PFL

PRIME FOCUS LIMITED

Registered Office : Prime Focus House, Opp Citi Bank, Linking Road

Khar (West), Mumbai, Maharashta, India, 400052

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED JUNE 30, 2015

Rs. In lac

Sr No.	Particulars	Standalone					Consolidated				
		Quarter Ended			Year ended	Fifteen Months Period Ended	Quarter Ended			Year ended	Fifteen Months Period Ended
		30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Part I											
1	Income from operations										
	Net sales / income from operations	3,310.88	2,505.84	6,578.70	11,349.36	27,354.79	48,503.29	40,597.60	19,900.51	153,797.45	103,272.16
	Other operating income	242.61	263.25	48.84	1,010.14	175.40	3,317.83	1,456.34	1,598.13	6,961.09	4,869.71
	Total income from operations	**3,553.49**	**2,769.09**	**6,627.54**	**12,359.50**	**27,530.19**	**51,821.12**	**42,053.94**	**21,498.64**	**160,758.54**	**108,141.87**
2	**Expenses**										
	Employee benefits expense	734.98	477.16	1,764.59	2,259.28	6,935.01	26,311.47	23,293.83	12,711.30	92,635.74	50,701.65
	Technician fees	418.51	373.81	1,219.02	1,583.18	6,411.47	920.53	560.77	2,002.92	2,775.04	8,166.62
	Technical service cost	180.71	68.20	121.91	688.91	345.61	418.05	1,590.51	842.72	5,145.48	5,960.79
	Depreciation and amortisation expense	796.05	492.84	866.62	2,356.63	4,398.56	7,891.38	4,865.54	2,943.74	22,114.13	13,319.79
	Other expenditure	668.15	1,023.01	1,036.62	3,004.01	4,558.26	11,914.18	6,079.99	4,512.32	32,354.21	23,490.40
	Exchange loss (net)	-	54.64	-	-	-	3,640.02	14.21	-	3,725.38	-
	Total Expenses	**2,798.40**	**2,489.66**	**5,008.76**	**9,892.01**	**22,648.91**	**51,095.63**	**36,404.85**	**23,013.00**	**158,749.98**	**101,639.25**
3	**Profit from operations before other income, finance costs and exceptional items (1 - 2)**	**755.09**	**279.43**	**1,618.78**	**2,467.49**	**4,881.28**	**725.49**	**5,649.09**	**(1,514.36)**	**2,008.56**	**6,502.62**
4	Other income:										
	a) Exchange gain (net)	340.28	-	220.83	168.13	2,105.64	-	-	886.04	-	3,806.97
	b) Others	388.43	276.38	113.16	934.46	1,588.17	(690.84)	883.12	136.27	1,955.95	794.04
5	**Profit from ordinary activities before finance costs and exceptional Items (3 ± 4)**	**1,483.80**	**555.81**	**1,952.77**	**3,570.08**	**8,575.09**	**34.65**	**6,532.21**	**(492.05)**	**3,964.51**	**11,103.63**
6	Finance costs	476.46	737.94	528.22	2,466.79	2,810.83	2,539.25	1,421.05	1,750.03	7,272.55	6,867.60
7	**Profit from ordinary activities after finance costs but before exceptional Items (5 ± 6)**	**1,007.34**	**(182.13)**	**1,424.55**	**1,103.29**	**5,764.26**	**(2,504.60)**	**5,111.16**	**(2,242.08)**	**(3,308.04)**	**4,236.03**
8	Exceptional items - expenditure / (income) (net)	500.60	1,069.72	(171.51)	1,570.32	(171.51)	15,929.37	3,975.61	881.61	24,754.80	1,740.65
9	**(Loss) / Profit from ordinary activities before tax (7 ± 8)**	**506.74**	**(1,251.85)**	**1,596.06**	**(467.03)**	**5,935.77**	**(18,433.97)**	**1,135.55**	**(3,123.69)**	**(28,062.84)**	**2,495.38**
10	Tax expense	1,816.84	511.43	(1,728.04)	2,343.98	(446.50)	4,599.99	2,163.32	(1,614.90)	3,252.51	707.93
11	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	**(1,310.10)**	**(1,763.28)**	**3,324.10**	**(2,811.01)**	**6,382.27**	**(23,033.96)**	**(1,027.77)**	**(1,508.79)**	**(31,315.35)**	**1,787.45**
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	-	-	-	-
13	**Net Profit / (Loss) after tax and before minority (11 ± 12)**	**(1,310.10)**	**(1,763.28)**	**3,324.10**	**(2,811.01)**	**6,382.27**	**(23,033.96)**	**(1,027.77)**	**(1,508.79)**	**(31,315.35)**	**1,787.45**
14	Minority interest	-	-	-	-	-	(1,658.40)	1,001.54	(630.77)	(2,093.07)	(638.69)
15	**Net (Loss) / Profit for the period (13 ± 14)**	**(1,310.10)**	**(1,763.28)**	**3,324.10**	**(2,811.01)**	**6,382.27**	**(21,375.56)**	**(2,029.31)**	**(878.02)**	**(29,222.28)**	**2,426.14**
16	Paid-up equity share capital (Face value - Rs. 1/- per share)	2,988.79	1,854.17	1,854.17	2,988.79	1,854.17	2,988.79	1,854.17	1,854.17	2,988.79	1,854.17
17	Reserves Excluding Revaluation Reserves as per Balance Sheet of previous accounting year					43,252.31					71,900.46
18	Earning Per Share (after exceptional items)										
	(a) Basic	(0.45)	(0.95)	1.79	(1.33)	3.44	(7.34)	(0.66)	(0.47)	(13.79)	1.31
	(b) Diluted	(0.45)	(0.95)	1.79	(1.33)	3.44	(7.34)	(0.66)	(0.47)	(13.79)	1.31
	Earning Per Share (before exceptional items and net off tax)										
	(a) Basic	(0.34)	(0.49)	1.72	(0.67)	3.37	(1.93)	0.02	(0.10)	(2.19)	2.05
	(b) Diluted	(0.34)	(0.49)	1.72	(0.67)	3.37	(1.93)	0.02	(0.10)	(2.19)	2.05

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Sr No.	Particulars	Standalone					Consolidated				
		Quarter Ended			Year ended	Fifteen Months Period Ended	Quarter Ended			Year ended	Fifteen Months Period Ended
		30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
19	Debt service coverage ratio (No of times)				0.48	0.97					
20	Interest service coverage ratio (No of times)				1.07	1.94					
21	Debt - equity ratio				0.36	0.74					
	PARTICULARS OF SHAREHOLDING										
1	**Public Share Holding**										
	- Number of shares	194,271,333	103,386,718	108,315,890	194,271,333	108,315,890	194,271,333	103,386,718	108,315,890	194,271,333	108,315,890
	- Percentage of shareholding	65.00%	56.03%	58.42%	65.00%	58.42%	65.00%	56.03%	58.42%	65.00%	58.42%
2	**Promoters and Promoter Group Shareholding**										
	a) Pledged / Encumbered										
	- Number of shares	65,726,000	60,306,000	45,612,000	65,726,000	45,612,000	65,726,000	60,306,000	45,612,000	65,726,000	45,612,000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	62.83%	73.97%	59.16%	62.83%	59.16%	62.83%	73.97%	59.16%	62.83%	59.16%
	- Percentage of shares (as a % of total share capital of the Company)	21.99%	32.52%	24.60%	21.99%	24.60%	21.99%	32.52%	24.60%	21.99%	24.60%
	b) Non - encumbered										
	- Number of shares	38,881,641	22,124,718	31,489,546	38,881,641	31,489,546	38,881,641	22,124,718	31,489,546	38,881,641	31,489,546
	- Percentage of shares (as a % of total shareholding of promoters and promoter group)	37.17%	26.03%	40.84%	37.17%	40.84%	37.17%	26.03%	40.84%	37.17%	40.84%
	- Percentage of shares (as a % of total share capital of the Company)	13.01%	11.45%	16.98%	13.01%	16.98%	13.01%	11.45%	16.98%	13.01%	16.98%

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Khar (West), Mumbai, Maharashta, India, 400052

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30,2015

Rs. In Lacs

	Standalone		Consolidated	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	Audited	Audited	Audited	Audited
Equity and Liabilities				
Shareholders' funds				
Share Capital	2,988.79	1,854.17	2,988.79	1,854.17
Reserves and Surplus	101,311.27	43,252.31	108,194.10	71,900.46
	104,300.06	**45,106.48**	**111,182.89**	**73,754.63**
Minority Interest	-	-	15,401.65	16,126.80
Non-current liabilities				
Long-term borrowings	36,421.37	26,263.47	57,737.97	57,012.70
Deferred tax liability (net)	-	-	925.77	1,186.99
Other long-term liabilities	6,356.76	39.70	39,258.20	6,060.84
Long-term provisions	224.71	69.98	488.90	140.50
	43,002.84	**26,373.15**	**98,410.84**	**64,401.03**
Current liabilities				
Short-term borrowings	7,127.07	8,571.88	24,242.73	17,736.25
Trade payables	1,886.10	2,787.61	25,047.92	13,251.71
Other current liabilities	6,213.93	5,758.35	63,497.27	17,100.87
Short-term provisions	132.35	4,431.85	1,015.39	4,716.21
	15,359.45	**21,549.69**	**113,803.31**	**52,805.04**
TOTAL	**162,662.35**	**93,029.32**	**338,798.69**	**207,087.50**
Assets				
Non-current assets				
Fixed assets				
Tangible assets	26,942.94	17,004.57	80,711.71	63,216.06
Intangible assets	235.35	321.78	52,763.78	33,302.27
Capital work-in-progress	30.57	32.00	34.24	409.03
Intangible assets under development	-	-	4,413.79	1,571.79
Goodwill on consolidation	-	-	80,297.12	12,706.16
Non-current investments	86,428.18	23,845.96	8,573.98	1.04
Deferred tax asset (net)	5,844.14	11,293.43	5,844.14	11,293.43
Long-term loans and advances	9,469.19	6,211.24	16,457.39	9,388.25
Other non-current assets	-	-	6.82	6.82
	128,950.37	**58,708.98**	**249,102.97**	**131,894.85**
Current assets				
Current investments	-	-	-	6.25
Inventories	-	-	56.44	3.16
Trade receivables	4,615.43	13,921.82	37,563.19	38,526.54
Cash and bank balances	562.10	654.30	6,162.33	2,249.24
Short-term loans and advances	26,896.85	2,146.16	26,465.62	17,346.28
Other current assets	1,637.60	17,598.06	19,448.14	17,061.18
	33,711.98	**34,320.34**	**89,695.72**	**75,192.65**
TOTAL	**162,662.35**	**93,029.32**	**338,798.69**	**207,087.50**
	-	-	-	-

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Khar (West), Mumbai, Maharashta, India, 400052
CIN: L92100MH1997PLC108981

Notes to Audited Consolidated Financial Results for the year ended June 30, 2015:

1. The above results reviewed by the Audit Committee and approved by the Board of Directors of the Company at its adjourned Meeting held on September 16, 2015. (Original meetings was held on September 12, 2015).

2. Pursuant to the enactment of the Companies Act, 2013 ("the Act"), effective 1st April, 2014, the Company has revised the estimated useful lives of its fixed assets to ensure compliance with the stipulations of Schedule II to the Act. Accordingly, the unamortized depreciable amounts of the fixed assets as at 1st July, 2014 have been charged over the revised remaining useful lives. This has the impact of decreasing depreciation charge for the quarter and twelve months ended June 30, 2015by Rs.112 lac and Rs.247 lac respectively. Further, in accordance with the stipulations of the said Schedule, written down values of fixed assets, whose lives had expired as at 1st July, 2014 aggregating Rs. 102 lac (net of tax) have been adjusted against retained earnings.

3. The Post Production business is the primary segment for the Company. Since, the Company's entire operations are governed by the same set of risks and returns, these have been considered as representing a single segment.

4. There were no investor complaints pending at the beginning of the quarter. During the quarter, the Company received no investor complaints and there was no investor complaint pending at the end of the quarter.

5. During the quarter ended June 30, 2014, the Company sold its 'backend business' which includes (a) business of providing the services of conversion of 2D audio visual/moving images to stereo 3D audio visual/moving images provided by the Company to Prime Focus World N.V., a company incorporated and operating under the laws of Netherlands ("PFW") ('Conversion Business'); and (b) the business of providing the services of computer generated film visual special effects by the Company to PFW ("VFX Business"), to Prime Focus World Creative Services Pvt. Ltd.', an indirect controlled subsidiary, by way of slump sale. Consequently, the figures for the current quarter exclude the 'backend business' and hence are not comparable with the figures for the corresponding quarter ended June 30, 2014.

6. On April 07, 2015, 23,076,923 and 90,384,615 equity shares were allotted to Monsoon Studio Private Limited and Reliance MediaWorks Limited ("RMW"), respectively, on a preferential basis at Rs 52 per share. Of these 67,307,692 equity shares were issued to Reliance Media Works Limited as consideration other than cash towards the transfer of its film and media services business to the Company in accordance with the Business Transfer Agreement dated November 19, 2014 between the Company, RMW and Reliance Land Private Limited. In accordance with the said Agreement, the transfer of BOT Agreement pertaining to the Studio including other business assets and liabilities related to the BOT Agreement ("Studios")and debt facilities of Rs. 200 crore was to be effected post receipt of the necessary additional approvals. Upon receipt of the necessary statutory approvals, with effect from the closing date of April 7, 2015, net assets of film and media services business were transferred to and recorded by the Company at the fair value of Rs. 401.76 crore, as determined by the independent valuers. However, pending receipt of the additional approvals, the Studios' and the debt facilities have not been transferred to and recorded by the Company. Presently, the Company has recorded a capital reserve of Rs. 51.76 crore being the difference between consideration for the transaction being Rs. 350 crore and fair value of the net assets transferred. Post receipt of additional approvals, the Studios' and the debt facilities will be recorded at fair value with the differential being adjusted against the capital reserve.

7. The Board of Directors vide circular resolution dated March 31, 2015, approved sale of its entire holding of 21,492,003 ordinary shares held in Prime Focus London Plc, a subsidiary company incorporated in the U.K. for a consideration of Rs. 371 lac and recognized a loss of Rs. 4,530lac and Rs. 1,070 lac in consolidated results and standalone results respectively.

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8. Exceptional Item comprises of

Rs In Lacs

Particulars	Standalone		Consolidated	
	Year ended June 30, 2015	Period ended June 30, 2014	Year ended June 30, 2015	Period ended June 30, 2014
Gain on sale of net assets on slump sale	-	(19,720.58)	-	-
Provision / write off for loan to subsidiary	-	13,532.50	13,532.50	-
Provision for diminution in the value of investment	-	5,146.36	-	-
Loss on disinvestment of subsidiary	1,069.72	-	4,530.23	-
Provision for doubtful Debts / Advances (net)	500.60	870.21	500.60	870.21
Impairment of fixed assets	-	-	-	779.88
Restructuring & integration costs	-	-	6,191.47	90.55
	1,570.32	**(171.51)**	**24,754.80**	**1,740.64**

9. In the Board of Directors meeting held on July 02, 2014 approval was granted to introduce and implement Employee Stock Option Scheme titled 'PFL-ESOP Scheme 2014' whereby stock options upto 6% of the paid up capital of the Company (post preferential allotment) aggregating 17,932,738 stock options would be issued to eligible employees of the Company, its subsidiaries and associates. The said scheme was approved by the shareholders in the Extra-ordinary General Meeting held on August 01, 2014.

10. Ratio have been calculated as follows:

    a. Debt Service Coverage Ratio = Profit before exceptional items, Interest on long term loans, Depreciation and Tax/ (Principal repayment / transfer of total long term loans + Interest on long term loans).
    b. Interest Service Coverage Ratio = Profit before exceptional items, Interest on long term loans, Depreciation and Tax/ Interest on long term loans.
    c. Debt Equity Ratio = Total borrowings (principal)/ Shareholders Funds.

11. The previous financial year of the Company was for a period of 15 months from April 01, 2013 to June 30, 2014. Accordingly, figures for the fifteen months period ended June 30, 2014 have been provided as corresponding figures against the figures for the twelve months period ended June 30, 2015 and are, therefore, not strictly comparable.

12. Auditors report on the consolidated financial statements contains a qualification as regards figures for certain components included in the consolidated financial statements being unaudited for part of the year as under:

    i. The financial statements / the consolidated financial statements of certain subsidiaries whose financial statements / consolidated financial statements for the year ended 31st March, 2015 have been audited by us / other auditors reflect total assets of Rs. 2,893.31crore as at 31st March, 2015, total revenues of Rs. 953.34 crore and net cash outflow amounting to Rs. 0.52 crore for the year ended on that date. The financial information of the said subsidiaries for the year ended 30th June, 2015, as considered in the consolidated financial statements, has been derived by making appropriate adjustments, based on the management accounts approved by the board of directors of the Holding Company, to the financial information as per the aforementioned audited financial statements/consolidated financial statements for the year ended 31st March, 2015. The financial information so derived of the said subsidiaries reflect total assets (net) of Rs. 73.63 crore as at 30th June, 2015, total revenues of Rs. 372.18 crore and net cash inflows amounting to Rs. 19.98 crore for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on our reports and that of the other auditors and the aforementioned management accounts.

    ii. The consolidated financial statements include unaudited standalone financial information in respect of certain subsidiaries which reflect total assets of Rs. 45.70 crore as at 30th June, 2015, total revenue of Rs. Nil, cash inflows amounting to
    Rs.2.69 crore for the year then ended. These unaudited financial information as approved by the Board of Directors of the Company have been furnished to us by the Management and our report in so far as it relates to the amounts and disclosures included in respect of the subsidiaries is based solely on such approved unaudited standalone financial information.

13. On July 1, 2014, the group acquired one of the largest companies in the VFX business "Double Negative Holdings Limited" ("Double Negative"), pursuant to a Share sale agreement dated June 25, 2014. As a result of this transaction, Double Negative has become a wholly owned subsidiary of PFWNV with effect from 1st July, 2014. Consequently, the figures for the current quarter and the year includes the figures of Double Negative for the year ended 30th June, 2015 making these not comparable with the figures for the corresponding quarter ended June 30, 2014.

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14. The figures for the three months ended June 30, 2015 and June 30, 2014, are the balancing figures between the audited figures in respect of the full financial year/period and the published year to date figures upto nine and twelve months of the relevant financial year/period respectively.

15. Previous period figures have been regrouped and re-arranged wherever necessary to correspond to the figures of the current year.

For and on behalf of the Board of Directors

PRIME FOCUS LIMITED MUMBAI

Ramakrishnan Sankaranarayanan
Managing Director

Place: Mumbai
Date: September16, 2015