

PRIME FOCUS ACADEMY OF MEDIA AND ENTERTAINMENT STUDIES PVT LTD
Balance sheet as at March 31, 2017

In Rs.

	Notes	As at 31.03.2017
Assets		
Non-current assets		
Fixed assets		
Tangible assets		-
Intangible assets		-
Financial assets		-
Investments		-
Other financial assets		-
Deferred tax asset (net)		-
Other non-current assets		-
		-
Current assets		
Financial assets		
Investments		-
Trade receivables		-
Cash and bank balances		310,000
Other financial assets	5	150,000,000
Other current assets		400,000
		150,710,000
TOTAL ASSETS		150,710,000
Equity and Liabilities		
Shareholders' funds		
Equity	3	100,000
Other equity	4	149,199,021
		149,299,021
Non-current liabilities		
Financial liabilities		
Borrowings		-
Other financial liabilities		-
Deferred tax liability (net)		-
Long-term provisions		-
		-
Current liabilities		
Financial liabilities		
Borrowings		-
Trade payables		1,177,717
Other current liabilities		233,262
Short-term provisions		-
		1,410,979
TOTAL EQUITY & LIABILITIES		150,710,000

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 22, 2017

Nishant Fadia
Director

PRIME FOCUS ACADEMY OF MEDIA AND ENTERTAINMENT STUDIES PVT LTD
Statement of Profit and loss for the year ended March 31, 2017

In Rs.

Particulars		Year ended
	Notes	31-Mar-17
Income from operations		
Revenue from operations		
Other operating income		
Other income:		
a) Exchange gain (net)		
b) Others		
Total income from operations		-
Expenses		
Employee benefits expense		193,391
Technician fees		
Technical service cost		
Finance costs		
Depreciation and amortisation expense		
Other expenditure	6	607,588
Exchange loss (net)		
Total Expenses		800,979
Profit from operations before exceptional items		(800,979)
Exceptional items - expenditure / (income) (net)		
Profit / (Loss) from ordinary activities before tax		(800,979)
Current tax		
Deferred tax		
Net Profit / (Loss) for the year		(800,979)
Other comprehensive income		
A (i) Items that will not be reclassified to profit or loss		
A (ii) Income tax relating to items that will not be reclassified to profit or loss		
B (i) Items that will be reclassified to the Profit or loss		
B (ii) Income tax relating to items that will be reclassified to profit or loss		
Total other comprehensive income		-
Total comprehensive income		(800,979)
Net profit attributable to		
Owners of the Company		
Non-controlling interests		
Other comprehensive income attributable to		
Owners of the Company		
Non-controlling interests		
Total comprehensive income attributable to		
Owners of the Company		
Non-controlling interests		
Earnings per equity share of face value of Eur each (before exceptional items)		
Basic		(80.10)
Diluted		(80.10)
Earnings per equity share of face value of Eur each (after exceptional items)		
Basic		(80.10)
Diluted		(80.10)

As per our report of even date
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
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Membership No. 042673
Mumbai
May 22, 2017

Nishant Fadia
Director

PRIME FOCUS ACADEMY OF MEDIA AND ENTE

Statement of Changes in Equity for the year ended March 31, 2017

Changes in Equity Share capital

	No of shares	Amount
As at 1st April 2015	-	-
Changes during the year	-	-
As at 31st March 2016	-	-
Changes during the year	10,000	100,000
As at 31st March 2017	10,000	100,000

Changes in Other Equity

	Share application money	Retained earnings	Total Other equity	Non-controlling interests	Total
As at 1st April 2015	-	-	-	-	-
Profit/ (loss) for the year	-	-	-	-	-
As at 31st March 2016	-	-	-	-	-
Profit/ (loss) for the year	150,000,000	(800,979)	149,199,021	-	149,199,021
As at 31st March 2017	150,000,000	(800,979)	149,199,021	-	149,199,021

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar
(Proprietor)
Membership No. 042673
Mumbai
May 22, 2017

Nishant Fadia
Director

PRIME FOCUS ACADEMY OF MEDIA AND ENTERTAINMENT STUDIES PVT LTD

Cash Flow Statement

In Rs.

Particulars	Year ended March 31, 2017
A. Cash flow from Operating activities	
Net Profit before taxation	(800,979)
Adjustments for :	
Finance cost	-
Operating profit before working capital changes	(800,979)
Movements in working capital :	
Increase/(Decrease) in trade payable	1,177,717
(Increase) in other current assets	(400,000)
Increase/(Decrease) in other current liabilities	233,262
Cash generated from operations	210,000
Direct Taxes paid (Net of Refunds)	-
Net Cash from operating activities	210,000
B. Cash flow from investing activities	
Loan to subsidiaries	(150,000,000)
Net Cash from investing activities	(150,000,000)
C. Cash flow from Financing activities	
Share capital	100,000
Share application money received	150,000,000
Finance cost paid	-
Net cash used in Financing activities	150,100,000
Net increase/(decrease) in cash and cash equivalents (A+B+C)	310,000
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	310,000
Notes to accounts	

As per our report of even date

For V. Shivkumar & Associates

Chartered Accountants

Firm Registration No.: 112781W

For and on behalf of the Board of Directors

V. Shivkumar

(Proprietor)

Membership No. 042673

Mumbai

May 22, 2017

Nishant Fadia

Director

1. Corporate information

Prime Focus Academy of Media and Entertainment Studies Pvt Ltd (hereinafter referred to as "the Company") was incorporated in India. It is training institute for visual effects, animation and 3D conversion services.

2. Statement of significant accounting policies:

a. Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IND AS 102, leasing transactions that are within the scope of IND AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IND AS 2 or value in use in IND AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c. Dividend income and interest income

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

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

d. Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

- exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

e. Provisions

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

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

f. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

Current and deferred tax for the year

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

g. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

h. Cash Flow statements

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

3. Equity**In Rs.**
As at March 31
2017

Issued, subscribed and fully paid-Up: equity shares	100,000
Total	<u><u>100,000</u></u>

4. Other equity**As at March 31**
2017

Share application money	150,000,000
Retained earnings	
As per last balance sheet	-
Profit for the year	(800,979)
	<u><u>(800,979)</u></u>

5. Other financial assets**As at March 31**
2017

Loan to fellow subsidiary	150,000,000
Total	<u><u>150,000,000</u></u>

6. Other Expenses

	Year ended March 31, 2017
Legal and professional fees	601,228
Misc Expenses	6,360
Total	607,588

7. Related Party Disclosure

List of related Parties where control exists and related parties with whom transactions have taken place and relationships:

Name of the related party	Relationship
Prime Focus World Creative Services Pvt Ltd	Parent Company
Double Negative India Pvt Ltd	Fellow Group Company

Related Party Transaction During the Year

In Rs.

March 31, 2017	
Share application money paid by	
Prime Focus World Creative Services Pvt Ltd	150,000,000
Expense recharge received from	
Prime Focus World Creative Services Pvt Ltd	1,228
Loans & Advance received from	
Prime Focus World Creative Services Pvt Ltd	570,000
Loan given to	
Double Negative India Pvt Ltd	150,000,000
Closing balance	
March 31, 2017	
Share application money	
Prime Focus World Creative Services Pvt Ltd	150,000,000
Trade payable	
Prime Focus World Creative Services Pvt Ltd	571,228
Loan outstanding	
Double Negative India Pvt Ltd	150,000,000

8. Fair Value Measurements

	As at March 31 2017 Carrying Value	As at March 31 2017 Fair Value
A Financial Assets:		
Cash ad cash equivalents	310,000	310,000
Other financial assets	150,000,000	150,000,000
Total	150,310,000	150,310,000
B Financial Liabilities:		
Trade payables	1,177,717	1,177,717
Total	1,177,717	1,177,717

The management assessed that the fair value of cash and cash equivalents & trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

9 Capital Risk Management

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

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

The company is not subject to any externally imposed capital

a) Financial risk management

The company is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk

i) Credit Risk

Cash is held with banks having good credit ratings and Company does not anticipate any risk in value.

ii) Liquidity Risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the company has sufficient cash at all times to meet liabilities as they fall due.

The following analysis sets out the maturities of financial assets and liabilities.

Liquidity Risk

At 31 March 2017	Less than 3 months	Total
Current financial assets		
Cash and cash equivalents	310,000	310,000
Other financial assets	150,000,000	150,000,000
	150,310,000	150,310,000
Current financial liabilities		
Trade Payables	1,177,717	1,177,717
	1,177,717	1,177,717

10. Earnings per share

Particulars	Year ended March 31, 2017
Net (loss) attributable to equity shareholders	(800,979)
Exceptional items (net of tax)	-
Net Profit/(loss) before exceptional items but after tax	(800,979)
Weighted average number of equity shares in calculating basic and diluted EPS	10,000
Earnings per share (before exceptional items)	
Basic EPS	(80.10)
Diluted EPS	(80.10)

11. There are no unhedged foreign currency exposures

12. During the year, the Company and its Indian Subsidiaries had Specified Bank Notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 08, 2016 to December 30, 2016. The details of SBNs and other denomination notes held and transacted during the period are given below:

Particulars	in ₹		
	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No.: 112781W

For and on behalf of the Board of Directors

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May 22, 2017

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