



PRIME FOCUS LIMITED

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

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

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

CIN: L92100MH1997PLC108981

NOTICE

Notice is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of Prime Focus Limited will be held on Friday, September 30, 2016 at 10 a.m. at 9th Floor, 'True North', Plot no. 63, Road no. 13, Opp. Hotel Tunga Paradise, MIDC, Andheri (East), Mumbai - 400093, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Report of the Board of Directors and Auditors thereon.
 - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 and the Report of Auditors thereon.

2. To appoint a Director in place of Mr. Namit Malhotra (DIN: 00004049), who retires by rotation and being eligible offers himself for re-appointment.

3. **Ratification of Statutory Auditors' Appointment**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Rules framed thereunder as amended from time to time and pursuant to the resolution passed by the Members at the Seventeenth Annual General Meeting (AGM) of the Company held on December 24, 2014, in respect of appointment of auditors, Deloitte Haskins & Sells (DHS), Chartered Accountants (ICAI Firm Registration No. 117364W) till the conclusion of the Twenty Second Annual General Meeting (AGM), the Company hereby ratifies and confirms the appointment of DHS, as Auditors of the Company to hold office from the conclusion of this AGM till conclusion of the Twentieth AGM to examine and audit the accounts of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. **Offer or invite for Subscription of Secured / Unsecured Non-Convertible Debentures and/or other Debt securities on private placement basis**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, pursuant to provisions of Securities and Exchange Board of India ("SEBI") (Issue and Listing of Debt

Securities) Regulations, 2008, as amended from time to time and other applicable SEBI regulation and guidelines, in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, sanctions, consents and/or permissions of the Reserve Bank of India ("RBI"), SEBI, the Stock Exchange(s) and/or such other appropriate statutory and governmental authorities, institutions or bodies, as the case may be, and such other approvals, permissions and sanctions, as may be necessary, including the approval of any lenders of the Company and further subject to such terms, conditions, modifications as may be prescribed or imposed while granting such approvals, permissions and/or sanctions and as may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which expression shall deem to include any Committee thereof), the approval of the Members be and is hereby granted to the Board of Directors for making offer(s) or invitation(s) to subscribe to the issue of Secured / Unsecured Non-Convertible Debentures/ Redeemable Non-Convertible Debentures including but not limited to subordinate Debentures, bonds and/or debt securities, etc., on a private placement basis, in one or more series/tranches so that the aggregate amount does not exceed ₹ 400 crores (Rupees Four Hundred Crores only), which may be listed on BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") or any recognized Stock Exchange(s) and as per the terms and conditions as contained in the Information Memorandum prepared in accordance with the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time and that the said borrowing is within the overall borrowing limit of the Company.

"RESOLVED FURTHER THAT for the purpose of giving effect to Private Placement of Secured / Unsecured Non-Convertible Debentures, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the class of investors to whom the debentures are to be allotted, the number of debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price to a class of debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force."

5. **Issue of Securities to the Qualified Institutional Buyers**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 23, 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder (including

any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, ("SEBI LODR"), the Listing Agreements entered into with the Stock Exchanges and subject to the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, applicable rules, regulations, guidelines or laws and/ or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "appropriate authorities"), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and/or sanction (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this Resolution), the Board be and is hereby authorised to create, issue, offer and allot equity shares/fully convertible debentures/partly convertible debentures/non-convertible debentures with warrants/ any other securities (other than warrants), which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"), to the Qualified Institutional Buyers (QIBs) as predefined in the SEBI ICDR Regulations, whether or not such QIBs are Members of the Company, on the basis of placement document(s), at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, at its absolute discretion determine, in consultation with the Lead Managers, Advisors or other intermediaries, provided however that the aggregate amount not exceeding Rs. 350 Crore (Rupees Three Hundred Fifty Crore Only);

RESOLVED FURTHER THAT the Relevant Date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Company decide to open the proposed issue, or the date on which the holders of the securities which are convertible into or exchangeable with equity shares at a later date becomes entitled to apply for the said shares, as the case may be ("Relevant Date");

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to in paragraph above or as may be necessary in accordance with the terms of the offering, all such shares shall rank pari passu with the then existing shares of the Company in all respects, as may be provided under the terms of the issue and in the offering document;

RESOLVED FURTHER THAT such of these QIP Securities to be issued as are not subscribed may be disposed off by the Board to such person or persons and in such manner and on such terms as the Board may in its absolute discretion thinks fit in accordance with the provisions of law.

RESOLVED FURTHER THAT the issue to the holders of the QIP Securities with equity shares underlying such securities shall be, inter-alia, subject to suitable adjustment in the number of shares, the price and the time period, etc., in the event of any change in the equity capital structure of the Company consequent upon any merger, demerger, amalgamation, takeover or any other re-organisation or restructuring in the Company.

RESOLVED FURTHER THAT the Board may at its absolute discretion issue Equity Shares at a discount of not more than five per cent or such other discount as may be permitted under the applicable regulations to the QIP Floor Price as determined in accordance with the SEBI ICDR Regulations;

RESOLVED FURTHER THAT the QIP Securities shall be issued and allotted within twelve months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations;

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of QIP Securities or instruments representing the same, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and institution/trustees/ agents and similar agreements/ and to remunerate the managers, underwriters and all other agencies/ intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit;

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer and allotment of QIP Securities and utilisation of the issue proceeds including but without limitation to the creation of such mortgage/ hypothecation/charge on the Company's assets under Section 180 (1)(a) of the said Act in respect of the aforesaid QIP Securities either on pari passu basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by the Government of India / Reserve Bank of India / Securities and Exchange Board of India / Stock Exchanges where the shares of the Company are listed or such other appropriate

authorities at the time of according / granting their approvals, consents, permissions and sanctions to issue, allotment and listing thereof and as agreed to by the Board;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/Authorised Representative(s) of the Company to give effect to this resolution."

By Order of the Board of Directors

**Sd/-
Parina Shah
Company Secretary**

Mumbai, August 11, 2016

Registered Office:

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

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('Act'), in respect of the Ordinary and Special Business under Item Nos. 3 to 5 set out above and details as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 ('SEBI Listing Regulations'), entered with the Stock Exchanges and Secretarial Standard on General Meetings (SS-2) in respect of the Director seeking re-appointment at this Annual General Meeting is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. Members holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a proxy is appointed for more than 50 members, he shall choose any fifty members and confirm the same to the Company before the commencement of inspection period. In case if the proxy fails to do so the Company shall consider only the first fifty proxies received as valid.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy form is annexed with this Notice. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.

3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. The Register of Members and Share Transfer Books of the Company

will remain closed from Monday September 26, 2016 to Friday September 30, 2016 (both days inclusive).

5. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

6. 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 the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form or transferees of Physical Shares must furnish their self-attested copy of the PAN card to the Company/Registrar and Share Transfer Agents.

7. (a) Pursuant to Section 101 and Section 136 of the Act read with Companies (Management and Administration) Rules, 2014, Regulation 36 of Listing Regulations and SS-2, companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in physical form, who have not registered their email address with the Company, are requested to submit their request with their valid email address to the Registrar and Share Transfer Agents of the Company. Members holding shares in demat form are requested to register/update their email address with their Depository Participant directly.

(b) To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

8. Members may also note that the Annual Report for the financial year 2015-16 and the Notice of the 19th Annual General Meeting will also be available on the website of the Company i.e. www.primefocus.com.

9. The Annual Report for the financial year 2015-16, the Notice of the 19th Annual General Meeting and all documents referred to in the Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company on all working days except Saturday and National Holidays up to the date of the Annual General Meeting.

The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of contracts or arrangements in which the Directors are interested are available for inspection by the members at the Registered Office of the Company during business hours on all working days, except Saturdays and National Holidays up to the date of the Annual General Meeting.

10. Members are requested to:

a) intimate any change in their addresses/mandates and address all

their queries relating to shares of the Company to the Registrar and Share Transfer Agents i.e. Link Intime India Private Limited, for shares held in physical form.

- b) quote Client ID and DP ID in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form in all the correspondence.
 - c) make nomination in respect of the shares held in physical form in the Company. The Nomination Form as prescribed by the Ministry of Corporate Affairs can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
11. Non-Resident Indian members are requested to inform the Registrar and Share Transfer Agents i.e. Link Intime India Private Limited immediately on:
 - a) the change in residential status on return to India for permanent settlement; and
 - b) the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
 12. The Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting.
 13. The facility for voting through ballot/polling papers shall also be made available at the Annual General Meeting. The members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

Information and other instructions relating to e-voting are as under:

14. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, Regulation 44 of the Listing Regulations and SS – 2, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.
15. The Board of Directors have appointed Ms. Shilpa Ray, of Shilpa Ray & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting (i.e. casting of votes using electronic voting system from place other than the venue of the Meeting) and the voting process at the Annual General Meeting in a fair and transparent manner.
16. The facility for voting through ballot/polling papers shall also be made available at the meeting and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot/polling papers.
17. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
18. Members can opt for only one mode of voting, i.e., either by Ballot/ Polling papers or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot/Polling papers shall be treated as invalid.

The instructions for Members for exercising their vote through remote e-voting:

The shareholders should log on to the e-voting website www.evotingindia.com.

- (i) The period for remote e-voting starts on Monday, September 26, 2016 at 9.00 am and ends on Thursday, September 29, 2016. E-voting shall be disabled by CDSL at 5.00 pm on Thursday September 29, 2016 and members shall not be allowed to vote through remote e-voting thereafter. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday September 23, 2016 i.e. cut-off date, may cast their vote electronically.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a) For CDSL : 16 digits beneficiary ID
 - b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation'

menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic voting Sequence Number (EVSN) for "Prime Focus Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.)
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

You can also send your queries / grievances relating to e-voting at:-

Name and Designation: Mr. Rakesh Dalvi, Deputy Manager
Address: Central Depository Services (India) Limited (CDSL), Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Fort, Mumbai – 400001 **Email id:** helpdesk.evoting@cdslindia.com;
Phone No.: 18002005533

Other Instructions :

19. The period for e-voting starts on Monday, September 26, 2016 at 9.00 A.M. and ends on Thursday, September 29, 2016. E-voting shall be disabled by CDSL at 5.00 pm on Thursday September 29, 2016 and members shall not be allowed to vote through remote e-voting thereafter. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, September 23, 2016 i.e. cut-off date, may cast their vote electronically. Any person who is not a member as on the cut-off date should treat this notice for information purposes only. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by Member, it cannot be subsequently changed or voted again.
20. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting through ballot.
 Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of cut-off date, may follow the same procedure as mentioned above for e-Voting.
21. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against the resolution, invalid votes, if any and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing who shall countersign the same.
22. The result of the voting shall be displayed on the Notice Board of the Company at its Registered Office. The results of voting with the requisite enclosures shall also be placed on the website of the Company. The Results declared along with the Scrutinizer's report shall be placed on the Company's website i.e. www.primefocus.com within two days of passing of the resolutions at the Annual General Meeting of the Company. The Company will simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd (NSE), where the shares of the Company are listed.

23. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. September 30, 2016.
24. Route Map showing direction to reach the venue of the 19th Annual General Meeting of the Company is given at the end of this Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 & 5 accompanying the Notice. As additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 3 of the said notice.

Item no. 3:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s Deloitte Haskins & Sells (DHS), Chartered Accountants (Firm Registration No. 117364W), were appointed as the Statutory Auditors of the Company for a period of five years in the Annual General Meeting (AGM) of the Company held on December 24, 2014, subject to the ratification of their appointment at every AGM by Members. As per the requirement of the Act, DHS have confirmed that the appointment if made would be within the limits specified under Section 141(3)(g) of the Act and it is not disqualified to be appointed as Auditor in terms of the provisions of Sections 139 and 141 of the Act and the Companies (Audit and Auditors) Rules, 2014.

In view of the above, DHS continuing to be eligible to act as Auditors of the Company and based on the recommendation of the Audit Committee at its meeting held on May 30, 2016 and pursuant to Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the Board commends the Resolution at Item No. 3 for approval by the Members.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way concerned or interested, financially or otherwise in the resolution set out at Item No. 3 of the Notice.

Item No. 4:

The members of the Company, at the Eighteenth Annual General Meeting held on December 24, 2015 had passed a Special Resolution authorising the Board of Directors of the Company to offer or invite subscriptions for secured / unsecured Non Convertible Debentures and / or other Debt securities on private placement basis non-convertible debt in one or more series / tranches, aggregating upto Rs. 400 crore on private placement. The said resolution was valid and effective for one year from December 24, 2015. The members may note that the company has not made any private placement of redeemable non convertible debentures pursuant to said authorisation.

The Non-Convertible Debentures issued on private placement basis is one of the cost effective sources of long term borrowing raised by the Company.

In order to meet the working capital requirements of the Company that may arise, the Board of Directors of the Company at its meeting held on August 11, 2016 have, subject to the approval of Members in the general meeting proposed to issue Non-Convertible Debentures including subordinate debentures, bonds and/or other debt securities, etc., to various person(s) on private placement basis, at such terms and conditions and at such

price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalised by the Board and/or Committee of Directors. The amount to be raised by way of issue of non-convertible debentures on a private placement basis however shall not exceed ₹ 400 crores (Rupees Four Hundred Crores only) in aggregate during a period of one year from the date of passing of the said Resolution.

It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Act allows a company to pass a previous special resolution once in a year for all the offer or invitation for non-convertible debentures to be made during the year through a private placement basis in one or more tranches.

The Directors recommend the Special Resolution at Item No. 4 of the accompanying Notice, for the approval of the Members of the Company.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way concerned or interested, financially or otherwise in the resolution set out at Item No. 4.

Item No. 5

The Company, in order to enhance its global competitiveness and its ability to compete with the peer groups in the domestic and international markets, needs to strengthen its financial position and net worth by augmenting its long term resources.

In order to meet the requirements for the above purposes and for general corporate purposes, as may be decided by the Board from time to time, it is proposed to seek authorisation of the Members of the Company in favour of the Board of Directors ("Board" which expression for the purposes of this resolution shall include any Committee of Directors constituted / to be constituted by the Board), without the need for any further approval from the Members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI ICDR Regulations"), as set out in the Special Resolution at Item No. 5 of the accompanying Notice.

In view of above, the Board may, in one or more tranches, issue and allot equity shares / fully convertible debentures / partly convertible debentures / non-convertible debentures with warrants / any other securities, which are convertible into or exchangeable with equity shares on such date(s) as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"). The QIP Securities proposed to be issued by the Board shall be subject to the provisions of the SEBI ICDR Regulations including the pricing, which will not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during the two weeks preceding the Relevant Date and premium / discount as may be decided by the Board. The Relevant Date for the determination of applicable price for the issue of the QIP Securities shall be the date of the meeting in which the Board of the Company decides to open the proposed issue or in case of securities which are convertible into or exchangeable with equity shares at a later date, the date on which the holder of such securities becomes entitled to apply for the said shares, as the case may be.

The pricing of the Equity Shares that may be issued to QIBs pursuant to SEBI ICDR Regulations shall be freely determined subject to such price not being less than the floor price calculated in accordance with Chapter VIII of

the SEBI ICDR Regulations ("QIP Floor Price"). Further, the Board may also offer a discount of not more than five per cent or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations.

Since the pricing and other terms of the offerings cannot be decided except at a later stage, an enabling resolution is being passed to give adequate flexibility and discretion to the Board to finalize the price and terms of the Issue of Securities. However, the same would be in accordance with the SEBI ICDR Regulations as amended from time to time or any other guidelines/regulations / laws as may be applicable.

The proposed issue of QIP Securities as above may be made in one or more tranches such that the aggregate amount raised by the issue of QIP Securities shall not exceed more than Rs. 350 Crore (Rupees Three Hundred Fifty Crore only). The proposed Special Resolution is only enabling in nature and the Board may from time to time consider the extent, if any, to which the proposed securities may be issued.

The QIP Securities issued pursuant to the offer, if necessary, may be secured by way of mortgage / hypothecation of the Company's assets as may be finalised by the Board in consultation with the Security Holders / Trustees in favour of Security Holders / Trustees for the holders of the said securities. The security that may have to be created for the purposes of this issue, as above may come within the purview of Section 180(1)(a) of the Companies Act, 2013.

Section 62(1)(c) of the Companies Act, 2013 and Listing Agreement entered into with the Stock Exchanges, provide, inter-alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of

further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorisation of the Members to the Board of Directors to offer, issue and allot the QIP Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries to any persons, whether or not they are Members of the Company.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

By Order of the Board of Directors

**Sd/-
Parina Shah
Company Secretary**

Mumbai, August 11, 2016

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

ANNEXURE TO THE NOTICE

Details of Director seeking Re-appointment at the Annual General Meeting

Name of the Director	Mr. Namit Malhotra
DIN	00004049
Date of Birth	April 2, 1976
Age	40
Date of Appointment	June 25, 2014
Expertise in Specific Functional Areas	As the founder of Prime Focus, Mr. Namit Malhotra has been responsible for the development, growth and strategy of the Prime Focus group of companies from its modest beginnings in Mumbai in 1995 to its current position as a global industry powerhouse.
Qualifications	B.Com
Directorship held in other public companies (excluding foreign and private companies, but includes directorship held in private companies which are subsidiaries of public companies)	1 (One)
Membership / Chairmanship of committees of other Public Limited Companies (Audit Committee and Stakeholder's Relationship Committee only)	Nil
Disclosure of relationships between directors inter se and Manager and other Key Managerial Personnel of the Company	Except Mr. Naresh Malhotra and Mr Namit Malhotra who are related to each other by way of father and son relationship, none of the other Directors are related to each other
Terms and conditions of appointment or re-appointment	Terms and Conditions as per the Board Resolution / Shareholders Resolution for Appointment
Details of remuneration sought to be paid and the remuneration last drawn by such person	₹ 50,00,000/- p.a
No. of shares held in the company as on the date of notice	149,00,000 Equity Shares of ₹ 1 each
Number of meetings of the Board attended during the year 2015-16	1 (One)