March 31,2025

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

## III . Treatment of Foreign exchange :

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

## 8 Employee Benefits:

### A. Short - term employee benefits:

#### Leave encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

### B. Post-Employment benefits:

#### Defined benefit plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

#### Defined contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

## 9 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 “Accounting for Taxes on Income” for both Current Tax and Deferred Tax stated below:

### A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

### B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## 10 Research & Development:

Expenditure of intangible asset on the research phase are recognised as an expense when it is incurred and expenditure on development phase are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

# Notes to Consolidated Financial Statements

as at March 31,2025

## 11 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 12 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

## 13 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and Cheque in hand, balance with bank, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where it has a short maturity of three months or less from the date of acquisition.

## 14 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

The Company’s cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company’s cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

## 15 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

## 16 Leases

### I. Financial Lease

The Company recognise the finance lease as an asset and a liability. Such recognition will be at an amount equal to the fair value of the leased asset at the inception of the lease. However, from the standpoint of the Company, if the fair value of the leased asset exceeds the present value of the minimum lease payments, the amount recorded as an asset and a liability will be the present value of the minimum lease payments. In



# Notes to Consolidated Financial Statements

as at March 31,2025

calculating the present value of the minimum lease payments the discount rate is the interest rate implicit in the lease, if this is practicable to determine; if not, the Company's incremental borrowing rate is used.

## II. Operating Lease

Lease payments under an operating lease is recognised as an expense in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

### Note: 29 Other notes to accounts

#### 1 Contingent liabilities and commitments (to the extent not provided for):

##### A. Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Claims against the company not acknowledged as debt	-	-
Guarantees	-	-
Other money for which the company is contingently liable	-	-
<b>Total</b>	-	-

##### B. Commitments

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
<b>Total</b>	-	-

#### 2 Proposed Dividend Details:

The company has not declared dividend during the period under review.

**3** No issue of securities were made for the specific purpose by the company during the reporting year. The company has utilized the amount received through QIP issue of previous year for the purpose as stated in the prospectus and the unutilized part amounting to INR 1812.62 Lakhs are kept in Fixed Deposit.

**4** The company has utilized the amount borrowed during the year from banks and financial institution for the purpose for which it has been raised.

**5 In the opinion of the Board, the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated**

# Notes to Consolidated Financial Statements

as at March 31,2025

## 6 Details of Benami Property held

The Company has no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

## 7 Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-

Name of the Current Asset	Date of Filing Monthly Return to Banks	Amount as per books	Amount as per the document submitted to the bank	Status/ Remarks
Sundry Debtors	10-10-2024	6,609.36	6,609.36	
	13-01-2025	6,642.02	6,642.02	
	15-04-2025	8,577.72	8,577.72	-

**8** The company is not declared as wilful defaulter by any bank or financial institution or other lender.

**9** The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**10** The Company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

## 11 Compliance with number of layers of companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

## 12 Compliance with approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the reporting period.

## 13 Utilisation of Borrowed funds and share premium:

**A.** The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

**B.** The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

# Notes to Consolidated Financial Statements

as at March 31,2025

## 14 Payment to the Auditor:

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Auditor	6.00	5.00
Taxation Matters	1.00	1.00
Company Law Matters	-	-
Management Services	-	-
Other Services	4.99	2.45
Reimbursement Expenses	-	-
<b>Total</b>	<b>11.99</b>	<b>8.45</b>

## 15 Corporate Social Responsibility:

In case of Companies covered under section 135, amount of expenditure incurred on corporate social responsibility activities are as follows:

- amount required to be spent by the company during the year,
- amount of expenditure incurred,

S. No	Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i)	Construction/ acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	-	40.68	-
	<b>Total</b>	-	<b>40.68</b>	-

- shortfall at the end of the year out of the amount required to be spent by the Company during the year is INR 40.68 lakhs
- total of previous years shortfall is NIL
- The reason for above shortfalls by way of a note, (a) the company intends to transfer the unspent amount to the Prime Minister's National Relief Fund within six months from the end of the financial year.
- The nature of CSR activities undertaken by the Company - Nil
- Details of related party transactions - Nil

# Notes to Consolidated Financial Statements

as at March 31,2025

## 16 Service Income

In case of Companies Rendering or Supplying Services:

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
VFX services	10,215.79	8,933.05
<b>Total</b>	<b>10,215.79</b>	<b>8,933.05</b>

## 17 In the case of all concerns having works in progress

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Works in Progress (broad heads)	4,073.26	-
<b>Total</b>	<b>4,073.26</b>	-

- The company has not set aside any material amounts to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up.
- The company has not set aside any material amounts to provisions made for meeting specific liabilities, contingencies or commitments.
- (a) Dividends from subsidiary companies - Nil  
(b) Provisions for losses of subsidiary companies - Nil

## 21 Value of Imports:

Value of imports calculated on C.I.F basis by the company during the financial year is as follows:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Raw Materials	-	-
Components and Spare Parts	-	-
Capital Goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## 22 Foreign Currency earned and expended:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
<b>A. Foreign currency earned</b>		
Export of goods calculated on F.O.B. basis	2,876.18	5,815.85
Royalty, know-how, professional and consultation fees	-	-
Interest and dividend	-	-
Other income, indicating the nature thereof	-	-
<b>Total</b>	<b>2,876.18</b>	<b>5,815.85</b>
<b>B. Foreign currency expended</b>		
Royalty	-	-
Marketing expenses	149.84	146.97
Professional and Consultation Fees	26.35	-
Travel expenses	27.66	104.22
Purchase of asset	27.49	-
Software subscription	31.93	-
Other Matters	8.54	-
<b>Total</b>	<b>271.81</b>	<b>251.19</b>

**25** The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related - Nil

## 24 Undisclosed income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of the Income Tax Act, 1961). There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

## 25 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

# Notes to Consolidated Financial Statements

as at March 31,2025

## 26 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 “Related Party Disclosures”:

### A. List of Related Parties:

Name of Related Party	Relationship
BEJOY ARPUTHARAJ	Managing Director
BINU JOSHUA	Whole time director & CFO
SYNTIA MOSES DARRY	Whole time director
RAVINDRAN	Whole time director
POORNIMA R	Company Secretary
RAJAN ETHIRAJA	Director
PHANTOMFX STUDIOS LIMITED (UK)	Wholly Owned Subsidiary
SPECTRE POST PRIVATE LIMITED	Wholly Owned Subsidiary
TOM ANTONY	Independent Director
MANJIT SINGH PARMAR	Independent Director
SURYARAJ KUMAR	Independent Director
JEEMON PULLELLY VARGHESE	Independent Director

### B. Transaction with related Parties:

Particulars	Subsidiaries	Key Mangerial Persons	Independent directors
Director remuneration	-	252.00	-
	-	(360.00)	-
Rental expenses - Guest House	-	5.40	-
	-	(5.40)	-
Loan from Director	-	700.00	-
	-	-	-
Director sitting fees	-	-	12.20
	-	-	(14.20)

Figures within brackets ( ) represents Previous Year's amount.



# Notes to Consolidated Financial Statements

as at March 31,2025

## C. Balances of Related Parties As at 31 March,2025

Particulars	Subsidiaries	Key Mangerial Persons	Independent directors
Rental expenses- guest house	-	0.41	-
	-	(0.41)	-
Loan from director	-	271.26	-
	-	-	-
Director sitting fees	-	-	2.16
	-	-	(1.08)

Figures within brackets ( ) represents Previous Year's amount.

## D. Material Transaction with related parties:

Particulars	Name of Related Party	Amount
Director Remuneration	Bejoy Arputharaj	100.80
		(144.00)
	Binu Joshua	67.20
		(96.00)
Director Sitting Fees	Tom Antony	4.40
		(4.40)
	Manjit Singh Parmar	4.00
		(4.20)
	Suryaraj Kumar	3.60
		(4.00)
	Jeemon Püllely Varghese	0.20
		(1.60)

Figures within brackets ( ) represents Previous Year's amount.

## E. Material Balance with related parties:

Particulars	Name of Related Party	Amount
Loan from director	Bejoy Arputharaj	271.26

Figures within brackets ( ) represents Previous Year's amount.

# Notes to Consolidated Financial Statements

as at March 31,2025

## F. Compensation of Key Management Personnel

(₹ in Lakhs)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024
Short-term employee benefits	251.14	358.27
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-

Figures within brackets ( ) represents Previous Year's amount.

### Notes to be disclosed

- Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2025, the Company has not recorded any loss allowances for transactions between the related parties.
- As the future liabilities for gratuity and leave encashment is provided on an actuarial basis and payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above.
- No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.

## 27 Reconciliation of Foreign Exchange fluctuation Reserve:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Opening Balance	-	-
Net Additions/(Deletions) during the year due to foreign Exchange Fluctuations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 28 Income Taxes:

### I. Current Tax

Particulars	As at 31-Mar-25	As at 31-Mar-24
Current Tax	775.99	-
Less: MAT Credit Entitlement	-	-
<b>Net Current Tax</b>	<b>775.99</b>	<b>-</b>

# Notes to Consolidated Financial Statements

as at March 31,2025

## II. Details of Interest and Penalties

- Interest on Shortfall in payment of Advance Tax  
Interest under Section 234C - INR 31.54 Lakhs
- Any Penalties levied under Income Tax Act - Nil
- Excess/Short Provision of Taxes relating to earlier years - INR 54.34 Lakhs

## 29 Exchange Difference:

(₹ in Lakhs)

Particulars	For the year ended 31-Mar-25	For the year ended 31-Mar-24
Exchange Difference Gain/(Loss)	5.64	6.80
<b>Total</b>	<b>5.64</b>	<b>6.80</b>

## 30 Employee Benefit (Incurred in India):

- A. Provident Fund** - The Company has contributed ₹ 99.46 lakhs for the year 2025 towards the Employees Provident Fund.
- B. Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

**Interest cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

### (i) Reconciliation of Opening and closing balance of Gratuity Obligations:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Net Liability as at the beginning of the period	86.93	52.98
Net Expenses in P/L A/c	20.89	33.96
Benefits Paid	-	-
<b>Net Liability as at the end of the period</b>	<b>107.82</b>	<b>86.93</b>

(No Fund is being maintained)

# Notes to Consolidated Financial Statements

as at March 31,2025

## (ii) Reconciliation of Opening and closing balance of Gratuity Obligations:

Expenses recognized during the year in Profit & Loss Account:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Interest Cost	6.30	3.91
Current Service Cost	24.57	21.26
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailement Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	(9.98)	8.78
<b>Net Expenses to be recognized in P&amp;L</b>	<b>20.89</b>	<b>33.96</b>

## (iii) Changes in Benefit Obligations:

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Opening Defined benefit Obligation	86.93	52.98
Current service cost	24.57	21.26
Interest cost for the year	6.30	3.91
Actuarial losses (gains)	(9.98)	8.78
Benefits paid	-	-
<b>Closing Defined benefit Obligation</b>	<b>107.82</b>	<b>86.93</b>

## 31 Cashflow Statement

- The Group has no significant amount of cash and cash equivalent balances held that are not readily available for use.
- The Group has a borrowing facility upto INR 3000 Lakhs and there are undrawn borrowing facilities that may be available for future operating activities amounting to INR 392 Lakhs.
- The Group has appropriate amount of cash flows that are required to maintain operating capacity.
- There are no non-cash transactions happened in investing and financing activities to be excluded from the cash flow statement.

# Notes to Consolidated Financial Statements

as at March 31,2025

## Additional Disclosures:

### I. Components of Cash and Cash Equivalents:

(₹ in Lakhs)

	31-Mar-25	31-Mar-24
Balance with banks	93.13	315.95
Cash in hand	0.05	-
Demand deposits with banks	1,813.01	1,511.00
<b>Total Components of Cash and Cash Equivalents:</b>	<b>1,906.19</b>	<b>1,826.95</b>

### II. Amount Spent for CSR Activities

S. No	Particulars	Paid in Cash	Yet to be Paid in Cash	Total
(i)	Construction/ acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	-	40.68	-
	<b>Total</b>			

### 32 Disclosures on PPE and Intangible Assets

#### I. Property, plant and equipment

- The Company do have any restrictions on title, and property, plant and equipment pledged as security for liabilities.
- There is no amount of expenditure recognised in the carrying amount of an item of property, plant and equipment in the course of its construction.
- There is no contractual commitments for the acquisition of property, plant and equipment
- There is no amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in the statement of profit and loss;
- The Company has no assets that are retired from active use and held for disposal
- There is no temporarily idle property, plant and equipment at the reporting date
- The company has not fully depreciated property, plant and equipment that is still in use
- The company has not revalued any class of property, plant and equipment during the financial year
- The Company has no property, plant and equipment that are retired from active use and not held for disposal.

# Notes to Consolidated Financial Statements

as at March 31,2025

## II. Intangible asset

- The carrying amount and remaining amortization period of any individual intangible asset that is material to the financial statements of the enterprise as a whole - Nil
- The Company does not have any restrictions on the title and the carrying amounts of intangible assets pledged as security for liabilities
- There is no contractual commitments for the acquisition of intangible assets.
- The Company has no fully amortised intangible asset that is still in use
- There is no acquisition of intangible assets through business combinations

### 33 Investments

#### I. Profits and losses with regard to investments have been disclosed as under:

- profits and losses on disposal of current investments - Nil
- profits and losses on changes in the carrying amount of current investments - Nil
- profits and losses on disposal of long-term investments - Nil
- profits and losses on changes in the carrying amount of long- term investments - Nil

#### II. The Group has no significant restrictions with regard to investments in subsidiaries on the right of ownership, realisability of investments or the remittance of income and proceeds of disposals.

### 34 Leases

#### Lessee: Operating leases

Operating lease agreement has been made by the Group for Rental of Office premises with Kosmo One Business Park Limited for Chennai, with iSprout Business Centre Private Limited for Hyderabad, with Techniplex for Mumbai Office & with Innovent Spaces Private Limited for Bangalore office.

- the total of future minimum lease payments under non - cancellable operating leases for each of the following periods:

Particulars	< 1 year	1-5 years	>5 years	Total
Future minimum lease payments for office rent	498.79	523.93	-	1,022.72



## Notes to Consolidated Financial Statements

as at March 31,2025

### 35 Earnings Per Share

(₹ in Lakhs)

Particulars	As at 31-Mar-25	As at 31-Mar-24
1. Profit attributable to equity shareholders before extraordinary items (A)	2,020.21	2,411.23
2. Profit attributable to equity shareholders after extraordinary items (B)	2,020.21	2,411.23
3. Weighted average number of equity shares outstanding during the year (C)	1,35,79,200	1,21,75,134
4. Adjusted Weighted average number of equity shares outstanding during the year (D)*	-	-
5. Effect of potential equity shares on employee stock options outstanding	-	-
6. Effect of any other items of potential Equity Shares e.g. Convertible Debentures, Convertible Preference Shares	-	-
7. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (E)	1,35,79,200	1,21,75,134
8. Adjusted weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (F)		
7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C)	14.88	19.80
8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C)	14.88	19.80
11. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/E)	14.88	19.80
12. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/E)	14.88	19.80

### 36 Ratios

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
a.	<b>Current Ratio</b> Current Assets / Current liabilities ( <b>Current Assets</b> -Current Investments, Inventories, Trade Receivables, Cash and Bank Balances, Short Term Loans and Advances, Other Current Assets <b>Current Liabilities</b> -Short Term Borrowings, Trade Payables, Other Current Liabilities, Short term Provisions )	3.8006091	4.59496782	-17%	

## Notes to Consolidated Financial Statements

as at March 31,2025

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
b.	<b>Debt-Equity Ratio</b> Total Debt / Shareholder's Equity ( <b>Total Debt</b> -Long Term Debt + Short Term Debt <b>Shareholder's Equity</b> -Share Capital, Reserves and Surplus)	25.49%	14.43%	77%	Increase primarily on account of increase in trade receivables and advance payments to suppliers.
c.	<b>Debt Service Coverage Ratio</b> Earnings available for debt service / Debt Service ( <b>Earnings available for debt service</b> -Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc., <b>Debt Service</b> -Interest & Lease Payments + Principal Repayments)	9.23	9.12	1%	
d.	<b>Return on Equity Ratio</b> (Net Profit After Taxes - Preference Dividend if any) / Average Shareholder's Equity <b>Average Shareholder's Equity</b> -(Opening Share Capital + Opening Reserves and Surplus + Closing Share Capital + Closing Reserves and Surplus)/2	13.05%	16.66%	-22%	
e.	<b>Inventory Turnover Ratio</b> Cost of Goods Sold (or) Sales / Average Inventory <b>Sales</b> -Revenue from operations <b>Average Inventory</b> -(Opening Inventory + Closing Inventory)/2	1.48	3.00	-51%	Decreased primarily on account of decrease in cost of sales during the current year and increase in closing work-in progress.
f.	<b>Trade Receivables Turnover Ratio</b> Net Credit Sales / Average Trade Receivables <b>Net Credit Sales</b> -Gross Credit Sales - Sales Return <b>Average Trade Receivables</b> -(Opening Trade Receivables + Closing Trade Receivables)/2	1.50	2.69	-44%	

## Notes to Consolidated Financial Statements

as at March 31,2025

S. No	Ratios	31-Mar-25	31-Mar-24	% Variance	Reason for Variation
g.	<b>Trade Payable Turnover Ratio</b> Net Credit Purchases / Average Trade Payables <b>Net Credit Purchases</b> -Gross Credit Purchases - Purchase Return <b>Average Trade Payables</b> -(Opening Trade Payables + Closing Trade Payables)/2	3.25	5.54	-41%	
h.	<b>Net Capital Turnover Ratio</b> Net Sales / Average Working Capital <b>Net Sales</b> -Total Sales-Sales Return <b>Average Working Capital</b> -(Opening Current Assets - Opening Current Liabilities)+(Closing Current Assets - Closing Current Liabilities))/2	0.84	0.78	8%	
i.	<b>Net Profit Ratio</b> Net Profit / Net Sales <b>Net Profit</b> - Profit after tax <b>Net Sales</b> -Total Sales-Sales Return	19.78%	27.00%	-27%	
j.	<b>Return on Capital Employed</b> (Earning before interest and taxes / Capital Employed) * 100 <b>Earning before interest and taxes</b> -Profit before Taxes + Interest <b>Capital Employed</b> -Tangible Net Worth + Total Debt + Deferred Tax Liability	15.54%	20.66%	-25%	
k.	<b>Return on Investment</b> Income generated from investments/ Total Investment*100	7.56%	4.95%	53%	Increase due to increase in profit from subsidiary.

## Notes to Consolidated Financial Statements

as at March 31,2025

### 37 Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiaries

#### A. Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2025:

(₹ in Lakhs)

S. No	Name of the Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
1	Parent:				
	Indian				
	Phantom Digital Effects Limited	99.37%	16,390.72	100.07%	2,021.71
2	Subsidiary:				
	Indian				
	Spectre Post Private Limited	0.56%	93.19	-0.34%	-6.81
	Foreign				
	PHANTOMFX STUDIOS LIMITED	0.06%	10.70	0.26%	5.31
	Total				

#### B. Information regarding subsidiaries, associates and joint ventures included in the consolidated financial statements for the year ended March 31, 2024:

During the previous year, the company has invested in UK subsidiary PhantomFx Studios Limited. Since there were no operations, it was not considered for consolidation in previous year. Hence no consolidated numbers are available for the year ended 31st March, 2024.

For and on behalf of the Board of Directors of  
**Phantom Digital Effects Limited**

**Poornima Raghu**  
Company Secretary  
Mem No: A66317

As per our report of even date attached  
**For L.U.KRISHNAN & CO**  
Chartered Accountants  
Firm's Registration.No: 001527S

**Bejoy Arputharaj S**  
Chariman & Manging Director  
DIN: 03459098

**Binu Joshua**  
Whole Time Director and CFO  
DIN: 03459073

**P K Manoj**  
Partner  
Membership Number: 207550  
UDIN:25207550BMJDIK4485

Place: Chennai  
Date: 30-05-2025

**Syntia Moses Darry**  
Whole Time Director  
DIN: 03459055

Place: Chennai  
Date: 30-05-2025



**PHANTOM DIGITAL EFFECTS LIMITED**

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