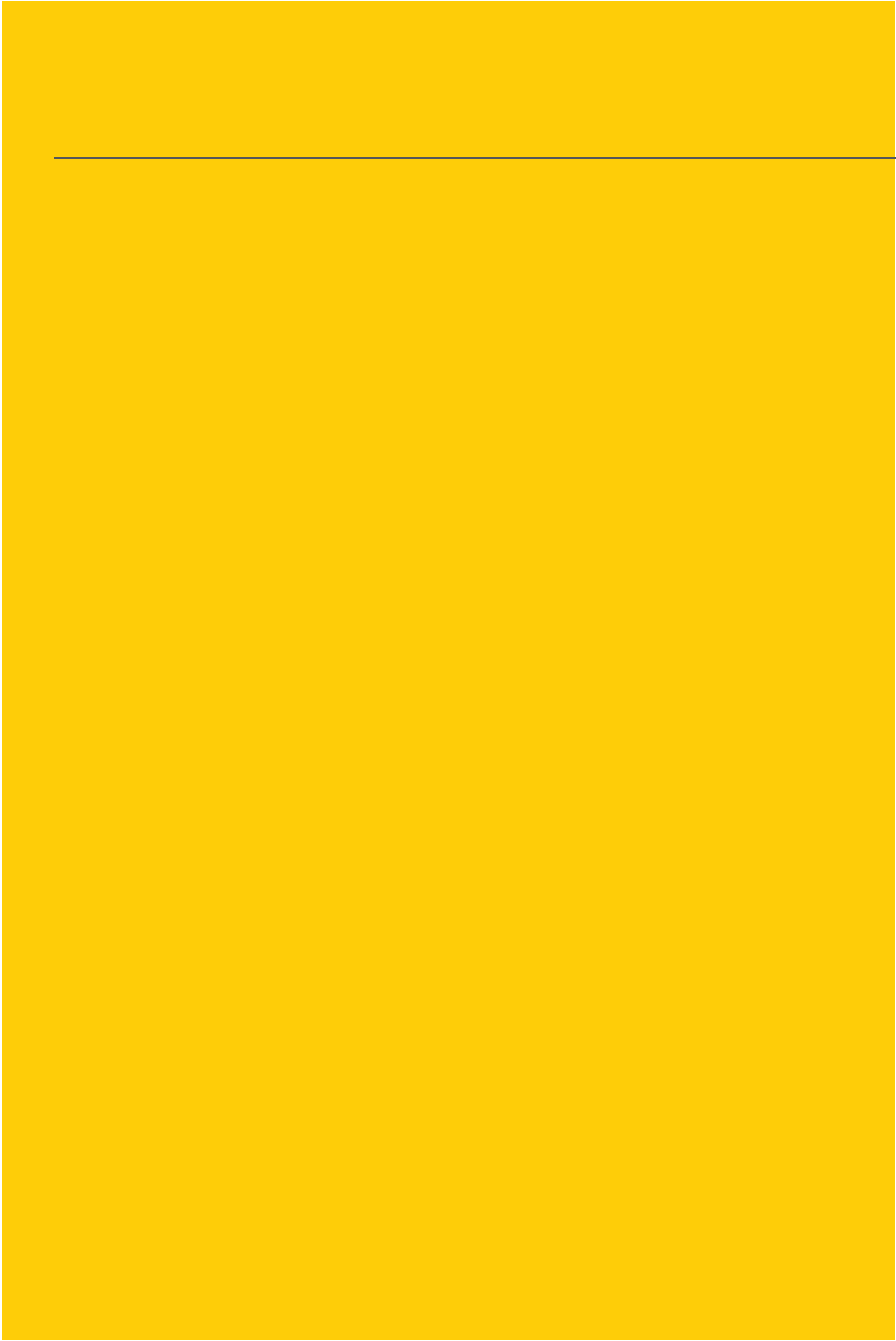
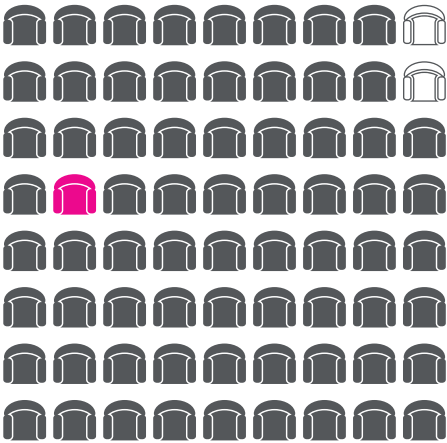
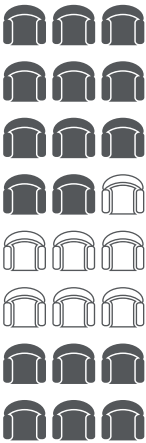


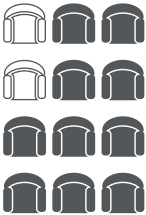


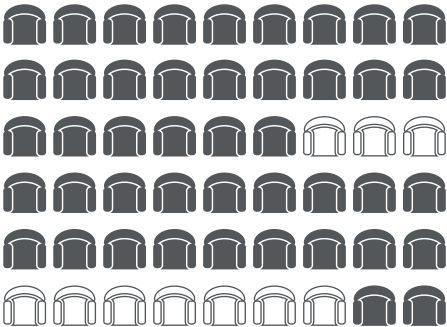
lights. camera. expansion.

PICTUREHOUSE MEDIA LIMITED **ANNUAL REPORT** 2015









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the indian film industry

Poised to witness tremendous growth, the Indian film industry today is at an inflection point. Backed by rapid urbanization, digital distribution and a surge of investments in previously unpenetrated markets, the sector is set to make a powerful comeback. And Picturehouse Media Limited, the sole listed entity in this realm, is at its core.

With over a hundred years of cinematic history behind us, motion pictures continue to be an important part of Indian entertainment. The industry has grown by leaps and bounds over the past decade, and today, having proved its resilience to the world, stands at the cusp of a momentous phase of growth.

Various factors have come together to make this happen. The industry has benefitted from increased corporatisation and professionalism, paving the way for entertainment-focussed investment. The rapid growth of multiplexes and their infiltration into smaller cities has transformed the cinematic experience for millions of Indians. Digital adoption across the industry's value chain has meant more widespread releases, penetration into smaller, previously untapped markets and an increased ability to invest in differentiated content.

While Bollywood may currently be the face of Indian cinema, with the emergence of new consumption centers in Tier II and III cities, the country's lesser known, **regional film centers are emerging as the new money spinners of the industry.** And at Picturehouse Media Limited, we are geared to drive this growth. From investing to shareholding, from financing to reaping dividends, we will continue to propell this strong growth trajectory.





OUR VISION

To be a game changer in the Indian media and entertainment sector.



OUR MISSION

To deliver trendsetting solutions for capital requirements of the media and entertainment sector, and create a value chain that benefits every stakeholder.

corporate philosophy and identity

India is one of the largest producer of films in the world. Picturehouse Media Ltd is South India's leading organized film media capital provider.

Picturehouse Media Limited [Previously, Telephoto Entertainment Ltd.] was acquired in 2007 by Mr. Prasad V. Potluri, a serial global entrepreneur.

Mr Potluri is one of the youngest first-generation entrepreneurs to have built and sold three companies the world over- Procon, Albion Orion LLC and Irevna- before he was thirty five.

Following a comprehensive market survey, the company identified film production and financing as an attractive niche, marked by the absence of organized financiers. Capital provision [the financing of films] was one of the few scalable initiative in the Indian entertainment industry.

As a media capital house, **Picturehouse Media finances the end-to-end process in film making;** from film ideation and germination to its successful completion.

Within a short span of four years, the Company has evolved into a dependable one-stop-shop for film financing through PVP Capital (100 percent subsidiary) as well as film production under the banner of PVP Cinema.

Picturehouse Media Limited enjoys a leadership position in the financing of Tamil and Telugu cinema. The Company has produced and financed over 60 films since commencing operations more than half a decade ago.

financial highlights

Portfolio [Number of films financed and produced]

2011 - 2012	<div><div></div></div>	21
2012 - 2013	<div><div></div></div>	30
2013- 2014	<div><div></div></div>	24
2014 - 2015	<div><div></div></div>	11

Loan Book [Rupees in Crore]

2011 - 2012	<div><div></div></div>	128.24
2012 - 2013	<div><div></div></div>	118.65
2013- 2014	<div><div></div></div>	156.69
2014 - 2015	<div><div></div></div>	204.36




Turnover [Rupees in Crore]

2011 - 2012	<div><div></div></div>	46.65
2012 - 2013	<div><div></div></div>	50.38
2013- 2014	<div><div></div></div>	101.42
2014 - 2015	<div><div></div></div>	55.04

Operating Profit [Rupees in Crore]

2011 - 2012	<div><div></div></div>	15.15
2012 - 2013	<div><div></div></div>	29.11
2013- 2014	<div><div></div></div>	32.08
2014 - 2015	<div><div></div></div>	29.60





Post-Tax Profit [Rupees in Crore]

2011 - 2012		8.51
2012 - 2013		10.62
2013- 2014		10.79
2014 - 2015		2.90

Networth [Rupees in Crore]

2011 - 2012		56.63
2012 - 2013		67.28
2013- 2014		77.94
2014 - 2015		80.85

Book Value per Share [Rupees in Crore]

2011 - 2012		10.79
2012 - 2013		12.88
2013- 2014		14.92
2014 - 2015		15.47

from the managing director's desk



More than just financing films, Picturehouse Media has already demonstrated a capability in production and built a strong brand recall for the organization amongst film-goers. **We believe that vernacular cinema has been the leader for the last 100 years and will remain so for another century to come.**



Dear Shareholders,

The Indian Media and Entertainment (M&E) industry is a sunrise sector taking giant strides and powering the economy. Proving its resilience to the world, the Indian M&E sector is on the cusp of a strong phase of growth, backed by rising consumer payments and advertising revenues across all sectors. The industry has been largely driven by increasing digitisation and higher internet usage over the last decade.

One of the significant developments is the growth of multiplexes which has enhanced the movie-going experience for Indian audience and has led to increased per-ticket realization. Rising urbanization and growing disposable incomes are also driving increased investments in multiplexes. In addition, theaters with low seating capacities allow cost-effective screening of movies that are targeted at niche audiences. Companies such as Real Image (Qube) and UFO Moviez have ushered in a game changing phenomenon of 60% box-office collections being realized in the first week of a movie by facilitating digitization of movies, which also aided in curbing piracy as well as enabling a wider reach for movies across the nation.

Technological advancements in the field of entertainment consumption have bolstered the industry further. Aspects like 4K projection, are slated to enrich the viewing experience, and open a whole new avenue for premium content consumption. 4G, will further empower the consumer to access rich content on the go. These factors have added a whole new dimension to the overall entertainment ecosystem.

As per the estimates, the Indian film industry is set to grow by an estimated 11.5 percent of CAGR (compounded annual growth rate) over the next three years, hitting Rs 19,300 crore (\$3.1 billion) by 2017, according to a FICCI-KPMG report. The trigger for this surge is the growing middle class population, its changing aspirations and the plans by large business houses to build more multi-screen cinemas.

The Media and Entertainment industry in South India, is poised to grow at a CAGR of 16 percent till FY-2017, driven by demands of its ever-discerning consumers and unstinted endeavors by media vehicles to expand their presence and operations. Industry continues to attract national and international players to explore this growing market while at the same time enabling regional media players to reach their target audience, Picturehouse Media is a listed media capital provider in India and is among a handful in the category of organized film financing in the country.

Our Company has already demonstrated an extensive track record in having financed more than 60 films since commencing operations. More than just financing films, Picturehouse Media has already demonstrated a capability in production and built a strong brand recall for the organization amongst film-goers. We believe that the vernacular cinema has been the leader for the last 100 years and will remain so for another century to come.

We are poised to take a leap further consolidating our market position in the current economic climate, given our size and scale. We are building on our core competence of content development and acquisition while expanding into areas where we have identified a clear demand. We continue to grow from strength to strength seeking motivation from the prime objective of entertaining the audience.

All our activities during the year, have a common recurring theme—the theme of a desire to excel. We continue to build our content portfolio with constant emphasis on improved, varied and exciting content. We built on our strengths and leveraged our competitive advantage to scale up our business significantly.

We survive on consistent innovation, by shifting our orbits of creative thought process. We believe in nurturing a generative approach which is structured and driven towards solutions.

Despite challenges, we are emerging as a content powerhouse, catering to the varying aspirations of diverse segments of the audience and we will continue to move forward with confident, determined steps, to seize opportunities available in the Media and Entertainment sector and your trust gives us the courage to continue doing what we love and are passionate about.

Best Regards to you all,

Prasad V. Potluri
Managing Director

our business model

Ten things our shareholders need to know about how we have emerged as one of the most exciting media capital providers in the South Indian film industry.

1 Objective

Our core purpose is to be an attractively profitable company, with industry-leading IRRs.

2 Niche

The Company has selected to be present in the Tamil Nadu, Telangana, Andhra Pradesh, Karnataka and Kerala film financing segments.

3 Structured Capital Deployment

The Company works only with AAA rated producers, who in turn work with top-rated artists and technicians.

4 Capital

The Company finances prospective films using low-cost accruals. A growing net worth has helped grow the Company's business.

5 Discipline

The Company's structured three-tier verification and documentation process appraises a producer's creditworthiness, project viability, security collateral and the quantum of funds released. All funding proposals are appraised as projects, which are carefully analyzed by a credit committee headed by the Managing Director. The result is a willingness to fund one of ten film proposals on average.

6 Robust Intellectual Capital

The senior management is passionate about the business with an appraisal of over 1000 films across various genres. The Company possesses a team of experienced professionals who have both in-depth knowledge and experience in project financing, coupled with vast experience in the film industry.

7 NPAs

The Company's robust film appraisal and financing/producing capabilities are validated through non-performing assets following more than fifty films being financed in the last three years.

8 Exposure

The Company finances only 60-65 percent of the total film budget. The rest is mobilized by the producer to ensure continued commitment.

9 Collateral

The Company charges a lien on film negatives or digital media, which is released only after its dues have been completely liquidated. In instances, the Company also charges land banks or other assets as security collateral to secure its lending.

10 Extension

The Company extended to film producers, to strengthen the quality of its brand and to ensure a stronger market understanding and diverse income streams. The Company has produced blockbuster films such as Naan E [in Tamil] and Balupu [In Telugu]

managing risks

Industry Risks

The Indian media and entertainment industry may cease to grow.

M The Indian media and entertainment industry has outperformed itself and is one of the fastest growing sectors in the country today. As a growing population pool has access to larger disposable incomes, the industry has grown faster. A KPMG-FICCI Frames 2012 Report states that the Indian media and entertainment industry registered a 12 percent growth over 2010 to reach Rs. 728 billion. This growth trajectory was backed by strong consumption in Tier II and III cities, the growth of regional media and a fast-increasing new media business. Overall, these trends are expected to push the industry to register a CAGR of 15 percent to an estimated Rs. 1,457 billion by 2016. Moreover, the same report states that the Indian film industry is projected to grow at a CAGR of 10 percent to touch Rs. 150 billion by 2016, from its size of 93 billion in 2011, indicating a growth of 11.5 percent vis-a-vis 2010.

Competition Risks

The Indian film financing market may trend towards thinning margins

M Picturehouse Media is the largest and only listed player in the South Indian film financing space. By virtue of its sheer scale, the Company has embraced the larger vision of organising the industry, typically characterised by unorganised moneylenders. The company has carved out a unique space for itself. The Company is a selective financier, with a rejection rate of 90 percent.

Perception Risks

The film financing industry is considered to be a high-risk proposition

M The film financing and production industry is fraught with risks, However, the business becomes attractive for players like Picturehouse Media who operates in the organised space, backed with 100 percent compliance with processes, with a view to remove arbitrariness in decision-making. The Company finances films following a comprehensive study of creditworthiness and the track record of the directors, producers, actors and technicians involved. The Company has chosen to work only with AAA rated producers and prominent artistes. Moreover, the Company's role as a financier is independent of the commercial performance of the film as it recovers its outstandings well before the film's release.

Project Completion Risks

The film project might be delayed or might not be completed at all, impacting the portfolio adversely.

- M** The Company monitors film progress. In certain cases, it checks with film processing labs/digital film storage companies to refer to the quantum of film shot on reel besides deputing staff to periodically visit studios and other on-site locations to oversee progress. Based on this understanding, the Company releases milestone funds or undertakes course corrections. In the rare event of a film not likely to be completed, the Company assumes the role of a producer (as was the case in the film Rajapattai, which was successfully released) in order to recover funds. The company intends to leverage this experience, and produce around five films in 2015-2016.

Collateral Risks

Delayed projects might expose the Company's loan book to losses

- M** The Company charges a lien on the film negatives or digital media and in extreme cases, even land banks and other assets to cover its loans. It also issues NOCs for the release of a film only once all outstandings are paid by the producer. A strong recovery system backed by robust loan collaterals has resulted in the Company reporting zero NPAs on its books over the last three years, with a track record of financing over fifty films during the period.

Piracy Risks

Piracy might dampen the prospects for legitimate revenue generation

- M** The Company is unaffected by this risk as it closes its entire lending transaction before the release.

Financing Risks

The Company may not be able to mobilize funds for onward deployment

- M** To the contrary, The Company depends largely on internal sources, and to an extent, on external agencies to generate funds for deployment into film financing.

Capital Deployment Risks

The Company may not get the right opportunity to deploy funds

- M** On an average, the Company refuses to finance nine out of ten films that come its way, reflecting the high quality of its loan book of Rs. 118. 65 Crore [2012-2013] On an average, the Company has about ten films in the pipeline at all times, ensuring that deployable capital does not lie idle.

corporate information

BOARD OF DIRECTORS

Mr. R. Nagarajan - Director
Mr. N. S. Kumar - Director
Mr. Prasad V. Potluri - Managing Director
Mrs. P. Sai Padma - Director

BOARD COMMITTEES

Audit and CSR Committee

Mr. R. Nagarajan - Chairman
Mr. N. S. Kumar
Mr. Prasad V. Potluri

Stakeholders Relationship Committee

Mr. R. Nagarajan - Chairman
Mr. N. S. Kumar
Mr. Prasad V. Potluri

Nomination and Remuneration Committee

Mr. N. S. Kumar - Chairman
Mr. R. Nagarajan
Ms. P. Sai Padma

KEY MANAGERIAL PERSONNEL

Mr. Prasad V. Potluri - Managing Director
Mr. Vinay Chilakapati - COO
Mr. Rajeev Kamineni - Executive Director [Operations]
Mr. A. Praveen Kumar - CFO
Mr. Bhargava Burra - Company Secretary

STATUTORY AUDITORS

M/s CNGSN & Associates LLP Chartered Accountants
No. 2, Vijayaraghava Road, T Nagar, Chennai 600 017

PRINCIPAL BANKERS

Canara Bank
Central Bank of India

REGISTERED OFFICE

KRM Centre, 9th Floor, Door No. 2
Harrington Road
Chetpet, Chennai 600 031

T +91 44 3028 5570

F +91 44 3028 5571

CORPORATE OFFICE

4th Floor, Punnaiah Plaza
Plot No. 83 and 84, Road No. 02
Banjara Hills, Hyderabad 500 034

T +91 40 6730 9999

F +91 40 6730 9988

E ir.telephoto@pvpglobal.com

STOCK EXCHANGES WHERE COMPANY'S SECURITIES ARE LISTED

The BSE Limited

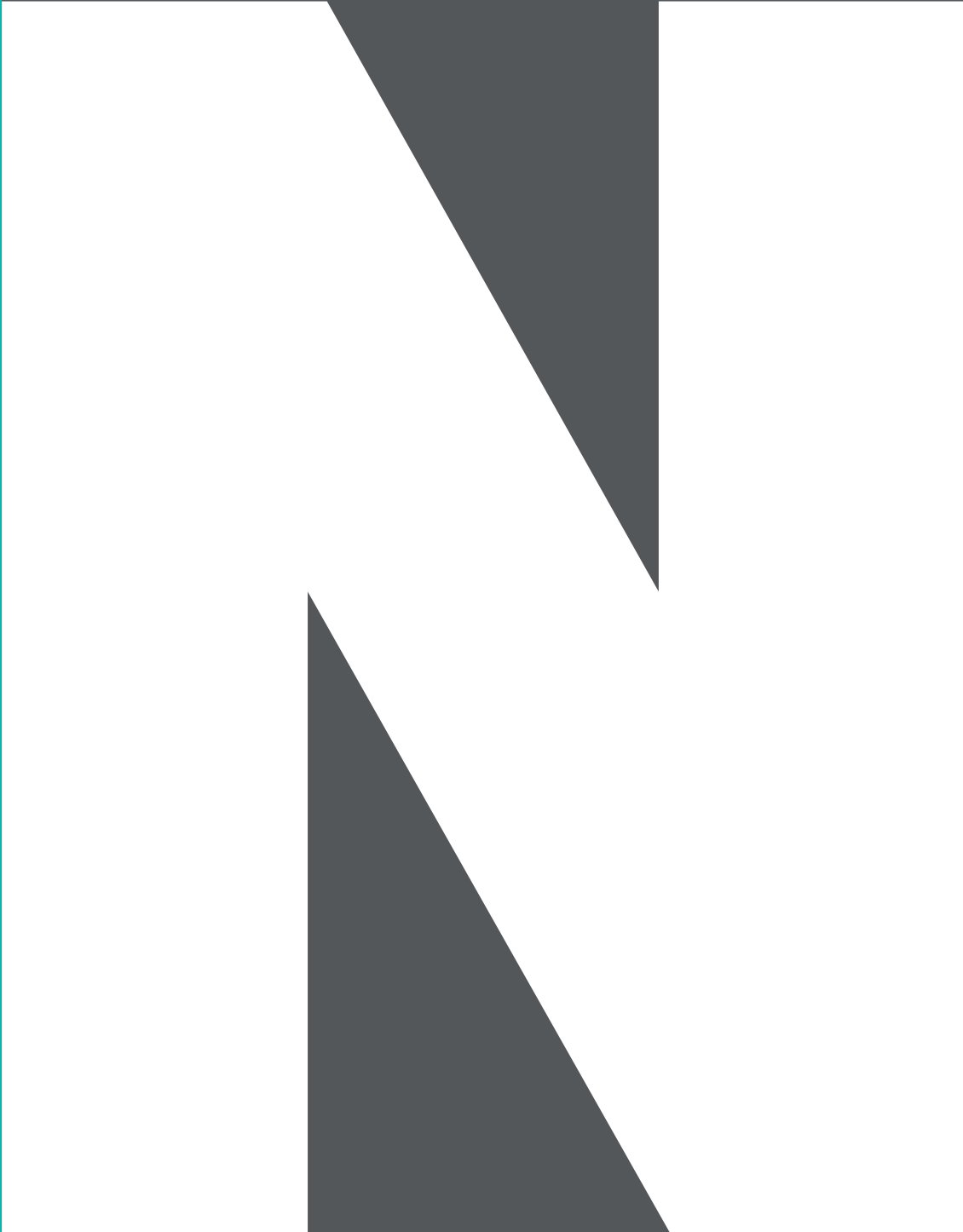
REGISTRAR AND SHARE TRANSFER AGENTS

Cameo Corporate Services Limited,
Subramanyam Building, 1, Club House Road, Chennai 600 002

T +91 44 2846 0390

F +91 44 2846 0129

E investor@cameoindia.com



NOTICE is hereby given that the 16th Annual General Meeting of the Members of Picturehouse Media Limited will be held on: Tuesday, September 29, 2015 at 11.30 a.m. at Hotel Green Park, Vauhini Hall No.183, NSK Salai, Arcot Road, Vadapalani, Chennai, Tamil Nadu - 600 026 to transact the following:

ORDINARY BUSINESS

- 1** To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended March 31, 2015 and the Reports of the Board of Directors and the Auditors thereon.
- 2** To appoint M/s. CNGSN and Associates LLP, Chartered Accountants, Chennai (FRN: 004915S) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be decided by the Board of Directors.

SPECIAL BUSINESS

- 3** Appointment of **Mrs. P. Sai Padma as Director liable to retire by rotation**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 152 and other applicable provisions if any of the Companies Act, 2013, Mrs. P. Sai Padma, who was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on March 28, 2015 and who holds office till the conclusion of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. P. Sai Padma as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board of Directors
for PICTUREHOUSE MEDIA LIMITED

Date August 14, 2015
Place Chennai

Sd/-
Bhargava Burra
Company Secretary

NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ['THE MEETING'] IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY, HOWEVER, NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before commencement of the meeting. A Proxy form for the AGM is enclosed with this Annual Report.**
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
5. In case of joint holders, the first joint holder will be entitled to vote in the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 25, 2015 to September 29, 2015 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2015 are being sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to ir.telephoto@pvpglobal.com for receipt of hard copy. This would enable the Company to update its database by incorporating/ updating the designated e-mail addresses in its records. The Members may also note that the said Reports are also being uploaded on the website of the Company at www.pvpcinema.com
8. Members are requested to quote their Registered Folio Number, Client ID, Number of shares in all correspondences with the Company/RTA and notify the Company's RTA, or the Depository Participants, the change of registered address, if any.
9. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:

- a.) Change in their residential status on return to India for permanent settlement.
 - b.) Particulars of their bank account in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
10. The Company has designated an exclusive email ID viz. ir.telephoto@pvpglobal.com, which would enable the investors/shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.
 11. Queries concerning Annual Accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.
 12. The Annual Report of the Company for the year 2014-15 circulated to the Members of the Company is available on the Company's website, viz. www.pvpcinema.com
 13. The Company Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, is extending e-voting facility for its Members to enable them to cast their vote electronically. Further, the facility for voting, through ballot paper, will also be made available at the AGM. However, the Members attending the AGM who cannot cast their votes by remote e-voting, can also exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. In this regard, the Company has appointed M/s. D. Hanumanta Raju and Co, Practicing Company Secretaries, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to oversee the electronic voting process in a fair and transparent manner.
 14. The e-voting facility will be available at the link <http://evoting.karvy.com> during the voting period.
 15. The login ID and password for e-voting along with process, manner and instructions is being sent to the members along with email/physical copy of the Notice.
 16. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of cut-off date i.e., September 22, 2015 may obtain the login ID and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and password for casting your vote.
 17. Members are requested to note that the e-voting will open on September 26, 2015 at 9.00 a.m. and shall remain open for 3 days i.e. up to September 28, 2015 and it shall not be allowed beyond 5 p.m. on September 28, 2015.

18. The procedure and instructions for e-voting are as follows:
- a.) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
 - b.) Enter the login credentials (i.e., user-id and password) provided to you as mentioned at point no. 15 supra.
 - c.) In the event of any difficulty, Please contact toll free No. **1-800-34-54-001** for any further clarifications.
 - d.) After entering these details, then click on LOGIN
 - e.) Members holding shares in Demat/Physical form will then reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password shall be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this same password can be used by the Demat holders for voting in respect of other companies also, provided that the other Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. Then, System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the secret wuestion and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f.) You need to login again with the new credentials.
 - g.) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
 - h.) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and you have already casted your vote in respect of any company, then your exiting login id and password are to be used.
 - i.) On the voting page, you will see Resolution Description and against the same, you will find the option FOR/AGAINST/ABSTAIN for voting. Enter the number of shares (which represents number of votes) under FOR/AGAINST/ABSTAIN.
 - j.) After selecting the resolution, if you have decided to vote on, then click on SUBMIT. A confirmation box will be displayed. If you wish to confirm your vote, then click on OK, and in case, if you wish to modify your vote, then click on CANCEL and accordingly modify your vote according to your choice.
 - k.) Once you CONFIRM your vote on the resolution, then you will not be allowed to modify your vote in any manner.
 - l.) Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/

Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to evotingpml@pvpglobal.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the common naming format titled "Corporate Name_ Event no."

- m.) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors, at its Meeting held on March 28, 2015 appointed Mrs. P. Sai Padma as an Additional Director with effect from March 28, 2015 pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company. The said appointment was being made for complying the provisions of Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. P. Sai Padma will hold office up to the date of ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. P. Sai Padma for the office of Director, liable to retire by rotation under Section 152 of the Companies Act, 2013.

As required under the provisions of the Companies Act, 2013, the Company has received from Mrs. P. Sai Padma (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) Intimation in DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013.

The resolution seeks the approval of Members for the appointment of Mrs. P. Sai Padma as Director liable to retire by rotation pursuant to Section 152 of the Companies Act, 2013.

No director except Mr. Prasad V. Potluri and Mrs. P. Sai Padma, Key Managerial Personnel or their relatives, are interested in the resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

[A brief profile of Mrs. P. Sai Padma is given on the following page.](#)

NAME OF DIRECTOR	P. SAI PADMA
DIN	01683528
DATE OF BIRTH	07-07-1973
DATE OF APPOINTMENT TO THE BOARD	28-03-2015
QUALIFICATIONS	MBA
PROFILE OF THE DIRECTOR	Over 14 Years of experience in IT and Retail Industry and over 4 years of experience in Development and Management of Retail Shopping Mall.
DIRECTORSHIPS HELD IN OTHER PUBLIC COMPANIES	M/S. PVP Ventures Limited M/S. Crable Mercantile Limited
LIST OF THE COMMITTEES OF OTHER COMPANIES IN WHICH CHAIRMANSHIP/ MEMBERSHIP IS HELD	Member of Nomination and Remuneration Committee of PVP Ventures Limited
CHAIRMAN/MEMBER OF THE COMMITTEES OF THE COMPANY	Member of Nomination and Remuneration Committee
NUMBER OF SHARES HELD IN THE COMPANY	Nil
RELATIONSHIP WITH OTHER DIRECTORS OF THE COMPANY	Sister of Mr. Prasad V. Potluri, Managing Director

By order of the Board of Directors
for PICTUREHOUSE MEDIA LIMITED

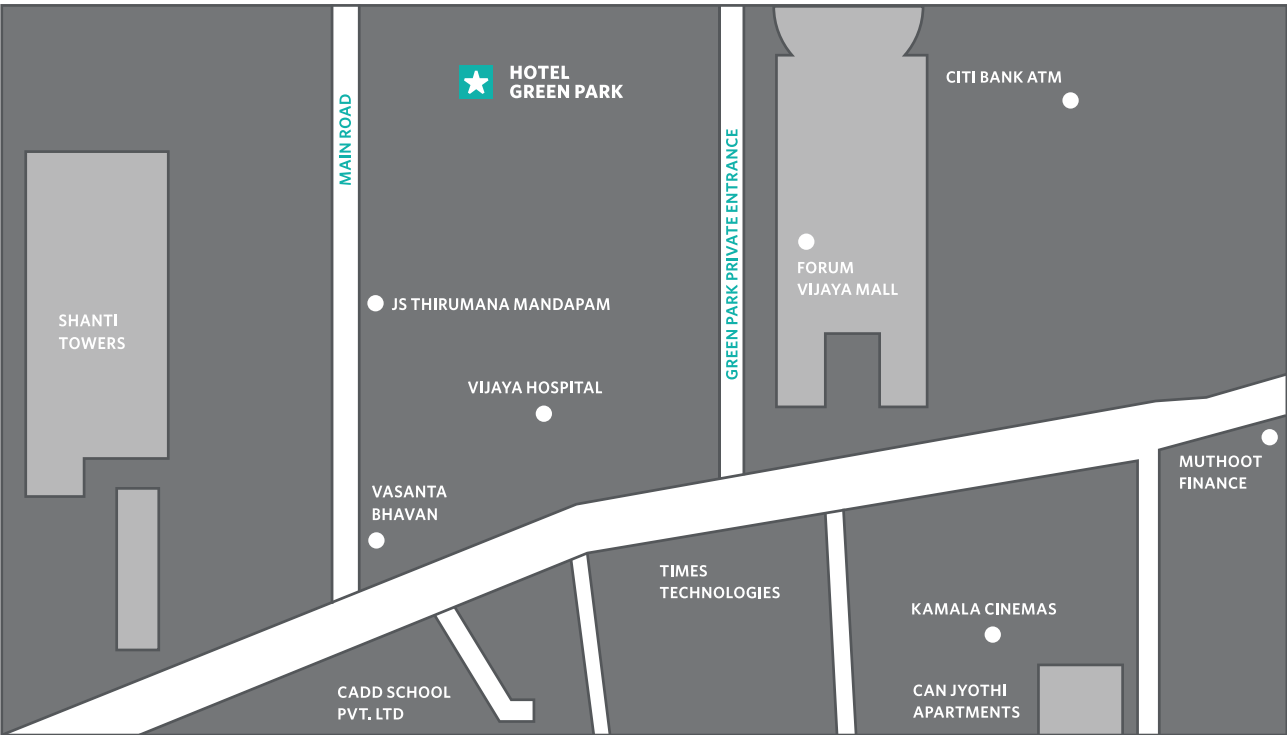
Date August 14, 2015
Place Chennai

Sd/
Bhargava Burra
Company Secretary



ROUTE MAP TO THE VENUE OF THE AGM

Hotel Green Park 'Vauhini Hall'
No. 183, NSK Salai, Arcot Road,
Vadapalani, Chennai 600 026





DIRECTOR'S REPORT



To the Members,

We are pleased to present the report on the business and operations of your Company for the year ended March 31, 2015.

FINANCIAL RESULTS

[Rs. IN LAKH]

PARTICULARS	STANDALONE		CONSOLIDATED	
	2014-2015	2013-2014	2014-2015	2013-2014
TOTAL INCOME	1996.56	7933.24	5504.58	10141.99
OPERATIONAL, ADMINISTRATION AND OTHER EXPENSES	2116.61	6399.63	2544.33	6939.22
PROFIT/(LOSS) BEFORE DEPRECIATION, INTEREST AND TAX	(120.05)	1533.61	2960.25	3207.77
DEPRECIATION	67.45	29.43	67.66	29.47
INTEREST AND FINANCE CHARGES	385.75	871.59	2111.29	1410.35
PROFIT / (LOSS) BEFORE TAX	(573.23)	632.59	781.30	1762.95
EXCEPTIONAL ITEMS	0	0	0	0
TAX EXPENSE	2.31	227.18	490.73	683.73
PROFIT/ (LOSS) AFTER TAX	(570.92)	405.40	290.57	1079.22

REVIEW OF OPERATIONS

During the financial year 2014-15, the Company could witness moderate profits on Consolidated basis. The total revenue of the Company for the financial year ended 31 March, 2015 on Standalone basis is Rs.1996.56 Lakhs as compared to the previous year's total revenue of Rs.7933.24 Lakhs. Further, total revenue on Consolidated basis is Rs.5504.58 Lakhs as compared to the previous year's total revenue of Rs. 10141.99 lakhs.

The Standalone PAT (Profit after Tax) stood at (Rs.5.70) crores as against Rs.4.05 crores in 2014. Further, the Consolidated PAT stood at Rs.2.90 crores as against Rs.10.79 crores in 2014.

DIVIDEND

In view of the inadequacy of the profits and in order to conserve the resources of the Company, for future Business operations, the Board of Directors did not recommend any dividend for the financial year ended March 31, 2015.

TRANSFER TO RESERVES

In view of the aforesaid reason, the Board of Directors did not propose to transfer any amount to reserves for the period under review.

CAPITAL STRUCTURE

During the year, there is no change in the capital structure of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

PUBLIC DEPOSITS

The Company has not accepted/renewed any fixed deposits during the year under review.

INSURANCE

All the properties of your Company have been adequately insured.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, your company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://www.pvpcinema.com/pdf/2015/RPTPolicy-PHML.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the Related Parties.

The Policy specifically deals with the review and approval of Material Related Party Transactions keeping in view the potential or actual conflicts of interest that may arise because of entering into these transactions. In accordance with the policy all related party transactions are to be placed before Audit Committee for review and approval. Prior omnibus approval will be obtained for related party transactions on quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length.

During the year under review, no Related Party Transactions or Material Related Party Transactions i.e., transactions, exceeding 10% of the annual consolidated turnover as per the latest audited financial statements. Accordingly, the disclosure of Related Party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable for the year ended March 31, 2015.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

As on the date of this report, the company has become a subsidiary of PVP Ventures Ltd. PVP Ventures Ltd. along with its subsidiaries, viz. PVP Global Ventures Pvt. Ltd. and PVP Media Ventures Pvt. Ltd. holds 51.46% equity shareholding in the company.

SUBSIDIARY COMPANIES

The Company along with its subsidiaries is operating in the verticals of Film Production and Film Financing. As on March 31, 2015, the Company has 3 (Three) wholly-owned subsidiaries viz., PVP Capital Limited, PVP Cinema Private Limited and Picturehouse Media Private Limited (Foreign Subsidiary)

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as **Annexure - 1** to the Board's Report. As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website www.pvpcinema.com. These documents will also be available for inspection during the business hours at the Registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The Company is committed to maintain the prescribed standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the mandatory stipulations prescribed. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

BOARD OF DIRECTORS

During the year under review, the Board has appointed Mrs. P. Sai Padma as an Additional Director in compliance of Section 149 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 (II) (A) (1) of the Listing Agreement with effect from March 28, 2015 to hold office up to the date of ensuing Annual General Meeting. Being eligible, Mrs. P. Sai Padma offered herself to be appointed as Director liable to retire by rotation.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of 5 consecutive years, and they will be eligible for re-appointment for another term of 5 years upon passing of a special resolution by the Company. The Independent Directors are not liable to retire by rotation. As required, the Independent Directors have confirmed by virtue of certificate stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

The details of training and familiarization programs and Annual Board Evaluation process for directors have been provided under the Corporate Governance Report. The policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and also remuneration for Key Managerial Personnel and other employees and Board evaluation process also forms part of Corporate Governance Report at **Annexure 2**.

None of the directors are due for re-appointment during the year under review.

NUMBER OF MEETINGS OF THE BOARD

The Board met 7 (Seven) times during the financial year, and the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between

any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements of the Company are prepared as per applicable Accounting Standards as prescribed under Section 133 read with Rule 7 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013 and other applicable provisions if any of the said act. There are no material departures from prescribed accounting standards. The Directors confirm that:

- 1** In preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed;
- 2** 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 at the end of the financial year and of the profit and loss of the company for that period;
- 3** The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4** The directors have prepared the annual accounts on a going concern basis;
- 5** The directors have laid down internal financial controls, which are adequate and are operating effectively; and
- 6** The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate to operate the company effectively.

STATUTORY AUDITORS

M/s. CNGSN and Associates LLP (FRN: 004915S), the statutory auditors, holds office up to the conclusion of this Annual General Meeting (AGM). The Company has received consent from M/s. CNGSN and Associates LLP, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and stated that they are not disqualified from being appointed as the Statutory Auditors of the Company.

The Board of Directors therefore recommends reappointment of M/s. CNGSN & Associates LLP as the Statutory Auditors of the Company for the year 2015-16. Necessary resolution for their reappointment is incorporated in the Notice calling for the AGM.

AUDITORS' REPORT

The Auditors' Report for the financial year 2014-15 is an "Un-qualified" report and the said Report together with the Audited Accounts for the financial year ended March 31, 2015 read with the Notes on Accounts are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDITOR

M/s. D. Hanumanta Raju and Co., Company Secretaries was appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15, as required under Section 204 of the

Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for financial year 2014-15 forms part of the Annual Report as **Annexure 3** of the Board's Report.

As regards the observations in the report are concerned, the former relates to procedural delay and the latter observation merely states the manner by which the Company has complied with the provisions of the Companies Act, 2013.

STOCK EXCHANGE LISTING

Presently, the Equity Shares of the Company are listed on The BSE Limited (BSE). The Company confirms that it has paid the Annual Listing Fees due to the Stock Exchange for the year 2015-16.

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

As required under the SEBI Guidelines, the Managing Director and the Chief Financial Officer Certification is attached to this Report.

SIGNIFICANT MATERIAL ORDERS

There were NO significant Material Orders passed against the Company during the year under review.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure 4** of the Board's Report.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

CORPORATE SOCIAL RESPONSIBILITY

As per the Companies Act, 2013 all Companies having net worth of Rs.500 crore or more, turnover of Rs.1000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising 3 or more directors, and at least one of whom should be an independent director. As per the provisions, such company shall spend 2% of the average net profits of the company's, immediately preceding the three financial years.

CSR Committee of the Company comprises of Mr. R Nagarajan, Mr. N S Kumar and Mr. Prasad V. Potluri and the Committee is responsible for formulating and monitoring the CSR Policy of the Company. The CSR Policy of the Company as approved by the Board of Directors of the Company forms part of this report at **Annexure 5**.

During the financial year ended March 31, 2015, the Company is required to spend Rs.20,11,267 i.e., being 2% of the average net profits of the company's immediately preceding three financial years towards CSR activities. The Management proposes to spend the required amount on Education related activities during the financial year 2015-16. As on the date of report, the Company has spent Rs.20,11,500/- towards CSR Activities in the Education sector i.e. on Siddhartha Academy of General and Technical Education ('SAGTE').

Siddhartha Academy, the brainchild of a host of philanthropists with a pragmatic perception and holistic vision for a better tomorrow, was established in the year 1975 recognizing the need for imparting quality education complemented by skill based learning processes. A galaxy of stalwarts from different walks of life numbering about 250 founded this educational empire which contributes to fulfilling the academic aspirations of thousands of children of the region.

PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 6** to the Board’s Report.

There are no employees who’s details are required to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

Particulars regarding technology absorption, conservation of energy and foreign exchange earnings and outgo required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 to the extent applicable are as under:

A	CONSERVATION OF ENERGY The operations of the Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy.		
B	TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION The Company continues to use the latest technologies for improving the quality of its operations.		
C	FOREIGN EXCHANGE EARNINGS AND OUTGO:		
[In Lakh Rupees]			
	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
	FOREIGN EXCHANGE EARNINGS	Nil	Nil
	FOREIGN EXCHANGE OUTGO:		
	TRAVEL RELATED EXPENSES	Nil	Nil
	OTHER EXPENSES (FILM PRODUCTION)	22.62	69.90
	TOTAL	22.62	69.90

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the co-operation and assistance received from the bankers, actors, technicians, directors, production houses, shareholders, government agencies and other business associates. Your Directors wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

For and on behalf of Board of Directors

Date August 14, 2015
Place Chennai

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R Nagarajan
Director



MANAGEMENT'S DISCUSSION AND ANALYSIS



INDUSTRY STRUCTURE AND DEVELOPMENT

With the Change in leadership in the Central government , the economy may not have seen a dramatic turnaround as everyone expected what cannot be denied however is that the new government has tried to make some positive fundamental changes the effect of which may be seen in the coming years, the inflation levels have been under control which has helped the final consumer in terms of lowered credit rates, the GDP growth rate is above 7% (the methodology of calculating the new GDP although a little debatable), several rating agencies including the Moody's have upgraded India's credit outlook and so the positive hope and sentiment still continues. We have seen earlier that a positive development in macro economy and core sectors sets the system rolling in a manner which has a positive impact on the services economy including Media and Entertainment.

In the media sector digital media continues its rapid penetration. One of the major highlights of 2014 was the announcement of "Digital India: A programme to transform India into a digitally empowered society and knowledge economy" by the government. As per the FICCI-KPMG Report on Media and Entertainment (M&E) industry, 2015, this industry as a whole witnessed a growth of 11.7% during the year 2014, from INR 918 billion during the FY 2013 to INR 1026 billion in the FY 2014. In the same period the film industry grew at 1% from INR 125.3 billion to INR 126.4 billion. Further, it is also estimated that due to the factors like digitization, growth of regional media, fast increasing new media business, M&E industry is estimated to achieve a growth rate of 13% in 2015 to touch INR 1159 billions. Going forward, this sector is projected to grow at a healthy CAGR of 14% to reach INR 1964 billion by 2019. It is expected that during the same period film industry will reach INR 204 billion at a CAGR of 10%.

Overall the year 2014 has been a correction of sorts for the entire Film Industry as the lack of growth was characterized by death of home video, correction in the satellite right rates and almost no growth in the domestic theatrical. At the same time however the ancillary revenue streams such as in-cinema advertising, merchandising, pay-per-view on various platforms have increased remarkably at 20% from last year giving an indication of the promise going ahead for the innovative and alternate revenue streams. The regional cinemas, dominated by the Tamil and Telugu market, continued its rise. Tamil movies especially had a great year with close to 300 movies releasing, compared to 255 in Telugu and 200 in Hindi. Various Tamil movies like "I" and "Lingaa" had a pan India release and stood out for their innovative and aggressive marketing strategies. Besides, there were innumerable small budget films with good and fresh content which performed exceptionally well at the box office. Telugu movies on the other hand had a correction in 2014 similar to that of Hindi film industry. The challenge for Tamil industry remains to ensure that all the movies get enough space to be seen and for Telugu industry which can be very star driven, to allow diversity in content and appetite for new talent. The best part about the South Indian film industry is that it has grown in terms of quantity, collection and satellite prices even with restricted access to the organized funding. This further confirms our belief on the potential of this industry and the heights to which it can reach with organized funding.

The key challenges going forward for the industry shall be to combat piracy, managing costs (especially the still uncorrected star costs and the marketing expenses), built infrastructure and regulatory framework, get trained manpower, ensure more transparency in box office monitoring/tracking and implementation of revised cinematography act. The industry continues to be highly

fragmented and lack of cohesive production & distribution infrastructure and lack of efforts for media penetration in lower socio-economic classes are some of the bottlenecks that the Industry is facing. While the capital is being poured in through organised and unorganised channels, the industry still faced challenges in delivering robust bottom line results. Multiplex expansion, ticket prices growth and the expansion of digital screens are all likely to slow down in the near term – challenging the industry to find new avenues to maintain momentum. However, India is a heavily under-screened country and the macro story for the film industry remains strong.

The future looks immensely bright and with more number of multiplex screens, better internet penetration and bandwidth, the Tier 2 and Tier 3 cities may soon hold the prime focus of the industry. In many projects, the professionally run business houses and the family owned ones are learning to operate cohesively and leveraging on each other's strength. While a star may provide good opening, a strong content is required to sustain the momentum. The regional films especially Tamil and Telugu with their dedicated fan base and niche stories will have a larger pie in the overall industry going forward.

OPPORTUNITIES AND THREATS

Concept of crossover and content based movies, emergence of new distribution channels, emergence of Tier 2 and Tier 3 cities, penetration of internet at affordable prices, rise in ancillary revenue streams, technological innovations like animations, etc. are some of the opportunities that the Industry may foresee in the times to come. Sourcing of film financing has been largely unorganized due to high risk nature of the business. However, with scaling up of revenues, Indian films are increasingly attracting private equity / venture capital funding from institutions directly. This indicates the growth of organized film financing for the film industry, and is expected to sustain and grow in the years ahead.

On the other hand, this Industry is facing threats like piracy, lack of transparent data to make apt decisions, lack of trained manpower and industry still being largely unorganized. India is one of the top countries witnessing peer-to-peer file sharing infringement worldwide. For the first time in 2014, India has been included in the International Piracy Watch List by the US, a list of four countries where piracy is rampant. Further, large foreign studios or investors indicate that they are reluctant to invest in the Indian film industry because there is no way of verifying or validating the data made available in the public domain about the amount a film has grossed and its profitability.

FINANCIAL PERFORMANCE [CONSOLIDATED BASIS]

- A Capital Structure** There is no change in the capital structure during the period under report
- B Reserves and Surplus** The increase in Reserves and Surplus has been contributed by the profit for the year under report.
- C Borrowings** The Long term and Short term Borrowings as at the end of the financial year 2015 stood at Rs.208.89 crore as against Rs.108.65 crore in 2014.
- D Fixed Assets** There is no significant change in the fixed assets of the company.
- E Non-current Investment** It is the amount invested by the Company in Mutual Funds

- F Long Term and Short Term Loans and Advances** This indicates various loans and advances made by the company towards film production and film financing as part of its business operations.
- G Inventories** Inventory at the year end consists of film production work in progress (WIP).
- H Revenue from Operations** The consolidated revenue decreased to Rs.54.83 crore from Rs.101.24 crore during the previous year.
- I Movie Production Expenses** The movie production expenses for the year 2015 stood at Rs.16.63 crore, which represents the expenses incurred on production of movies by the company and released during the year.
- J Employee Cost** The decrease in employee cost was due to allocation of resources to various projects and re-organising the senior executives in the Company.
- K Net Profit** The consolidated net profit for the year was Rs.2.91 crore and has decreased when compared to the consolidated net profit generated during the previous year. Predominantly it was contributed only by Film funding and the Movies under production are set to release in 2015-16.

OUTLOOK

There is a steady rise in the dynamism and confidence in India's film sector. Increasing consumption in tier 2 and 3 cities, growing importance of regional markets, greater focus on market research, innovation in content and evolution of marketing and delivery platforms to serve different niches – all point towards a very positive future for the Indian film industry.

RISKS AND CONCERNS

In the talent driven M&E Industry, the ability to attract and retain right people has always been a concern for most of the Companies operating in this Industry. The issue of piracy remains a critical issue for the Indian film industry. However, there are some changes that have helped the industry battle this issue aggressively. A few years ago, a film reached television and home video only after six months of its theatrical release. Pirates could take advantage of this delay, and would flood the market with pirated DVDs/VCDs. Currently the theatre-to-television window has been reduced to less than 3 months. Further steps being taken are- proposed new Cinematograph Act, 2013 tough stance by certain producers to release the movie only on digital screens and various initiatives to raise consumer awareness. According to Motion Pictures Distributors Association (MPDA) India is the fourth largest downloader of films after the US, Great Britain and Canada. It estimates the loss due to piracy in 2012 was USD 1.1 billion, an increase of 15.79 percent from that in 2008. In this context, it is important that industries collaborate and create efficient mechanisms for content protection. With cooperation from the government and internet service providers, site-blocking measures can combat online piracy.

While India leads world averages in terms of the number of films produced each year and attendance, the under penetration of theatre screens in India remains the biggest challenge for the industry. There are just 7-8 screens per million people, unlike in the United States, where there are 117 per million. Besides, unlike other countries such as US, U.K. and China, India's merchandizing market is still very premature.

High entertainment tax acts as a major impediment to the growth of M&E industry, as the overall tax implication is as high as 40-50 percent in states like Maharashtra, Uttar Pradesh, Bihar and Karnataka. Such high rates of entertainment tax on box office admissions seem irrational considering that films are available on other platforms like television and Internet platforms for free or very little cost. Such regulations have also led to many corrupt trade practices. Separately, it will be useful to provide tax holiday benefits for infrastructural development on setting up Cineplexes in tier 2 and tier 3 cities to incentivize the sector and boost growth and development of such cities.

Ticket pricing in many states is regulated by state governments. The industry expects the governments to relax regulations on fixed number of shows and cap on ticket pricing and let the exhibitors decide on the admission rates according to demand. Flexible pricing will also help to reduce black-marketing of tickets since theatre owners will have freedom to revise the rates according to the audience inflow.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal audit and other internal checks implemented in the Company are adequate and commensurate with the size and nature of operations providing sufficient assurance and safe guarding all assets, authorizing transactions and its recording and timely reporting.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Industrial relations are harmonious. The company recognizes the importance and contribution of the human resources for its growth and development.

As on 31st March 2015 the Company had total strength of 34 employees.

CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis may contain forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ or other words of similar meaning. These statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company’s actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Important developments that could affect the company’s operations include a downtrend in media and entertainment sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigations, exchange rate fluctuations, interest and other costs.

» REPORT ON CORPORATE GOVERNANCE



Picturehouse Media Limited believes in the system of accountability, transparency and business ethics as prescribed in Clause 49 of the Listing Agreement with the stock exchanges.

Picturehouse Media believes in the following three tier Corporate Governance Structure:

- 1 Members appoint the Board of Directors ('Board') and authorize to conduct business with objectivity and ensure accountability.
- 2 Board leads the strategic management of the Company on behalf of the Shareholders and in the best interests of all the Stakeholders, exercises supervision through direction and control and constitutes various Committees to handle specific areas of responsibilities; and
- 3 The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company are bring managed according to the strategies and targets set by the Board.

The above principles have been the guiding force for whatever your Company does and shall continue to be so in the years to come. The Company is committed to adopting to the best practices in Corporate Governance and Disclosure.

A. BOARD COMPOSITION

Composition and Category of Directors

The Board consists of four Directors comprising 1 (one) Executive Director, 2 (two) Independent Directors and 1 (One) Non-Executive Director, as on March 31, 2015. The composition of the Board represents the finest blend of professionals from various backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

The details of each Member of the Board along with number of Directorship(s)/Committee Membership(s) held by Directors in companies along with age of the Director, date of appointment to the Board of Picturehouse Media Ltd. and Director Identification Number (DIN) are provided below for the period ended March 31, 2015:

NAME OF THE DIRECTOR	AGE IN YEARS	DESIGNATION / POSITION	DATE OF APPOINTMENT	DIN	DIRECTORSHIP IN INDIAN PUBLIC COMPANIES	POSITION ON COMMITTEES OF THE BOARD OF INDIAN COMPANIES	
						AS CHAIRMAN	AS MEMBER
Mr. NS Kumar	67	Non-Executive and Independent Director	27.04.2006	00552519	4	2	5
Mr. R. Nagarajan	76	Non-Executive and Independent Director	27.4.2006	00443963	4	5	2
Mrs. P. Sai Padma	42	Non-Executive Director	28.03.2015	01683528	3	Nil	2
Mr. Prasad V. Potluri	44	Managing Director	04.12.2007	00179175	2	Nil	4

Notes

- 1 Mr. Prasad V. Potluri and Mrs. P. Sai Padma are related to each other.
- 2 Directorship in companies include Listed, Unlisted Companies including Picturehouse Media Limited and its Subsidiaries.
- 3 As required by Clause 49 of the Listing Agreement, the disclosure includes Membership/ Chairpersonship of the Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee in India Public Companies (Listed and Unlisted).

Directors Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Managing Director and Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The Management provides such information and training either at the Meeting of Board of Directors or otherwise.

The induction process is designed to:

- 1 build an understanding of the organization, its business and the markets and regulatory environment in which it operates;
- 2 provide an appreciation of the role and responsibilities of the Director
- 3 fully equip Directors to perform their role on the Board effectively; and
- 4 develop understanding of the Company's people and its Key stakeholder relationships.

Upon appointment, the Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings.

The details of Director's induction and familiarization are available on the Company's website at www.pvpcinema.com.

Attendance of the Directors at the Board Meetings and the 15th Annual General Meeting

The calendar of Board Meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all Directors well in advance. Generally, the Board Meetings are held in Chennai where the Registered Office of your Company is situated. The agenda for the Board Meeting is generally circulated few days prior to the date of the Meeting and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions on behalf of the esteemed Shareholders.

In case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law.

The Board met seven times during the financial year 2014 -15 i.e., on April 11, 2014, May 28, 2014, August 08, 2014, September 26, 2014, November 10, 2014, February 13, 2015 and March 28, 2015.

The necessary quorum was present for all the Board Meetings and the 15th Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of four months. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and sub-Committees of the Board.

The attendance of the Directors at the Meeting of Board of Directors held during financial year 2014-15 is as follows:

NAME OF THE DIRECTOR	NUMBER OF MEETINGS	
	HELD	ATTENDED
Mr. Prasad V. Potluri	7	6
Mr. R. Nagarajan	7	7
Mr. N S Kumar	7	7
Mrs. P. Sai Padma*	7	1

**Mrs. P. Sai Padma was appointed as Non-executive Woman Director at the Meeting of Board of Directors held on March 28, 2015.*

None of the other Directors hold any shares in the Company.

A code of conduct as applicable to the Directors and the designated senior management of the Company had been approved by the Board and adhered by them. A declaration to this effect from the Managing Director of the Company is provided in this Annual Report at **Annexure 7**.

Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least 1 meeting in a year, without the attendance of non-independent directors and members of the management. All the independent directors of the Company shall strive to be present at such meetings. The Meeting shall review the performance of non-independent directors and Board as a whole, review the performance of the Managing Director of the company, taking into account the views of executive directors and non-executive director and assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have held a meeting on February 13, 2015 in this regard and discussed, among other matters, the performance of the Company and risks faced by it, flow of information to the Board, competition, strategy, leadership strengths, weaknesses, governance, compliance, board movements, HR matters and performance of Managing Director.

B. COMMITTEES OF THE BOARD

(a.) Audit and Corporate Social Responsibility Committee

The Audit Committee is constituted in accordance with Clause 49 of the Listing Agreement. Further, pursuant Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee. As the expenditure towards CSR activities has to be reviewed by the Audit Committee and the constitution of the committees are similar, it was decided at the Meeting of Board of Directors held on February 13, 2015 to rechristen the nomenclature of Audit Committee as 'Audit and CSR Committee' with additional terms of reference.

The Audit and CSR Committee reports to the Board and is primarily responsible for:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) Reviewing and examination with management the quarterly financial results before submission to the Board.
- (iii) Reviewing and examination with management the annual financial statements before submission to the Board and auditor's report thereon.
- (iv) Review management discussion and analysis of financial condition and results of operations
- (v) Scrutiny of inter-corporate loans and investments made by the Company
- (vi) Reviewing with management the annual financial statements as well as investments made by the material unlisted Indian subsidiary
- (vii) Reviewing, approving and subsequently modifying any Related Party Transactions in accordance with Related party transactions policy of the Company
- (viii) Approving the appointment of Chief Financial Officer after assessing the qualification, experience and background of the candidate
- (ix) Recommending the appointment, remuneration and terms of appointment of statutory auditors of the Company and approval of payment for any other services
- (x) Reviewing and monitoring auditor's independence and performance and effectiveness of audit process.
- (xi) Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- (xii) Reviewing with management, statutory auditors and internal auditor, the adequacy of internal control systems
- (xiii) Recommending, appointment, remuneration and terms of appointment of Internal Auditor of the Company

- (xiv) Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues
- (xv) Evaluating internal financial controls and risk management systems.
- (xvi) Reviewing the functioning of the Whistle blowing mechanism.

In addition to the above the committee is also responsible for:

- (i) Formulate and recommend to the Board, a CSR Policy
- (ii) Recommend the amount of expenditure to be incurred on the CSR cctivities
- (iii) Monitor the implementation of the CSR Policy and expenditure incurred on the CSR activities

The Audit and CSR Committee has three Directors, as per the details given below. All Members are financially literate and have the required accounting and financial management expertise. The Chairman of the Audit Committee, Mr. R. Nagarajan, is an Independent Director and he was present at the last Annual General Meeting to answer the Shareholders’ queries. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

During May 2014, the Board approved and adopted the Whistleblower Policy. The Company had established a mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud. It also provides for adequate safeguards against the victimization of Directors and employees who avails the mechanism, and allows direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistleblower policy is available on the Company’s website i.e., <http://www.pvpcinema.com/pdf/2015/WhistleBlowerPolicy-PHML.pdf> and forms part of this report as **Annexure 8**.

The Audit Committee met four times during the financial year 2014-15 on May 28, 2014, August 08, 2014, November 10, 2014 and February 13, 2015 and not more than four months had elapsed between two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

Details of Composition and Attendance of the Audit Committee Meetings

NAME OF THE DIRECTOR	CATEGORY	POSITION	NUMBER OF AUDIT COMMITEE MEETINGS	
			HELD	ATTENDED
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman	4	4
Mr. N S Kumar	Non-Executive and Independent Director	Member	4	4
Mr. Prasad V. Potluri	Managing Director	Member	4	4

(b.) Stakeholders’ Relationship Committee

The Stakeholder Relationship Committee is responsible for:

- (i) Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.
- (ii) Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

The Company Secretary of the Company acts as the Secretary to the Stakeholders’ Relationship Committee.

Your Company has a designated e-mail ID i.e., ir.telephoto@pvpglobal.com exclusively for the purpose of registering complaints and grievances of Shareholders. Your Company has also displayed the said email ID and other relevant details prominently under the investors section in its website, www.pvpcinema.com for creating investor awareness.

Your Company maintains a functional website i.e., www.pvpcinema.com containing necessary information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances and details of agreements entered into with the media companies and/or their associates, etc.. The contents of the said website are updated regularly as per Clause 54 of the Listing Agreement.

The Committee met 4 times on May 28, 2014, August 08, 2014, November 10, 2014 and February 13, 2015 during the financial year 2014-15.

Details of Composition and Attendance of the Stakeholders’ Relationship Committee

NAME OF THE DIRECTOR	CATEGORY	POSITION	NUMBER OF AUDIT COMMITTEE MEETINGS	
			HELD	ATTENDED
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman	4	4
Mr. N S Kumar	Non-Executive and Independent Director	Member	4	4
Mr. Prasad V. Potluri	Managing Director	Member	4	4

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

TYPE OF COMPLAINTS	NUMBER OF COMPLAINTS		
	RECEIVED	RESOLVED	CLOSING
Non-receipt of Annual Reports	NIL	N.A.	N.A.
Share Transfer Related	NIL	N.A.	N.A.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration committee comprises of Mr. N S Kumar as the Chairman, Mr. R Nagarajan and Mrs. P. Sai Padma as Members of the Committee. During the year Mr. Prasad V. Potluri stepped down as a member of the Committee with effect from March 28, 2015 to the make the composition of the committee consistent with the requirements of revised Clause 49 of the Listing Agreement. In terms of Section 178(1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination and Remuneration committee should comprise of at least 3 Directors, all of whom should be Non-executive Directors. At least half of the Committee members should be independent with an Independent Director acting as the Chairman of the Committee.

The Role of Nomination and Remuneration Committee is as follows:

- 1 Determine/recommend the criteria for appointment of Executive, Non-executive and Independent Directors to the Board
- 2 Determine/recommend the criteria for qualifications, positive attributes and independence of Director
- 3 Review and determine all elements of remuneration package of the executive directors i.e., salary, benefits, bonuses, stock options, pension etc.
- 4 Formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole

During the year under review, no Meeting of Nomination and Remuneration Committee was held.

Remuneration paid to the Non-Executive Directors during the year 2014-15:

The Company has not paid any remuneration to its non-executive directors, except the sitting fees paid for attending the meetings of the Board and the Committees. The Company does not have any employee stock option scheme in force.

Details of sitting fees paid to the Directors are as follows:

NAME OF THE DIRECTOR	AMOUNT (IN RUPEES)
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	2,02,248
Mr. N S Kumar	2,02,248
Mrs. P. Sai Padma	NIL

Details of Equity Shares of the Company Held by Directors as on March 31, 2015

NAME OF THE DIRECTOR	NUMBER OF SHARES [AT RS. TEN EACH]
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	NIL
Mr. N S Kumar	NIL
Mrs. P. Sai Padma	NIL

C. INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

Loans and Advances in the nature of loan to Subsidiaries/Associates

NAME OF THE COMPANY	BALANCE AS AT MARCH 31, 2015	MAXIMUM OUTSTANDING DURING THE YEAR
SUBSIDIARIES		
PVP Cinema Private Limited	4,97,92,009.00	4,97,92,009.00
Picturehouse Media Private Limited	13,47,877.44	13,76,661.17

D. SHAREHOLDER INFORMATION

a.) General Body Meetings

(i.) Annual General Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

YEAR	VENUE	DATE AND TIME	RESOLUTION PASSED
2011-12	Kamaraj Arangam, No. 492, (Old No. 574-A), Anna Salai, Teynampet, Chennai 600006	September 26, 2012 11.30 A.M.	Alteration of Article 3 of the Articles of Association
2012-13	Kamaraj Arangam, No. 492, (Old No. 574-A), Anna Salai, Teynampet, Chennai 600006	September 26, 2013 11.30 A.M.	NIL
2013-14	The Kings Hall, The Pleasant Days Resort Chennai-Bangalore Highway, Palanjur, Sembarambakkam, Chennai 600 123, Tamil Nadu	September 26, 2014 11.30 A.M.	<div>1 Appointment of Mr. R Nagarajan as Independent Director under the Companies Act, 2013 for a period of 5 years.</div> <div>2 Appointment of Mr. N S Kumar as Independent Director under the Companies Act, 2013 for a period of 5 years</div> <div>3 To alter the Articles of Association of the Company</div>

(ii) Extraordinary General Meetings

No Extraordinary General Meeting held during the year.

(iii) Postal Ballot

During the year under, following Special Resolutions were passed through a Postal Ballot:

1. To authorize the Board to borrow up to Rs.500 crore
2. To authorize the Board to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking of the Company both present and future; and
3. To authorize the Board to make loans or give guarantee/provide securities and/or invest in securities up to Rs.500 crores

The Board had appointed Mr. D. Hanumanta Raju, Partner of D. Hanumanta Raju and Co., Practicing Company Secretaries, Hyderabad, as the scrutinizer to conduct the Postal Ballot process. The results of the postal ballot were declared on October 14, 2014. Details of the voting pattern were as under:

DESCRIPTION OF THE RESOLUTION	NO. OF TOTAL VALID POSTAL BALLOT FORMS/E-VOTES RECEIVED	VOTES CAST (NO. OF SHARES)	
		FOR	AGAINST
To authorize the Board to borrow up to Rs.500 crore	17	3,86,46,811	123
To authorize the Board to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking of the Company both present and future;	17	3,86,46,783	151
To authorize the Board to make loans or give guarantee/provide securities and/or invest in securities up to Rs.500 crores	17	3,86,46,783	151

Accordingly the said Resolutions were approved by the shareholders, with requisite majority.

b). Disclosures

- 1 There were NO Material Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the year that may have potential conflict with the interests of the Company at large. All related party transactions are intended to further the business interests of the Company. The Policy on Related Party Transactions as approved and adopted by the Board of Directors is displayed on the website of the Company at <http://www.pvpcinema.com/pdf/2015/RPTPolicy-PHML.pdf>.
- 2 There were NO penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last 3 years.
- 3 The Whistle blower policy as approved and adopted by the Board of Directors provides adequate safeguards against victimization of employees and provides access to the Audit Committee.
- 4 Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company has also fulfilled the following non mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreement:
 - (i.) The Company has moved towards the regime of Unqualified Financial Statements;
 - (ii.) The Internal Auditor of the Company directly reports to the Audit Committee.

- 5 The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there are no statutory audit qualifications on the financial statements for the year ended March 31, 2015. Further, in the preparation of financial statements, a treatment difference from that prescribed in the said Accounting Standards has not been followed by the Company.
- 6 In terms of Clause 49(VIII)(IX) of the Listing Agreement, the Managing Director and the Chief Financial Officer submitted a certificate to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The said certificate forms part of this Annual Report and placed at **Annexure 9**.
- 7 The Company at its Meeting of Board of Directors held on May 29, 2015 has approved and adopted the Fair Practices Code and Internal Code of Conduct for employees and connected person in accordance with the revised SEBI (Prohibition of Insider Trading) Regulations, 2015. The Fair Practices code is displayed on company's website i.e., <http://www.pvpcinema.com/pdf/PML-CodeofFairPractices.pdf>.
- 8 The Board regularly discusses the significant business risks identified by the Management and the mitigation process being taken up.
- 9 The Company did not raise any funds during the year under preferential issue mode/rights issue/public issue.

c.) Means of Communication

The Company announced the quarterly/half-yearly/annual results within the prescribed period and published the same in newspapers such as Business Standard (in English) and in Makkal Kural (in Tamil). The results are also made available on the website of the Company www.pvpcinema.com. The website also displays vital information relating to the Company and its performance and such other statutory information such as shareholding pattern, annual reports, policies/code of conduct and such other like.

d.) General Shareholders Information

1	Annual General Meeting will be held on Tuesday September 29, 2015 at 11.30 a.m. at Hotel Green Park, 'Vauhini Hall', No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai – 600026
2	Financial Year of the Company is 1 April to 31 March.
3	Financial Reporting: For the quarter ending June 30, 2015, September 30, 2015, December 31, 2015 will be within forty five days from the closure of the quarter and For the quarter and year ending March 31, 2015 within 60 days from the closure of the quarter.
4	Dates of Book Closure will be from September 25, 2015 to September 29, 2015 (both days inclusive).
5	Company's Shares are listed on the BSE Limited.
6	Stock Code of the Company's scrip is 532355
7	ISIN Code is INE448B01029

8	High and Low Market Price during each month in the accounting year was as follows:		
	BSE		
	MONTH	HIGH PRICE	LOW PRICE
	April 2014	19.25	16.35
	May 2014	21.50	14.55
	June 2014	21.15	16.30
	July 2014	22.75	15.55
	August 2014	18.95	14.05
	September 2014	20.65	14.05
	October 2014	25.00	16.90
	November 2014	17.00	10.65
	December 2014	13.32	9.15
	January 2015	13.00	9.74
	February 2015	11.98	9.16
	March 2015	13.24	8.35
9	Registrar and Share Transfer Agents of the Company is M/s. Cameo Corporate Services Limited, Subramanyam Building, 1, Club House Road, Chennai 600 002 Phone: 91-44-28460390 Fax: 91-44-28460129 E-mail: cameo@cameoindia.com		
10	Share Transfer System The Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Limited, handle share transfers under the overall supervision of the Stakeholders' Relationship Committee.		
11	Categories of Shareholders as on 31st March, 2015 was as follows:		
	CATEGORY	NO. OF SHARES	% TO SHARE CAPITAL
	Promoters	3,86,46,654	73.96
	FII's and Financial Institutions/Banks	25,50,028	4.88
	Private Corporate Bodies/ Indian Public	1,09,46,642	20.95
	NRI's / HUF's/Clearing Members/Others	1,06,676	0.21
	Custodians of GDRs	-	-
	Grand Total	5,22,50,000	100.00
12	Dematerialization of Shares and Liquidity: To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2015, 99.93% shares were held in dematerialized form.		
13	Compliance Officer: Mr. Bhargava Burra, Company Secretary; Phone: +91-40-6730 9999; Fax: +90-40-6730 9988 Email: ir.telephoto@pvpglobal.com		
14	Address for Correspondence: Picturehouse Media Limited, 4 th Floor, Punnaiah Plaza, Plot No.83 and 84, Road No.2, Banjara Hills, Hyderabad 500 034. Telephone: +91-40-6730 9999 Fax: +91-40-6730 9988 E-mail: ir.telephoto@pvpglobal.com		
15	Investor Relations: The Company generally replies to all the queries of the investors within a week of their receipt.		

16	Nomination Facility: Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to contact the Company's Share Transfer Agents, M/s. Cameo Corporate Services Limited, Subramanyam Building, 1, Club House Road, Chennai-600 002 Phone: 91-44-28460390 Fax 91-44-28460129 E-mail cameo@cameoindia.com
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e.) Distribution of Shareholding as at March 31, 2015

SL. NO.	CATEGORY (SHARES)	NO. OF HOLDERS	% TO HOLDERS	NO. OF SHARES	% TO EQUITY
1	1 - 5000	4625	90.56	2,85,974	0.55
2	5001 - 10000	185	3.62	1,48,164	0.28
3	10001 - 20000	107	2.10	1,68,370	0.32
4	20001 - 30000	38	0.74	98,219	0.19
5	30001 - 40000	26	0.51	92,679	0.18
6	40001 - 50000	27	0.53	1,27,314	0.24
7	50001 - 100000	47	0.92	3,61,287	0.69
8	100001 and above	52	1.02	5,09,67,993	97.55
	TOTAL	5107	100	5,22,50,000	100.00

CORPORATE GOVERNANCE CERTIFICATE

A Certificate obtained from a firm of Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 forms part of this Annual Report and appended as **Annexure - 10**.

ANNEXURE - 1

Statement containing the salient features of financial statements of subsidiaries/ associate companies/ joint ventures.

*	REPORTING PERIOD	RC	SHARE CAPITAL	RESERVES AND SURPLUS	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENTS	TURN OVER	PROFIT BEFORE TAXATION	PROVISION FOR TAXATION	PROFIT AFTER TAXATION	PD	**%
PMPL	31.03.2015	USD	3899	13,251	42,981	25,831	-	63,147	7,760	231	7,529	-	100%
PCPL	31.03.2015	INR	300,000	(47,971,918)	2,181,361	49,853,279	-	-	(152,968)	-	(152,968)	-	100%
PCL	31.03.2015	INR	250,000,000	181,033,429	1,791,901,250	1,360,867,821	70,000,000	347,017,009	131,581,929	49,290,141	82,291,788	-	100%
	* Name of the subsidiary Picturehouse Media Private Limited (PMPL) PVP Cinema Private Limited (PCPL) PVP Capital Limited (PCL)												
	RC - Reporting Currency												
	PD - Proposed Dividend												
	**% of Shareholding												

NOTE

- Names of Subsidiaries which are yet to commence operations - PVP Cinema Private Limited
- Names of Subsidiaries liquidated or sold or striked off during the year - NIL

ANNEXURE - 2

Nomination, Remuneration and Performance Evaluation Policy

- 1** Introduction : The Board of Directors (the “Board”) of Picturehouse Media Limited (the “Company” or “PML”), has adopted the following policy and procedures with regard to Appointment, Remuneration and Evaluation of the Performance of Directors, Key Managerial Personnel and Senior Management. The Board/ Audit Committee will review and may amend this policy from time to time.

This policy will be applicable to the Company effective from date of approval of the Board i.e., May 29, 2015.

- 2** Title : This policy with regard to Performance Evaluation and Remuneration shall be called the Picturehouse Media Limited – Nomination, Remuneration & Performance Evaluation Policy (herein after referred to as the “Policy”).

- 3** Scope : This Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

4 Definitions

- a. Act means Companies Act, 2013
- b. Board means Board of Directors of the Company
- c. Committee means Nomination and Remuneration Committee of the Company.
- d. Company means Picturehouse Media Limited
- e. Employee means any employee of the Company (whether working in India or abroad)
- f. Independent Director means a director who meets the criteria of Independence laid down under Section 149 of the Companies Act, 2013 read with the rules made there under and the Listing Agreement entered with the stock exchanges.
- g. Key Managerial Personnel means:
 - Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - Chief Financial Officer;
 - Company Secretary; and
 - Such other officer who is reporting to Managing Director/CEO.
- h. Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49 of the Listing Agreement.
- i. Senior Managerial Personnel mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

5 Objective : The objective of the policy is to ensure that;

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

6 Composition of the Committee : The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Clause 49, as amended from time to time.

7 Role of the Committee : The role of the NRC will be the following:

- a. To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and other employees.
- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment and removal of Directors and Senior Management.
- d. To carry out evaluation of Director's performance.
- e. To devise a policy on Board diversity, composition, size.

8 Appointment and Removal of Director, Key Managerial Personnel and Senior Management

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement.
- d. While appointing Independent Directors, the Committee shall ensure that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales and marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business and such other criteria as may be specified by any law amended from time to time.
- e. It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 and Listing Agreement as amended from time to time.
- f. The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

9 Remuneration to Executive Directors, KMPs, Senior Management Personnel and other Employees of the Company

- a. The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., medical expenses, LTA and other expenses shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b. The Managing Director of the Company may decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.
- c. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director/KMPs in accordance with the provisions of Schedule V to the Companies Act, 2013 or prior approval of the Central Government as the case may be.
- d. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- e. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- f. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

10 Remuneration to Non- Executive / Independent Director:

- a. The Non- Executive / Independent Director may receive sitting fees, accommodation, travelling and other expenses incidental thereto for attending meetings of Board or Committee thereof.
- b. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c. Remuneration /Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- d. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

11 Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Each year the Board of the Company will carry out an evaluation of its own performance. The Board performance evaluation is designed to:

- a. Review the pre-determined role of the Board collectively and individual Directors in discharge of duties as set out in the Company from time to time.
- b. Annually assess how well directors are discharging their responsibilities; collectively

by assessing the Board's effectiveness; and individually by assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities;

- c. Annually assess the performance of directors in discharging their responsibilities;
- d. Regularly evaluate the Directors' confidence in the integrity towards the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge; and
- e. Enable Board members, individually and collectively, to develop the key skills required to meet foreseeable circumstances with timely preparation, agreed strategies and appropriate development goals.

This can be achieved by collectively assessing the Board's effectiveness and by individually assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities.

Criteria for Evaluation of Performance:

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

- a. Attendance and contribution at Board and Committee meetings
- b. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- c. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
- d. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- e. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- f. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- g. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- h. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- i. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
- j. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- k. His/her contribution to enhance overall brand image of the Company.

Procedure for Board Performance Evaluation

- a. The Chairperson will meet with the directors either collectively or separately, as he may deem fit, seeking input in relation to the performance of the Board, each Board Committee, other Whole time Directors and his own performance.
- b. Performance should be assessed quantitatively and qualitatively, as appropriate, based on the strategic plans and the roles/position description.
- c. The Chairperson will collect the input and provide an overview report for discussion by the Board.
- d. The Board as a whole will discuss and analyse the performance collectively of each director individually and its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.

Procedure for Board Performance Evaluation of Managing Director and Key Executive of the Company

The Board will ensure that the Managing Directors and other key executives will execute the Company's strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- a. Each year the Board reviews the Company's strategy.
- b. Following such a review the Board sets the organization performance objectives based on qualitative and quantitative measures.
- c. These objectives are reviewed periodically to ensure that they remain consistent with the Company's priorities and the changing nature of the Company's business.
- d. These objectives form part of the performance targets as assigned to the Managing Directors.
- e. Performance against these objectives is reviewed annually by the Board.
- f. The Managing Directors are responsible for assessing the performance of the key executives and a report is provided to the Board for review.

12 Policy on Board Diversity

- a. This Policy on Board Diversity (the "Policy") forms part of Performance Evaluation and Remuneration Policy and it sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board") and is devised in consultation with the Nomination and Remuneration Committee (the "Committee") of the Board.
- b. The Policy applies to the Board of Picturehouse Media Limited (the "Company"). It does not apply to employees generally.
- c. The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments

are made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

- d. The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with revised Clause 49 of the Equity Listing Agreement (Clause 49).

1 3 Framework for Separate Meeting of Independent Directors

- a. As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.
- b. The meeting shall:
 - 1. review the performance of Non-independent Directors and the Board as a whole;
 - 2. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
 - 3. assess 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.
- c. This meeting could be held prior or after the Board Meeting as desired.

1 4 Implementation

- a. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b. The Committee may Delegate any of its powers to one or more of its members.

1 5 Disclosure

In accordance with the requirement under the Companies Act, 2013, Rules made thereunder and Listing Agreement, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

The Company shall disclose the same in its Annual Report. This Policy will upload this policy on the website of the Company at www.pvpcinema.com. The provisions of this Policy can be amended/modified by the Board of Directors of the Company from time to time and all such amendments/modifications shall take effect from the date stated therein.

ANNEXURE - 3
FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015
[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,
Picturehouse Media Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PICTUREHOUSE MEDIA LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, 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.

We 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, 2015, 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'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the period of audit);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the period of audit);
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the period of audit); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the period of audit);
- (vi) Other Laws applicable to the company as per the representations made by the management.

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

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified by the Central Government hence not applicable to the Company for the period of audit)
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

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

During the period under review it was observed that the disclosure of interest of directors was taken on record by the Board at the meeting held on May 28, 2014 and the Board of PVP Ventures Limited has ratified the continuation of appointment of Mr. Prasad Veera Potluri as Managing Director in the company until the expiry of his term i.e May 30, 2017 at their meeting held on May 28, 2014.

We 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. 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 to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Date August 12, 2015

Place Hyderabad

For D. Hanumanta Raju & Co
Company Secretaries

Sd/-
CS Shaik Razia
Partner
FCS: 7122, CP NO: 7824

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 A

To,
The Members,
Picturehouse Media Limited

Our report of even Date is to be read along with this letter.

- 1 Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2 We 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. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4 Where ever required, we 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. Our examination was limited to the verification of procedures on test basis.
- 6 The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the company.

Date August 12, 2015
Place Hyderabad

For D. Hanumanta Raju & Co
Company Secretaries

Sd/-
CS Shaik Razia
Partner
FCS: 7122, CP NO: 7824

ANNEXURE - 4

Extract of Annual Return
[pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration) Rules, 2014.]

1 REGISTRATION AND OTHER DETAILS

1	CIN	L92191TN2000PLC044077
2	Registration Date	02.02.2000
3	Name of the Company	PICTUREHOUSE MEDIA LIMITED
4	Category/Sub-category of the Company	Public Company
5	Address of the Registered office and Contact Details	KRM Centre, 9 th Floor, Door No. 2, Harrington Road Chetpet, Chennai - 600 031 Tamil Nadu Tel +91-44-3028 5570 Fax: +91-44-3028 5571
6	Whether listed company	Yes
7	Name, Address and Contact Details of the Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, Subramanyam Building, 1, Club House Road, Chennai-600 002, Tamil Nadu Contact Person: Mr. Murali Phone 91-44-28460390 Fax 91-44-28460129 E-mail murali@cameoindia.com

2 PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

[All the business activities contributing 10 % or more of the total turnover of the company shall be stated]

S.NO	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Movie Rights and Related Activities	5911	100

Total Shareholding of Promoter (A)	3,86,46,654	0	3,86,46,654	73.96	3,86,46,654	0	38646654	73.96	0
B Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks / FI	28	0	28	0.00	28	0	28	0.00	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIs	2,55,00,000	0	2,55,00,000	4.88	2,55,00,000	0	25500000	4.88	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (specify)	0	0	0	0	0	0	0	0	0
Subtotal (B1)	25,50,028	0	25,50,028	4.88	25,50,028	0	25500028	4.88	0
2. Non-Institutions									
a. Bodies Corp.									
i) Indian	82,55,221	0	82,55,221	15.80	77,20,829	0	77,20,829	14.78	(1.02)
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	7,94,563	39779	8,34,342	1.60	10,85,436	39462	11,24,898	2.15	0.55
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	19,07,415	0	19,07,415	3.65	21,00,915	0	21,00,915	4.02	0.37
c. Others (specify)									
Foreign Bodies	0	0	0	0	0	0	0	0	0
Clearing Members	4362	28	4,390	0.01	25,066	28	25,094	0.05	0.04
Non Resident Indians	1670	0	1670	0.00	4738	0	4738	0.00	0
HUF	50,280	0	50,280	0.10	76844	0	76844	0.15	0.05

Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Subtotal (B2)	1,10,13,511	39807	1,10,53,318	21.16	1,10,13,828	39490	1,10,53,318	21.15	(0.01)
Total Public Shareholding (B)=(B1)+ (B2)	1,35,63,539	39807	1,36,03,346	26.04	1,35,63,856	39490	13603346	26.04	0
C Shares held by Custodian for GDRs a ADRs									
	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5,22,10,193	39807	5,22,50,000	100	5,22,10,510	39490	52250000	100	0

C SHARE HOLDING OF PROMOTER

S.NO	SHARE HOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHARE HOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED / ENCUMBERED TO TOTAL SHARES	
1	PVP Ventures Ltd.	33,53,114	6.42	0	33,53,114	6.42	0	0
2	PVP Global Ventures Pvt. Ltd.	31,36,641	6.00	0	31,36,641	6.00	0	0
3	Southfield Energy Projects Private Limited	1,22,99,650	23.54	2.21	0	0	0	(23.54)
4	Mrs. Jhansi Sureddi	1,98,57,249	38.00	14.35	1,17,57,249	22.50	14.35	(15.50)
5	PVP Media Ventures Private Ltd.	0	0	0	1,22,99,650	23.54	2.21	(23.54)
6	Bloomfield Power Projects Pvt. Ltd.	0	0	0	81,00,000	15.50	13.39	(15.50)
	Total	3,86,46,654	73.96	16.56	3,86,46,654	73.96	29.96	0

CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change)

S.NO	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	PVP Ventures Limited At the beginning of the year	33,53,114	6.42	33,53,114	6.42
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease - NIL	0	0	0	0
	At the end of the year	0	0	33,53,114	6.42
2	PVP Global Ventures Pvt. Ltd. At the beginning of the year	31,36,641	6.00	31,36,641	6.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease - NIL	0	0	0	0
	At the end of the year	0	0	31,36,641	6.00
3	Southfield Energy Projects Pvt. Ltd. At the beginning of the year	1,22,99,650	23.54	1,22,99,650	23.54
	Merged under Scheme of Amalgamation with PVP Media Ventures Private Limited. Effective date being 17.09.2014	(1,22,99,650)	(23.54)	0	0
	At the end of the year	0	0	0	0
4	Mrs. Jhansi Sureddi At the beginning of the year	1,98,57,249	38.00	1,98,57,249	38.00
	Inter-se Transfer between Promoters between 22.10.2014 and 31.10.2014	(81,00,000)	(15.50)	1,17,57,249	22.50
	At the end of the year	0	0	1,17,57,249	22.50
5	PVP Media Ventures Private Limited At the beginning of the year	0	0	0	0
	Under Scheme of Amalgamation with Southfield Energy Projects Pvt. Ltd. Effective date being 17.09.2014	1,22,99,650	23.54	1,22,99,650	23.54
	At the end of the year	0	0	1,22,99,650	23.54
6	Bloomfield Power Projects Pvt. Ltd At the beginning of the year	0	0	0	0
	Inter-se transfer between promoters between 22.10.2014 and 31.10.2014	81,00,000	15.50	81,00,000	15.50
	At the end of the year	0	0	81,00,000	15.50

E SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS
 (Other than Directors, Promoters and Holders of GDRs and ADRs)

S.NO	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	Rayudu Media Projects Private Limited At the beginning of the year	4506490	8.62	4506490	8.62
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	4506490	8.62
2	Sparrow Asia Diversified Opportunities Fund At the beginning of the year	2550000	4.88	2550000	4.88
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	2550000	4.88
3	Metaphor Real Estates and Projects Pvt. Ltd At the beginning of the year	2200000	4.21	2200000	4.21
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	2200000	4.21
4	Vivek Mundra At the beginning of the year	0	0	0	0
	Open Market Purchase	896984	1.72	896984	1.72
	At the end of the year	--	--	896984	1.72
5	Mechno Sales Agencies Private Limited At the beginning of the year	185000	0.35	185000	0.35
	Open Market Purchase	330000	0.63	515000	0.98
	At the end of the year	--	--	515000	0.98
6	Shreekant Phumbra At the beginning of the year	0	0	0	0
	Open Market Purchase	469850	0.90	469850	0.90
	At the end of the year	--	--	469850	0.90

7	SMIFS Venture Capital Ltd. At the beginning of the year	111207	0.21	111207	0.21
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	111207	0.21
8	Savio Gerard Pinto At the beginning of the year	202188	0.38	202188	0.38
	Open Market Sale	(110994)	0.21	91194	0.17
	At the end of the year	--	--	91194	0.17
9	Rammohan Rao At the beginning of the year	0	0	0	0
	Open Market Purchase	60509	0.12	60509	0.12
	At the end of the year	--	--	60509	0.12
10	Sanjay Kothari At the beginning of the year	50000	0.09	50000	0.09
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	50000	0.09

F SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S.NO	SHAREHOLDING OF EACH DIRECTORS AND EACH KEY MANAGERIAL PERSONNEL	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1	Mr. Prasad V. Potluri - Managing Director At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
2	Mr. R Nagarajan - Director At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0

3	Mr. N S Kumar - Director At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
4	Mrs. Sai Padma Potluri - Director At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
5	Mr. Rajeev Kamineni - Executive Director (Operations) At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
6	Mr. Vinay Chilakapati - Chief Operating Officer At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
7	Mr. Aeloori Praveen Kumar - Chief Financial Officer At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
8	Mr. Bhargava Burra - Company Secretary At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0

5 INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

6 REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and/or Manager

Mr. Prasad V. Potluri, Managing Director, is being paid a nominal remuneration of Re. 1/- per annum.

B Other Directors are NOT paid remuneration except the Sitting Fees.

Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.NO	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL					
		CEO*	CS**	CFO	RAJEEV KAMINENI***	VINAY CHILAKAPATI***	TOTAL
	GROSS SALARY						
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,305,560.00	1,764,000.00	3,155,661.00	3,344,201.00	9,569,422.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			28,800.00	39,600.00		68,400.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-	-	-
2	Stock Option		-	-	-	-	-
3	Sweat Equity		-	-	-	-	-
4	Commission		-	-	-	-	-
	- as % of profit		-	-	-	-	-
	others, specify		-	-	-	-	-
5	Others, please specify		-	-	-	-	-
	Total		1,305,560.00	1,792,800.00	3,195,261.00	3,344,201.00	9,637,822.00

* The Company is not required to appoint Chief Executive Officer (CEO).

** Remuneration details of Company Secretary (CS) is inclusive of Mr. Adalat Srikanth (01.04.2014 to 16.08.2014) and Mr. Bhargava Burra (26.09.2014 to 31.03.2015)

*** Remuneration of Mr. Rajeev Kamineni and Mr. Vinay Chilakapati are paid through PVP Capital Limited, wholly-owned subsidiary of the Company

7 PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ending March 31, 2015.

ANNEXURE - 5

Policy on Corporate Social Responsibility

1 INTRODUCTION

The Board of Directors (the “Board”) of Picturehouse Media Limited (the “Company” or “PML”), has adopted the following policy with regard to Corporate Social Responsibility of the Company as defined below.

This policy will be applicable with effect from April 1, 2014.

The Company believes in “looking beyond business” and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as whole. The Management understands that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company’s responsibilities towards the community.

2 SCOPE AND OBJECTIVE

This Policy is framed, in accordance with the requirement of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 including all statutory modifications / amendments made thereof.

The Board of Directors, may, base on its assessment of the Company’s needs, financial soundness, legal and regulatory developments, subject to compliance with the applicable laws and rules, at any time modify, change, vary, alter, amend, this CSR Policy.

The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

4 DEFINITIONS

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or re-enactments thereof.

“Act” means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

“Associate Company” means a Company within the meaning of section 2(6) of the Companies Act, 2013.

“Board” means the Board of Directors of the Company.

“Board’s Report” shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.

“Company” means Picturehouse Media Limited, a Company incorporated under the Companies Act, 1956

“CSR” means Corporate Social Responsibility.

“CSR activities” means the activities or projects or programmes as recommended by the CSR Committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the Schedule VI to the Companies Act, 2013.

“CSR Committee” means the Committee of the Board constituted under section 135 of the Act for the purpose of administration of CSR activities, supervising the adherence of this CSR Policy and the matter incidental thereto.

“CSR Policy” means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

“CSR Rules” means Companies (Corporate Social Responsibility) Rules, 2014.

“Independent Director” means a non-executive director of the Company within the meaning of section 2(47) of the Companies Act, 2013 and clause 49(1)(a)(iii) of the Listing Agreement entered with the Stock Exchange(s).

“Holding Company” means a Company within the meaning of section 2(46) of the Companies Act, 2013.

“Net profit” means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely –

- (i) any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
- (ii) any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act.

“SEBI” means the Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992.

“Subsidiary Company” means a means a Company within the meaning of section 2(87) of the Companies Act, 2013.

4 CSR ACTIVITIES

- (i) The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (CSR Policy) Rules, 2014
 - a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
 - b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
 - d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
 - e. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
 - f. Measures for the benefit of armed forces veterans, war widows and their dependents.
 - g. Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
 - h. Contribution to the Prime Minister's National relief fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women.
 - i. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
 - j. Rural development projects.
- (ii) The CSR activities (either new or ongoing) shall be undertaken by the Company in accordance with this policy and shall exclude activities undertaken in pursuance of its normal course of business.
 - (iii) Subject to the provisions of Section 135(5) of the Act, the CSR projects or programs or activities undertaken in India only shall qualify for CSR expenditure.
 - (iv) The CSR programs or projects or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with the Act.
 - (v) Contribution of any amount directly or indirectly to any political party under section 182 of the Act shall not be considered as CSR activity.
 - (vi) Companies may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the company in one financial year.

Any Surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

5 CSR ACTIVITIES THROUGH TRUST/SOCIETY/COMPANIES

- (i) The Board may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise subject to following conditions:
 - (a.) If such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
 - (b.) The company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
- (ii) The Board may also decide to collaborate with other companies for undertaking the CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such CSR activities in accordance with CSR Rules.

6 CSR COMMITTEE

(i.) Purpose

The Corporate Social Responsibility (CSR) Committee of the Company will be formed by the Board of Directors of the Company to assist the Board in carrying out its responsibilities as per the CSR policy of the Company (or) The Audit Committee may be rechristened as Audit and CSR Committee.

(ii.) Composition of the CSR Committee:

- a. The CSR committee shall comprise of three or more directors as the Board may deem fit from time to time, to be appointed from amongst the Directors. Provided however that atleast one of the directors of the CSR Committee shall be an Independent Director. The Board shall at its sole discretion, have the power to appoint any Director, remove any such Director so appointed and appoint another in his place. Any such appointment and/or removal shall be made by a resolution of the Board.
- b. The Chairperson of the Committee shall be designated by the Board from among the Committee members.
- c. The Company Secretary of the Company shall act as Secretary to the Committee.
- d. The Board will have the power to reconstitute CSR Committee as and when required from time to time.

(iii.) Role

The Corporate Social Responsibility Committee shall —

- a. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall
- b. indicate the activities to be undertaken by the company as specified in Schedule VII;

recommend the amount of expenditure to be incurred on the activities referred to in clause a.); and

- c. monitor the Corporate Social Responsibility Policy of the company from time to time.

7 CSR EXPENDITURE

As per the provisions of Companies Act, 2013, the Board shall ensure that the Company spends in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years.

CSR Committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

If the Company fails to spend the minimum amount as required under the Act on its CSR activities, the reasons for not spending the amount shall be specified in the Board Report.

8 AMENDMENTS

The Board of Directors shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provisions or replace this Policy entirely with a new Policy.

9 DISCLOSURES

The Policy for determining material subsidiaries shall be disclosed on the website of the Company at www.pvpcinema.com and a web link thereto shall be provided in the Annual Report of the Company, as per the provisions of laws in force.

ANNEXURE - 6

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment & Remuneration) of Managerial Personnel) Rules, 2014

1 Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of Key Managerial Personnel and other Executive Directors during the financial year 2014-15

S NO.	NAME OF DIRECTOR/KMP	DESIGNATION	RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEES	% INCREASE IN REMUNERATION
1	Mr. Prasad V. Potluri	Managing Director	Nil	0
2	Mr. Rajeev Kamineni	KMP (Executive Director- Operations)	Not Applicable	Nil
3	Mr. Vinay Chilakapati	KMP (Chief Operating Officer)	Not Applicable	Nil
4	Mr. Aelloori Praveen Kumar	KMP (Chief Financial Officer)	Not Applicable	17.41
5	Mr. Bhargava Burra	KMP (Company Secretary)	Not Applicable	(5.77)

Note:

1. Mr. Prasad V. Potluri, Managing Director is being paid a Nominal Remuneration of Re.1/- per annum.
2. The Salaries of Mr. Rajeev Kamineni and Mr. Vinay Chilakapati (KMPs) are paid by PVP Capital Limited (Wholly-owned subsidiary of the Company) for the financial year 2014-15.
3. Mr. Srikanth Adalat was the Company Secretary of the Company till August 16, 2014. Mr. Bhargava Burra was appointed as the Company Secretary of the Company w.e.f September 26, 2014. The percentage increase/(decrease) of remuneration was calculated after taking into account the salaries paid to both the personnel.

2 The Company has 33 permanent employees on the rolls of the Company as on March 31, 2015.

3 The Market Capitalisation of the Company as on March 31, 2015 was Rs.47,02,50,000/- as compared to Rs.100,58,12,500/- as on March 31, 2014. As regards the Price earnings ratio is concerned, the Company has negative Earnings per shares (EPS) and therefore, the applicability of PE Ratio does not arise during the year under review. However, as at March 31, 2014 the PE Ratio is 24.68. The closing share price of the Company at BSE Ltd on March 31, 2015 being Rs.9.00 per equity share of face value of Rs.10/- each has declined 3.5 times since the last open offer made in the year 2007 (offer price was Rs.31.50 per equity share of face value of Rs.10/- each.

4 Relationship between average increase in remuneration and Company's performance:

The average increase in remuneration of the employees is 19%. The individual increments varied from 5% to 30% based on their performance. The increase in remuneration is in line with the market trends, internal parity and current salary of the employees. Further, the percentage increase in the Median remuneration of employees for the financial year is 21%.

- 5
- Average percentage reduction made in the salaries of the employees other than the Managerial Personnel in the financial year was 11.95% whereas the average percentage decrease in the remuneration to the Managerial Personnel was 21.27%.
- 6
- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:** The average reduction in the remuneration of Key Managerial Personnel is 21.27% as compared to the 40.74% increase in Profit after tax for the year under review of the Company.
- 7
- Key parameters for any variable component of remuneration: **NOT APPLICABLE**
- 8
- The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: **Not Applicable as none of the Directors is paid any remuneration.**
- 9
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII OF THE COMPANIES
(Appointment And Remuneration Of Managerial Personnel) Rules, 2014

EMPLOYEE NAME	DESIGNATION	EDUCATIONAL QUALIFICATION	AGE	EXPERIENCE	DATE OF JOINING	GROSS REMUNERATION PAID (IN RS.)	PREVIOUS EMPLOYMENT AND DESIGNATION
Nil							

ANNEXURE - 7

Code of Conduct for Directors and Senior Management

As the Managing Director of Picturehouse Media Limited and as required by Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company’s Code of Conduct for the Financial Year 2014-15.

Date August 14, 2015
Place Chennai

Prasad V. Potluri
Managing Director

ANNEXURE - 8

Whistle Blower Policy

1 POLICY OBJECTIVE AND APPLICABILITY

As a public company, Picturehouse Media Limited and its wholly-owned subsidiaries ("PML") believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of these Principles and PML's Code of Conduct for Employees would be a matter of serious concern for PML.

Employees have a role and responsibility in pointing out such violations. This policy is formulated to provide a secure environment and to encourage employees of PML to report unethical, unlawful or improper practices, acts or activities in PML and to prohibit managerial personnel from taking any adverse personnel action against those employees who report such practices in good faith. This policy applies to all employees of PML.

The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees, customers and/or third-party intermediaries wishing to raise a concern about serious irregularities within the Company. The Policy neither releases employees, customers and/or third-party intermediaries from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

2 DEFINITIONS

A **Whistle-blower** is defined as any Personnel (defined below) who has or had access to data, events or information about an actual, suspected or anticipated Reportable Matter within or by the organisation, and, whether anonymously or not, makes or attempts to make a deliberate, voluntary and protected disclosure or complaint of organisational malpractice.

B **Reportable Matters** means Questionable Accounting or Auditing Matters (defined below), and/or any other Company matters involving abuse of authority, breach of Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health & safety, environmental issues, wastage/misappropriation of company funds/assets and any other unethical conduct.

C **Questionable Accounting or Auditing Matters** include, without limitation, the following:

1. fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
2. fraud or deliberate error in the recording and maintaining of financial records of the Company;
3. deficiencies in or non-compliance with the Company's internal accounting controls;
4. misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company;
5. deviation from full and fair reporting of the Company's financial condition.

- D** **Personnel** means any employee, director, officer, customer, contractor and/or third-party intermediary engaged to conduct business on behalf of the Company, such as agents and consultants.
- E** **Audit Committee** means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act read with Clause 49 of the Listing Agreement.

3 ROLES, RIGHTS AND RESPONSIBILITIES OF WHISTLE-BLOWERS

- A** Whistle-Blowers provide initial information based on a reasonable belief that an alleged wrongful conduct has occurred. The motivation of a whistle-blower is irrelevant to the consideration of the validity of the allegations. However, the intentional filing of a false report, whether orally or in writing, is itself considered an improper activity.
- B** Whistle-Blowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered an improper activity.
- C** Whistle-Blowers have a responsibility to be candid with the Investigation Officer or the Members of the Audit Committee or others to whom they make a report of alleged improper activities and shall set forth all known information regarding any reported allegations.
- D** Anonymous whistle-blowers must provide sufficient corroborating evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations would not be undertaken without verifiable evidence. Because investigators are unable to interview anonymous whistle-blowers, it may be more difficult to evaluate the credibility of the allegations and, therefore, less likely to cause an investigation to be initiated.
- E** Whistle-Blowers are “reporting parties,” not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the investigating authority.
- F** The identity of the whistle-blower will not be disclosed except where required under the law or for the purpose of the investigation. Should, however, the whistle-blower self-disclose his or her identity, there will no longer be an obligation not to disclose the whistle-blower’s identity.
- G** A whistle-blower’s right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the allegations or an ensuing investigation or any other misconduct or wrong doing.
- H** This policy may not be used as a defence by an employee against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against an employee, whose conduct or performance warrants that action, separate and apart from that employee making a disclosure.

4 FALSE COMPLAINTS

While this Policy is intended to protect genuine Whistle-blowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with mala fide intentions is strictly prohibited. A Personnel who makes complaints with mala fide intentions and which are subsequently found to be false will be subject to strict disciplinary action.

5 REPORTING MECHANISM

Personnel should raise Reportable Matters with someone who is in a position to address them appropriately. In most cases, a Personnel's supervisor, manager or point of contact is in the best position to address an area of concern. Supervisors, managers or points of contact to whom Reportable Matters are raised are required to report the same immediately to the Group Head – Legal or Chairman of the Audit Committee.

Notwithstanding the aforesaid, Personnel can lodge a complaint in any one of the following ways:

- A** by contacting the Chairman of the Audit Committee
- B** by contacting the Group Head – Legal, any member of the Audit Committee or anyone in management whom the Whistle-blower is comfortable approaching;
- C** by sending an email to ir.telephoto@pvpglobal.com, or;
- D** by sending a complaint letter in a sealed envelope marked "Private and Confidential" to the Group Head – Legal.

A complaint may be made anonymously. If a complaint is made anonymously, however, the complainant must be detailed in their description of the complaint and must provide the basis of making the assertion therein.

Although a Whistle-blower is not required to furnish any more information than what he/she wishes to disclose, it is essential for the Company to have all critical information in order to enable the Company to effectively evaluate and investigate the complaint. It is difficult for the Company to proceed with an investigation on a complaint, particularly an anonymous complaint, which does not contain all the critical information such as the specific charge. The complaint or disclosure must therefore provide as much detail and be as specific as possible, including names and dates, in order to facilitate the investigation.

To the extent possible, the complaint or disclosure must include the following:

- A** The employee, and/or outside party or parties involved;
- B** The sector of the Company where it happened (division, office);
- C** When did it happen: a date or a period of time;
- D** Type of concern (what happened);
 - Financial reporting;
 - Legal matter;
 - Management action;
 - Employee misconduct; and/or
 - Health and safety and environmental issues
- E** Submit proof or identify where proof can be found, if possible;
- F** Who to contact for more information, if possible; and/or
- G** Prior efforts to address the problem, if any

6 INVESTIGATIONS

Upon receipt of a complaint, the Group Head - Legal will make an assessment thereof and place an appropriate complaint before the Audit Committee. The Audit Committee shall address all concerns or complaints regarding Reportable Matters which are placed before them, and ensure resolution of the same.

The Head - Legal may, in consultation with the Audit Committee, either direct the complaint to the organization/department best placed to address it (while maintaining oversight authority for the investigation), or lead the investigation in person to ensure prompt and appropriate investigation and resolution.

All information disclosed during the course of the investigation will remain confidential, except as necessary or appropriate to conduct the investigation and take any remedial action, in accordance with any applicable laws and regulations. The Company reserves the right to refer any concerns or complaints regarding Reportable Matters to appropriate external regulatory authorities. All Personnel have a duty to cooperate in the investigation of complaints reported as mentioned hereinabove.

Depending on the nature of the complaint, any concerned Personnel, at the outset of formal investigations, may be informed of the allegations against him/her and provided an opportunity to reply to such allegations.

Personnel shall be subject to strict disciplinary action up to and including immediate dismissal, if they fail to cooperate in an investigation, or deliberately provide false information during an investigation. If, at the conclusion of its investigation, the Company determines that a violation has occurred or the allegations are substantiated, the Company will take effective remedial action commensurate with the severity of the offence.

This may include disciplinary action against the concerned Personnel. The Company may also take reasonable and necessary measures to prevent any further violations which may have resulted in a complaint being made. In some situations, the Company may be under a legal obligation to refer matters to appropriate external regulatory authorities.

7 NON RETALIATION

No Personnel who, in good faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. Accordingly, the Company strictly prohibits discrimination, retaliation or harassment of any kind against a Whistle-blower who, based on his/her reasonable belief that one or more Reportable Matters has occurred or are occurring, reports that information. Any Personnel who retaliates against a Whistle-blower who has raised a Reportable Matter in good faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company.

If any Personnel who makes a disclosure or complaint in good faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he/she must immediately report those facts to his/her supervisor, manager or point of contact, or the Group Head - Legal. If, for any reason, he/she does not feel comfortable

discussing the matter with these persons, he/she should bring the matter to the attention of the Audit Committee. It is imperative that such Personnel brings the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

8 DOCUMENT RETENTION

The Company shall maintain documentation of all complaints or reports subject to this Policy. The documentation shall include any written submissions provided by the complainant, any other Company documents identified in the complaint or by the Company as relevant to the complaint, a summary of the date and manner in which the complaint was received by the Company and any response by the Company to the complainant. All such documentation shall be retained by the Company for a minimum of six (6) years from the date of receipt of the complaint. Confidentiality will be maintained to the extent reasonably practicable depending on the requirements and nature of the investigation, as indicated above.

9 ADDITIONAL ENFORCEMENT INFORMATION

In addition to the Company's internal complaint procedure, Personnel should also be aware that certain central, federal, local and state law enforcement agencies and regulatory authorities are authorized to review questionable accounting or auditing matters, or potentially fraudulent reports of financial information. Nothing in this Policy is intended to prevent any Personnel from reporting information to the appropriate agency when the Personnel has reasonable cause to believe that the violation of a central, federal, local or state statute or regulation has occurred.

10 MODIFICATION

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state, central and federal regulations and/or accommodate organizational changes within the Company.

11 CONCLUSIONS

The PML's Code of Conduct, policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies are viewed as unacceptable by the Company. Certain violations of the Company's policies and practices could even subject the Company and any individual employee involved to civil and criminal penalties. Before issues escalate to such level, Personnel are encouraged to report any violations covered herein above, or reprisal, discrimination or adverse employment consequences related to such reports.

FOR ANY QUERIES/CONCERNS REGARDING PMLS WHISTLE-BLOWER POLICY, CONTACT

Group Head - Legal

Picturehouse Media Limited

Regd. Office Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai 600 031

Corp. Office Plot No. 83 and 84, 4th Floor, Punnaiah Plaza, Road No.2, Banjara Hills

Hyderabad 500 034

Phone +91 40 6730 9999; **Mail** ir.telephoto@pvpglobal.com

ANNEXURE - 9

Certification in terms of Clause 49(V) of the Listing Agreement

We, Prasad V. Potluri, Managing Director and Aelloori Praveen Kumar, Chief Financial Officer of Picturehouse Media Limited, responsible for the finance function, certify that:

- A** We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii) these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- B** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.
- C** We accept responsibility for establishing and maintaining internal controls and for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.
- D** During the year under reference -
 - (i) there were no significant changes in the internal controls or overall financial reporting;
 - (ii) no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
 - (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Date May 29, 2015	Sd/- Prasad V. Potluri	Sd/-
Place Hyderabad	Managing Director	Aelloori Praveen Kumar Chief Financial Officer

ANNEXURE - 10**Certificate on Corporate Governance****To the Members of M/s. Picturehouse Media Limited**

We have examined the compliance of conditions of Corporate Governance by PICTUREHOUSE MEDIA LIMITED ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date August 12, 2015

Place Hyderabad

For D. Hanumanta Raju and Co.
Company Secretaries

Sd/-
CS D. Hanumanta Raju
Partner
FCS: 4044, CP NO: 1709

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» STANDALONE FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To,
The Members
Picturehouse Media Limited
Chennai.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Picturehouse Media Limited [the Company] which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. [the Financial Statements]

Management's Responsibility for the Standalone Financial Statements

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 financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Loss, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1** As required by the Companies (Auditor's Report) Order, 2015 (the Order), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2** As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e. on the basis of written representation received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company does not have any pending litigations which would impact its financial position.
 2. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date May 29, 2015
Camp Hyderabad

For M/S CNGSN & Associates LLP
Chartered Accountants
Firm Registration No: 0049155

Sd/-
R. Thirumalmarugan
Partner
Membership No: 200102

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

- 1** a. In our opinion and according to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As per the information and explanations provided to us, the Company has physically verified the fixed assets during this year and there is no material discrepancies noticed on such verification.
- 2** a. According to the information and explanations given to us, the management has conducted physical verification of inventory (Film Production in Progress – WIP) at reasonable intervals.
 - b. According to the information and explanations given to us the procedures of physical verification of inventory (Film Production in Progress – WIP) followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. According to the information and explanation given to us the Company is maintaining proper records of inventory (Film Production in Progress-WIP) and there are no material discrepancies noticed on physical verification.
- 3** According to the information and explanations given to us, the Company has granted, unsecured loans to subsidiary Company – PVP Cinemas Pvt Ltd during earlier years, the party covered in the register maintained under section 189 of the Act. It is informed that these advances are recoverable on demand, however the entire amount of Rs.4,97,92,099/- has been provided for. The overdue amount, receipt of principal amount and the interest are not applicable.
- 4** In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.
- 5** In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from public during this year. Therefore the provisions of section 73 to 76 and relevant rules framed thereunder and any contravention of these provisions for the year under audit are not applicable.
- 6** As per the information and explanations given to us, we are of the opinion that the Company has made and maintained the cost records pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Act.

- 7 a. According to the information and explanation given to us, the Company is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess, wherever applicable, except few delays in depositing Income Tax TDS. There are no undisputed Statutory outstanding dues as at 31st March, 2015 for a period of more than six months from the date they become payable.
- b. According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of any dispute.
- c. According to the information and explanation given to us, there are no amount required to be transferred to investor education and protection fund in accordance with the provisions of the Act.
- 8 In our opinion and according to the information and explanation given to us there are no accumulated losses as at the end of the financial. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 9 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or banks or debenture holders.
- 10 In our opinion and according to the information and explanation given to us, the Company has given corporate guarantee for loans taken by its subsidiary from the Banks and the terms and conditions whereof are not prejudicial to the interest of the Company.
- 11 In our opinion and according to the information and explanation given to us, the term loans borrowed by the Company were applied for the purpose for which the loans were obtained.
- 12 According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Date May 29, 2015
Camp Hyderabad

For M/S CNGSN & Associates LLP
Chartered Accountants
Firm Registration No: 004915S

Sd/-
R. Thirumalmarugan
Partner
Membership No: 200102

BALANCE SHEET AS AT MARCH 31, 2015

Amount in Rupees

		Note No	As at 31-03-2015		As at 31-03-2014	
1	Equity And Liabilities					
1	Shareholders' Funds					
a	Share Capital	2	522,500,000		522,500,000	
b	Reserves and Surplus	3	103,782,095		160,873,692	
c	Money Received against Share warrants		-	626,282,095	-	683,373,692
2	Share application money pending allotment			-		-
3	Non-current liabilities					
a	Long-term borrowings	4	476,799,007		92,536,300	
b	Deferred tax liabilities (Net)		-		-	
c	Other Long-term liabilities	5	641,501		1,560,097	
d	Long-term provisions	6	3,991,550	481,432,058	3,541,148	97,637,545
4	Current liabilities					
a	Short-term borrowings	7	300,656,423		83,708,802	
b	Trade payables	8	3,435,526		2,725,706	2,725,706
c	Other current liabilities	9	11,076,208		7,446,866	
d	Short-term provisions	10	93,825	315,261,982	21,974,718	1,15,856,092
	Total			1,422,976,135		896,867,329
2	Assets					
1	Non-current assets					
a	Fixed Assets	11				
	(i) Tangible assets		22,611,867		27,835,642	
	(ii) Intangible assets		-		-	
	(iii) Capital work-in-progress		-		-	
	(iv) Intangible assets under development		-		-	
b	Non-current investments	12	256,718,500		252,718,500	
c	Deferred tax assets (Net)		-		-	
d	Long-term loans and advances	13	3,155,620		52,239,238	
e	Other non-current assets		-	282,485,987	-	332,793,380
2	Current assets					
a	Current investments					
b	Inventories	14	771,726,249		251,560,045	
c	Trade receivables		-		-	
d	Cash and cash equivalents	15	21,497,951		3,121,965	
e	Short-term loans and advances	16	328,881,392		292,053,163	
f	Other current assets	17	18,384,556	1,140,490,148	17,338,776	564,073,949
	Total			1,422,976,135		896,867,329
	See accompanying notes to the financial statements					

As Per Our Report Of Even Date
For M/S CNGSN & Associates LLP
Chartered Accountants
Firm. Reg.No. 004915S

For And On Behalf Of The Board Of Directors

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R. Nagarajan
Director

Sd/-
B. Bhargava
Company Secretary

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 2015

Amount in Rupees

		Note No	For the year ended 31-03-2015	For the year ended 31-03-2014
1	Revenue from operations	18	197,539,308	791,495,676
2	Other income	19	2,117,499	1,828,361
3	Total Revenue (1 + 2)		199,656,807	793,324,037
4	Expenses:			
a	Cost of film production expenses	20	164,811,310	568,985,151
b	Purchases of Stock-in-Trade		-	-
c	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
d	Employee benefit expenses	21	9,923,722	32,142,680
e	Finance costs		38,574,662	87,159,544
f	Depreciation and amortization expenses	11	6,744,810	2,942,996
g	Other expenses	22	36,925,765	38,834,692
	Total Expenses		256,980,269	730,065,063
5	Profit/(Loss) before exceptional and extraordinary items and tax (3 - 4)		(57,323,462)	63,258,974
6	Exceptional items		-	-
7	Profit/(Loss) before extraordinary items and tax (5 - 6)		(57,323,462)	63,258,974
8	Extraordinary items		-	-
9	Profit/(Loss) before tax (7 - 8)		(57,323,462)	63,258,974
10	Tax expenses			
	(1) Current tax		-	218,34,401
	(2) Deferred Tax Liability		-	-
	(3) Earlier Year Income Tax Paid		(231,865)	884,777
	Provision no longer required		-	-
11	Profit / (loss) for the year from continuing operations (9 - 10)		(57,091,597)	40,539,796
12	Profit / (loss) from discontinuing operations		-	-
13	Tax expenses of discontinuing operations		-	-
14	Profit / (loss) from discontinuing operations after tax (12 - 13)		-	-
15	Profit / (loss) for the year (11 + 14)		(57,091,597)	40,539,796
16	Earnings per share:			
	(1) Basic		(1.09)	0.78
	(2) Diluted		(1.09)	0.78
	See accompanying notes to the financial statements			

As Per Our Report Of Even Date
For M/S CNGSN & Associates LLP
Chartered Accountants
Firm. Reg.No. 004915S

For And On Behalf Of The Board Of Directors

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R. Nagarajan
Director

Sd/-
B. Bhargava
Company Secretary

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Amount in Rupees

		31-03-2015	31-03-2014
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	(57,323,462)	63,258,974
	Adjustments for:		
	Depreciation	6,744,810	2,942,996
	Receivables written off	1,582,900	-
	Interest paid	38,574,662	87,159,544
	Loss on sale of Asset	308,087	
	Interest Income on Staff Advances	(1,917,999)	(1,828,361)
	Provision for doubtful advances	2,184,551	-
	Provision for employee benefit	403,910	1,688,839
	Operating Profit Before Working Capital changes	(9,442,541)	153,221,992
	Adjustments for:		
	Increase/(Decrease) in Long Term Liabilities	(918,596)	(3,766,527)
	Increase/(Decrease) in Trade payable	709,820	(1,961,968)
	Increase/(Decrease) in Current Liabilities	3,629,342	(2,207,920)
	(Increase)/Decrease in Inventories	(520,166,204)	226,293,257
	(Increase)/Decrease in Trade Receivable	-	25,000,000
	(Increase)/Decrease in Long Term Loans and Advances	46,899,067	225,235,958
	(Increase)/Decrease in Short Term Loans and Advances	(36,828,228)	81,758,902
	(Increase)/Decrease in Other Current Assets	302	28,221,905
	Cash Generated from Operations	(516,117,038)	731,795,599
	Direct Taxes paid	(22,648,620)	(39,572,333)
	Net Cash from Operating Activities A	(538,765,658)	692,223,266
B	CASH FROM INVESTING ACTIVITIES		
	Interest Received	(1,582,900)	-
	Interest from Staff advances	1,917,999	1,828,361
	Addition to Fixed Assets including WIP	(2616622)	(8,793,758)
	Sale of Asset	787,500	
	Investment made during the year	(4,000,000)	(545,000)
	Net Cash used in Investing Activities B	(5,494,023)	(7,510,397)
C	CASH FROM FINANCING ACTIVITIES		
	Interest paid	(38,574,662)	(87,159,544)
	Proceeds from Long Term Borrowing (Net)	384,262,707	(694,418,469)
	Proceeds from Short Term borrowing (Net)	216,947,621	83,708,802
	Net Cash from Financing Activities C	562,635,666	(697,869,211)
	Net increase in cash and cash equivalents A+B+C	18,375,986	(13,156,340)
	Cash and cash equivalents at the beginning of the year	3,121,965	16,278,305
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	21,497,951	3,121,965

As Per Our Report Of Even Date
For M/S CNGSN & Associates LLP
Chartered Accountants
Firm. Reg.No. 0049155

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Date : May 29, 2015
Place : Hyderabad

For And On Behalf Of The Board Of Directors

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
B. Bhargava
Company Secretary

Date : May 29, 2015
Place : Hyderabad

Sd/-
R. Nagarajan
Director

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

NOTES TO THE ACCOUNTS AS AT MARCH 31, 2015

Amount in Rupees

Note: 2					
				31-03-2015	31-03-2014
A	Authorised, Issued, Subscribed and Paid-up share capital and par value per share				
	Authorised Share Capital 8,00,00,000 Equity Shares of Rs. 10/- each			800,000,000	800,000,000
				800,000,000	800,000,000
	Issued, Subscribed and Paid Up 5,22,50,000 Equity Shares of Rs. 10/- each			522,500,000	522,500,000
				522,500,000	522,500,000
B	Reconciliation of number of paid up shares outstanding				
	Equity Shares				
	Number of shares outstanding as at the beginning of the year			52,250,000	52,250,000
	Add: Number of Shares allotted during the year			-	-
	Less: Number of Shares bought back			-	
	Number of equity shares outstanding as at the end of the year			52,250,000	52,250,000
C	Equity Shares in the company held by each shareholder holding more than 5%:				
	Name of shareholder	No of shares at year end 2015	% as at year end	No of shares at year end 2014	% as at year end
	PVP Ventures Limited	3,353,114	6.42	3,353,114	6.42
	Jhansi Sureddi	11,757,249	22.50	19,857,249	38.00
	Rayudu Media Projects Private Limited	4,506,490	8.62	4,506,490	8.62
	PVP Global Ventures Pvt Ltd	3,136,641	6.00	3,136,641	6.00
	South Field energy Projects Pvt Ltd	-	-	12,299,650	23.54
	PVP Media Ventures Private Limited	12,299,650	23.54	-	-
	Bloomfield Power Projects Private Limited	8,100,000	15.50	-	-

Note: 3 Reserves and Surplus						
	As at 31-03-2014	Additions during the year	Deductions during the year	As at 31-03-2015		
Capital Reserve	2,287,500	-	-	2,287,500		
Securities Premium Reserve	18,250,000	-	-	18,250,000		
Surplus (P&L a/c) as under:	140,336,192	(57,091,597)	-	83,244,595		
	160,873,692	(57,091,597)	-	103,782,095		
Opening Balance	99,796,396			140,336,192		
Profit / (Loss) for the year - From P&L	40,539,796	(57,091,597)	-	(57,091,597)		
Less: Proposed dividends	-	-	-	-		
Tax on distributed profits	-	-	-	-		
Balance of Profit / (Loss)	140,336,192	(57,091,597)	-	83,244,595		
	140,336,192	(57,091,597)	-	83,244,595		

Note: 4 Long Term Borrowings		
	As at 31-03-2015	As at 31-03-2014
From other parties - Secured	476,799,007	92,536,300
(Refer Note No. 23.5)	476,799,007	92,536,300

Note: 5 Other Long Term Liabilities		
	As at 31-03-2015	As at 31-03-2014
From Banks - Vehicle Loan	2,394,138	6,097,568
The loans are secured by vehicle purchased on Hire Purchase.		
Current Maturity of Long Term Debt (Note: 9)	(1,752,637)	(4,537,471)
	641,501	1,560,097

Note: 6 Long Term Provisions		
	As at 31-03-2015	As at 31-03-2014
Employee Benefits	3,991,550	3,541,148
	3,991,550	3,541,148

Note: 7 Short Term Borrowings		
	As at 31-03-2015	As at 31-03-2014
From Banks - Secured (Refer Note No. 23.5)	300,656,423	35,000,000
From other parties - Secured	-	48,708,802
	300,656,423	83,708,802

Note: 8 Trade Payable		
	As at 31-03-2015	As at 31-03-2014
Sundry Creditors for services	3,435,526	2,725,706
	3,435,526	2,725,706

Note: 9 Other Current Liabilities		
	As at 31-03-2015	As at 31-03-2014
Income received in advance	5,597,390	707,390
Statutory Payable	3,726,181	2,202,005
Current Maturity of Long Term Debt (Note No. 5)	1,752,637	4,537,471
	11,076,208	7,446,866

Note: 10 Short Term Provisions		
	As at 31-03-2015	As at 31-03-2014
Provision for income tax	-	21,834,401
Provision for employee benefits	93,825	140,317
(Refer Note No. 23.2)		

Note: 11 Fixed Assets - Tangible										
Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 1 April 2014	Addition	Deletion	As at 31 March 2015	As at 1 April 2014	Addition	Deletion	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Plant and Machinery	172,101	-	-	172,101	12,168	37,858	-	50,026	122,075	159,933
Computers and Related Assets	3,731,153	317,395	-	4,048,548	906,019	1,724,770	-	2,630,789	1,417,759	2,825,134
Furniture and Fixtures	2,217,775	204,000	-	2,421,775	286,233	329,544	-	615,777	1,805,998	1,931,542
Vehicles	18,414,769	1,567,054	1,296,769	18,685,054	3,009,738	2,336,397	238,303	5,107,832	13,577,222	15,405,031
Office Equipment	8,169,335	528,173	52,220	8,645,288	655,333	2,316,241	15,099	2,956,475	5,688,813	7,514,002
	32,705,133	2,616,622	1,348,989	33,972,766	4,869,491	6,744,810	253,402	11,360,899	22,611,867	27,835,642
Previous Year	23,911,376	23,666,675	14,872,918	32,705,133	1,926,495	2,942,996		4,869,491	27,835,642	21,984,881
<p>Note: Pursuant to the enactment of Companies Act 2013, The Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being Depreciated/Amortised over the revised/remaining useful lives. Hence the Depreciation charges is more by Rs. 36,71,318/- for the Year Ending 31 March, 2015.</p>										

Note: 12 Non Current Investments			
		As at 31-03-2015	As at 31-03-2014
A	Investment in equity instruments - Unquoted		
	PVP Cinema Private Limited - 30,000 equity shares of Rs. 10/- each.	300,000	300,000
	PVP Capital Limited - 2,50,00,000 equity shares of Rs. 10/- each.	252,173,500	252,173,500
	Picturehouse Media Private Limited in Singapore, 5,000 ordinary shares paid 1 share at 1\$ each	245,000	245,000
B	Investment in Mutual Fund		
	Investment in Canara Robeco Mutual Funds - (NAV 43,32,121)	4,300,000	300,000
	Less: Provision for diminution in value of investment	(300,000)	(300,000)
		25,67,18,500	25,27,18,500

Note: 13 Long Term Loans And Advances			
		As at 31-03-2015	As at 31-03-2014
	Security Deposits - Considered Good	3,155,620	2,761,620
	Loans and advances for Film Finance - Considered Good	-	49,477,618
	Considered doubtful (PVP Cinema Private Limited)	49,792,099	47,607,548
		52,947,719	99,846,786
	Less: Provision for doubtful advances	49,792,099	47,607,548
		3,155,620	52,239,238

Note: 14 Inventories		
	As at 31-03-2015	As at 31-03-2014
(Valued at cost or net realizable value which ever is less)		
Under Film Production Expenses - WIP	771,726,249	251,560,045
	771,726,249	251,560,045

Note: 15 Cash And Cash Equivalents		
	As at 31-03-2015	As at 31-03-2014
Balance with banks	21,250,779	3,088,260
Cash on hand	247,172	33705
	21,497,951	3,121,965

Note: 16 Short Term Loans And Advances		
	As at 31-03-2015	As at 31-03-2014
Secured - Considered Good		
Loans and advances to related parties - subsidairy company	1,347,877	4,217,762
Advances for Film Finance - (Refer Note No. 23.6)	299,184,480	256,410,186
Unsecured - Considered Good		
Advances for Staff	18,981,297	17,160,298
Advances for Others	9,367,738	14,264,917
	328,881,392	292,053,163

Note: 17 Other Current Assets		
	As at 31-03-2015	As at 31-03-2014
Advance Income Tax	18,076,915	17,030,833
Prepaid Expenses	307,641	307,943
	18,384,556	17,338,776

NOTES TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Note: 18 Income		
	As at 31-03-2015	As at 31-03-2014
Income from Movie and Related activities	197,539,308	791,495,676
	197,539,308	791,495,676

Note: 19 Other Income		
	As at 31-03-2015	As at 31-03-2014
Interest income on Staff Advances	1,917,999	1,828,361
Misc. Income	199,500	-
	2,117,499	1,828,361

Note: 20 Cost Of Film Production Expenses		
	As at 31-03-2015	As at 31-03-2014
Opening Film Production Expenses	251,560,045	477,853,302
Add: Current year Film Production Expenses	684,977,514	342,691,894
	936,537,559	820,545,196
Less: Closing Film Production Expenses - WIP	771,726,249	251,560,045
	164,811,310	568,985,151

Note: 21 Employee Benefit Expenses		
	As at 31-03-2015	As at 31-03-2014
Salaries and wages (net of recoveries)	8,778,259	30,789,762
Contribution to PF and other funds	291,069	186,661
Staff welfare expenses	854,394	1,166,257
	9,923,722	32,142,680

Note: 22 Other Expenses		
	As at 31-03-2015	As at 31-03-2014
Rent	8,901,098	8,238,397
Insurance	433,484	323,050
Power and Fuel	1,227,750	1,217,429
Printing and Stationery	729,430	561,422
Communication Expenses	959,888	1,293,418
Repairs and Maintenance	462,652	677,401
Registration Charges	7595	62,957
Security Charges	433,615	402,688
Rates and taxes	97,043	78,380
Payment to statutory auditors:		
as auditors	1,404,500	1,404,500
for tax audit	280,900	224,720
for certification	252,810	252,810
Directors Sitting Fees	404,496	157,304
Legal, Professional and consultancy	5,112,473	3,662,709
Office Maintenance	1,687,836	4,018,804
Advertisement, publicity and sales promotion	337,000	450,913
Investor related expenses including Listing Fees	494,940	480,486
Travelling Expenses including Conveyance	8,238,526	11,075,863
TDS Receivable Written Off	1,582,900	4,210,208
Provision for Doubtful Advances	2,184,551	12,736
Loss on Sale of Asset	308,087	-
Exchange Fluctuation Loss	1,376,661	-
Miscellaneous expenses	7,530	28,497
	36,925,765	38,834,692

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

A The financial statements of the Company have been prepared under the historical cost convention in accordance with the Accounting Standards specified by Companies (Accounts) Rules, 2014 issued by the Central Government and the relevant provisions of the Companies Act, 2013, to the extent applicable.

B All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

1.2 Revenue Recognition

Income from movie and related rights are recognised in accordance with the terms of the agreements on accrual basis. Interest income is recognized on time proportionate basis. Income earned on licensing the copyrights is recognized on time proportionate basis.

1.3 Use of Estimates

In preparation of financial statements conforming to GAAP requirements certain estimates and assumptions are essentially required to be made with respect to items such as provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful life period of Fixed Assets. Due care and diligence have been exercised by the Management in arriving at such estimates and assumptions since they may directly affect the reported amounts of income and expenses during the year as well as the balances of Assets and Liabilities including those which are contingent in nature as at the date of reporting of the financial statements.

To comply with GAAP requirements relating to impairment of assets, if any, the Management periodically determines such impairment using external and internal resources for such assessment. Loss, if any, arising out of such impairment is expensed as stipulated under the GAAP requirements. Contingencies are recorded when a liability is likely to be incurred and the amount can be reasonably estimated. To this extent the results may differ from such estimates

1.4 Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost. Depreciation is charged on a pro-rata basis on a straight-line method as per the rates and in the manner prescribed under the Schedule II to the Companies Act, 2013, as amended.

1.5 Benefits to employees

A **Gratuity**
The liability as at the Balance Sheet date is provided for based on the actuarial valuation

carried out in accordance with Accounting Standard 15 (Revised 2005) on "Employee Benefits" as at the end of the period. Actuarial Gains/Losses are recognized immediately in Statement of Profit and Loss.

B **Leave Encashment**

Leave encashment is paid for in accordance with the rules of the Company and provided based on an actuarial valuation as at the balance sheet date. Actuarial Gains/Losses are recognized immediately in Statement of Profit and Loss.

C **Other Benefit Plans**

Contributions paid under defined contribution plans are recognized in the Statement of Profit and Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The company makes monthly contributions and has no further obligations under the plan beyond its contributions.

1.6 Investments

Long-term investments are stated at cost less diminution, other than temporary, in the value of such investments, if any. Current investments are valued at cost or market value whichever is lower.

1.7 Inventory

Inventory at the yearend consists of film under production Work in progress (WIP). The inventory WIP are valued at cost or net realizable value whichever is less. Cost includes direct and indirect cost relating to film production activities.

1.8 Foreign Currency Transactions

All foreign currency transactions are accounted for at the rates prevailing on the dates of the transaction. Foreign currency assets and liabilities are converted at the yearend rates as applicable. The exchange difference on settlement / conversion is adjusted to Statement of Profit and Loss.

1.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant tax laws. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

1.10 Leases

The assets purchased under hire purchase agreements are included in the Fixed Assets

block. The value of the asset purchased is capitalized in the books. A liability for the same amount is created at the time of entering into the agreement. The payments are made to the HP vendors as per the EMI's given in the hire purchase agreements.

The finance charges are debited to the statement of profit and loss and the principal amount is adjusted against the liability created for the vendor.

Lease rentals in respect of operating lease arrangements are charged to expense on a straight-line basis over the term of the related lease agreement.

1.11 Borrowing Cost

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset. Other borrowing costs are charged to revenue over the tenure of the loan.

1.12 Impairment of Assets

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which the impairment takes place.

1.13 Cash Flow Statement

The Cash flow statement is prepared under the indirect method as per Accounting Standard 3 "Cash Flow Statements".

1.14 Segment Reporting

The Company operates in only one segment viz. movie and related activities. Hence segment reporting is not applicable.

1.15 Earnings per Share

The earnings considered for ascertaining the Company's Earnings Per Share comprises the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises the weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares.

1.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

NOTE 23: OTHER ITEMS

23.1 Provision for Taxation and deferred tax

The provision for deferred tax asset/liability has been made in accordance with AS-22 on Accounting for Taxes on Income.

Amount in Rupees

Particulars	For the year ending	
	31 March 2014	31 March 2015
Opening balance of deferred tax assets	931,137	668,275
Add: Timing difference on account of gratuity and leave encashment	1,147,690	694,683
Deferred tax asset on account of Income tax losses	Nil	48,955,009
Total deferred tax assets	2,078,827	50,317,967
Less: Timing difference on account of depreciation	1,410,552	2,922,535
Net Deferred tax assets as at the year end	668,275	47,395,432

Considering the principles of prudence, the above deferred tax asset has not been recognised as at 31.03.2015.

The provision for income tax has been made as per the Income Tax Act, 1961.

23.2 Employee Benefits

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognized in the financial statements

Principal Actuarial Assumptions Used

	Year Ended 31 March 2014	Year Ended 31 March 2015
Discount rates	9.10%	7.80%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	25 years	25 years

Reconciliation Of Opening And Closing Balances Of The Present Value Of The Obligations

	Year Ended 31 March 2014	Year Ended 31 March 2015
Present Value of Obligation at the beginning of the period	6,40,697	10,66,804
Current service cost	2,81,594	4,52,259
Interest cost	52,537	97,079
Actuarial loss/(gain)	91,976	(1,46,650)
Benefits paid	Nil	(5,41,035)
Present Value of obligation at the end of the period	10,66,804	20,10,527

Actuarial Gain/Loss Recognised

	Year Ended 31 March 2014	Year Ended 31 March 2015
Actuarial (gain)/loss for the year		
Obligations	(91,976)	5,41,035
Assets	Nil	Nil
Total (gain)/loss for the year	91,976	(5,41,035)

Amounts Recognized In The Balance Sheet

	Year Ended 31 March 2014	Year Ended 31 March 2015
Present value of funded obligation	10,66,804	20,10,527
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	10,66,804	20,10,527

**The Company has not created any Trust for meeting the liability and not funded so far and hence no assets are available for valuation and hence there are no disclosures pertaining to plan assets.*

Expenses Recognised In The Profit And Loss Statement

	Year Ended 31 March 2014	Year Ended 31 March 2015
Current service cost	2,81,594	4,52,259
Interest cost	52,537	97,079
Actuarial (gain)/loss	91,976	5,41,035
Cost recognized	4,26,107	10,90,373

The following table sets forth the status of the Leave Encashment Plan of the Company and the amounts recognized in the financial statements

Principal Actuarial assumptions used

	Year Ended 31 March 2014	Year Ended 31 March 2015
Discount rates	9.10%	7.80%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	25 years	24 years

Reconciliation of opening and closing balances of the present value of the obligations

	Year Ended 31 March 2014	Year Ended 31 March 2015
Present Value of Obligation at the beginning of the year	13,51,929	24,70,538
Current service cost	11,18,609	(3,95,690)
Interest cost	1,10,858	2,24,819
Actuarial loss/(gain)	2,12,264	1,30,127
Benefits paid	(3,23,122)	(3,54,946)
Projected benefit obligation at the end of the period	24,70,538	20,74,848

Actuarial gain/loss recognised

	Year Ended 31 March 2014	Year Ended 31 March 2015
Actuarial (gain)/loss for the year		
Obligations	(2,12,264)	(1,30,127)
Assets	Nil	Nil
Total (gain)/loss for the year	(2,12,264)	(1,30,127)

Amounts Recognized In The Balance Sheet

	Year Ended 31 March 2014	Year Ended 31 March 2015
Present value of funded obligation	24,70,538	20,74,848
Less: Fair value of assets*	-	-
Net Liability / (Asset)	24,70,538	20,74,848

Expenses Recognised In The Profit And Loss Statement

	Year Ended 31 March 2014	Year Ended 31 March 2015
Current service cost	11,18,609	(3,95,690)
Interest cost	1,10,858	2,24,819
Actuarial (gain)/loss	2,12,264	1,30,127
Cost recognized	14,41,731	(40,744)

DEFINED CONTRIBUTION PLANS

23.3 The Company has entered into operating lease agreements for its office premises which can be cancelled at any point of time by giving necessary notice period. During the year, the Company also entered into a Hire purchase Agreement for purchase of Vehicles.

The lease rentals paid during the year and the future lease obligations including HP and EMI repayment for the agreement in vogue as at March 31, 2015 are as follows:

	Year Ended 31 March 2014	Year Ended 31 March 2015	
a. Future lease obligations			
Due within 1 year from the Balance Sheet date	50,22,698	18,52,587	
Due between 1 and 5 years	15,60,958	5,65,062	
Due after 5 years	Nil	Nil	
b. Lease rent paid during the year	82,38,397	89,01,098	
Details of assets under Hire purchase			
Particulars	Gross Block(Rs.)	Depreciation (Rs.)	Net block (Rs.)
Vehicles	1,56,28,656	40,92,134	1,15,36,522

In respect of the defined contribution plans, an amount of Rs. 2,91,069/- (2014 : Rs. 1,86,661/-) has been recognized in the statement of profit and loss during the year.

23.4 On a conservative basis, the Company has, provided for the entire amount of investments and advances to its subsidiary company M/s PVP Cinema (P) Ltd and the management does not expect any further provision on these investments and advances.

23.5 Long Term and Short Term Secured Loans are borrowed for the purpose of advancing film production/film finance. Bank loans are secured by charge on the film production rights undertaken by the company and collateral security of land given by group companies. Borrowings from banks and others are secured by way of charge on some of the advance to film production/finance and also personally guaranteed by Mr.Prasad V Potluri, Managing Director.

23.6 Advance made for film finance are on the security of hypothecation of assets , mortgage of property, personal guarantee, assignment of rights, lien on film negative , undertaking to create security, etc.

23.7 Related party disclosures

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

Names of the Related party	Relationship
PVP Cinema Private Limited (PCPL)	100% Subsidiary company
PVP Capital Ltd	100% Subsidiary company
Picturehouse Media Private Limited (PHMPL Singapore)	100% Subsidiary company
Mr. Prasad V. Potluri	Key Managerial Personnel
Mr. A.Praveen Kumar	
Mr. Bhargava Burra wef 26.09.2014	
Mr. Srikanth Adalath till 16.08.2014	
PVP Ventures Ltd (PVP)	KMP and relatives are interested

Summary of transactions and outstanding balances with the above related parties:

Nature of transactions	Transactions for the year ended (in Rs.)		Balance as at (in Rs.)	
	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
Loan Given(repaid) to PCPL	12,736	21,84,551	4,76,07,548	4,97,92,099
Provision for advances given to PCPL	12,736	21,84,551	4,76,07,548	4,97,92,099
Investment in PVP Capital Ltd	Nil	Nil	25,21,73,500	25,21,73,500
Loan paid /(received) to PVP Capital Ltd	(1,04,392)	Nil	Nil	Nil
Investment in PHMPL Singapore	2,45,000	Nil	2,45,000	2,45,000
Loan given to /(repaid) by PHMPL Singapore (Includes reimbursements)	42,17,762	(28,69,885)	42,17,762	13,47,877
Purchase from PHMPL Singapore	1,48,72,918	Nil	Nil	Nil
Salaries and Perquisites paid and (Interest Accrued) and Loans Outstanding with KMP	29,20,000 (3,15,000)	21,54,000 (3,15,000)	28,04,917	31,19,916
Corporate guarantee and security from PVP Ventures Ltd			22,75,00,000	33,25,00,000
Corporate guarantee given to PVP Capital Ltd			100,00,00,000	100,00,00,000

23.8 Earning per Share

Particulars		Year ended March 31, 2014	Year ended March 31, 2015
Profit after Tax (in Rs.)	A	4,05,39,796	(5,70,91,597)
Number of Equity shares outstanding	B	5,22,50,000	5,22,50,000
Weighted average number of equity shares outstanding	C	5,22,50,000	5,22,50,000
Number of weighted average shares outstanding including diluted potential equity shares	D	5,22,50,000	5,22,50,000
Earnings per share - Basic (in Rs.)	A/C	0.78	(1.09)
Earnings per share - Diluted (in Rs.)	A/D	0.78	(1.09)

23.9 Expenditure in Foreign Exchange

During the year the Company has incurred expenditure in foreign exchange of Rs.22,61,633/- towards Film Production Expenses and Travel expenditure. (2014- Rs.69,90,298)

23.10 The Company has not received any intimation from Suppliers, regarding their status under the Micro, Small Enterprises Development Act, 2006 and hence required disclosures such as amounts unpaid as at the year-end together with interest paid/payable have not been given.

23.11 The Company has not entered into any Derivative transactions during the year. There are no outstanding foreign currency exposures.

23.12 Contingent liabilities

Company has given a corporate guarantee of Rs.100.00 Cr for its subsidiary compay ie PVP Capital Limited as security for availing working capital limits from the Bank. The subsidiary company has outstanding loan with bank of Rs. 99.41 Crs as of 31st March 2015. (Rs.61.67 Crs as of 31st March 2014)

23.13 Corporate Social Responsibility(CSR)

As per section 135 of companies act 2013, the company should have spent Rs. 20.11 lakhs, towards CSR activities during the year 2014-15. Management have formed the Committee and formulated the policy,but could not effect payment before 31st March 2015 and the same will be expensed during the current financial year 2015-16.

23.14 The previous year’s figures have been regrouped/rearranged wherever necessary to make it comparable with the current year figures.

As Per Our Report Of Even Date
For M/S CNGSN & Associates LLP
Chartered Accountants
Firm. Reg.No. 004915S

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Date : May 29, 2015
Place : Hyderabad

For And On Behalf Of The Board Of Directors

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
B. Bhargava
Company Secretary

Date : May 29, 2015
Place : Hyderabad

Sd/-
R. Nagarajan
Director

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

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» CONSOLIDATED FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To,
The Members
Picturehouse Media Limited
Chennai.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Picturehouse Media Limited (herein after referred to "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the assets of the Group and for preventing and detecting frauds and the irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the consolidated financial statements. These procedures selected depend

on the auditor's judgment, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March, 2015, and their consolidated Profit, and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets (net) of Rs.17932.41lakhs as at 31st March, 2015, total revenues of Rs.3508.01 lakhs and net cash inflows amounting to Rs.10.12 lakhs for the year then ended, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion 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 work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1** As required by the Companies (Auditor's Report) Order, 2015 (the Order), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's reports of the Holding Company and subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2** As required by section 143(3) of the Act, we report, to the extent applicable, that

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit 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 so far as appears from our examination of those books and the reports of the other auditors.
- 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representation received from the Directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group Companies is disqualified as on 31 March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 25.9 to the consolidated financial statements
 - 2. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

Date May 29, 2015
Camp Hyderabad

For M/S CNGSN & Associates LLP
Chartered Accountants
Firm Registration No: 004915S

Sd/-
R. Thirumalmarugan
Partner
Membership No: 200102

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date)

- 1**
 - a. In our opinion and according to the information and explanations given to us, the Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As per the information and explanations provided to us, the Group has physically verified the fixed assets during this year and there is no material discrepancies noticed on such verification.
- 2**
 - a. According to the information and explanations given to us, the management has conducted physical verification of inventory (Film production in progress – WIP) at reasonable intervals.
 - b. According to the information and explanations given to us the procedures of physical verification of inventory (Film production in progress – WIP) followed by the management is reasonable and adequate in relation to the size of the Group and nature of its business.
 - c. According to the information and explanation given to us the Group is maintaining proper records of inventory (Film production in progress – WIP) and there are no material discrepancies noticed on physical verification.
- 3** According to the information and explanations given to us, the Group has not granted loans to the parties covered in the register maintained under section 189 of the Act.
- 4** In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Group and the nature of its business, for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.
- 5** In our opinion and according to the information and explanation given to us, the Group has not accepted deposits from public during this year. Therefore the provisions of section 73 to 76 and relevant rules framed thereunder and any contravention of these provisions for the year under audit are not applicable.
- 6** As per the information and explanations given to us, we are of the opinion that the Group has made and maintained the cost records pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Act.
- 7**
 - a. According to the information and explanation given to us, the Group is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs Duty, Excise Duty, Value Added

Tax, Cess, wherever applicable, except few delays in depositing Income Tax TDS. There are no undisputed Statutory outstanding dues as at 31st March 2015 for a period of more than six months from the date they become payable.

- b. According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of any dispute.
- c. According to the information and explanation given to us, there are no amount required to be transferred to investor education and protection fund in accordance with the provisions of the Act.

8 In our opinion and according to the information and explanation given to us, there are no accumulated losses of the Group as at the end of the financial. The Group has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

9 In our opinion and according to the information and explanations given to us, the Group has not defaulted in repayment of dues to the financial institutions or banks or debenture holders.

10 In our opinion and according to the information and explanation given to us, the group has not given any guarantee for loans taken by others from banks or financial institutions.

11 In our opinion and according to the information and explanation given to us, the term loans borrowed by the Group were applied for the purpose for which the loans were obtained.

12 According to the information and explanation given to us, no fraud on or by the Group has been noticed or reported during the course of our audit.

Date May 29, 2015
Camp Hyderabad

For M/S CNGSN & Associates LLP
Chartered Accountants
Firm Registration No: 004915S

Sd/-
R. Thirumalmarugan
Partner
Membership No: 200102

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

Amount in Rupees

		Note No	As at 31-03-2015		As at 31-03-2014	
1	Equity And Liabilities					
1	Shareholders' Funds					
a	Share Capital	2	522,500,000		522,500,000	
b	Reserves and Surplus	3	285,985,020		256,928,175	
c	Money Received against Share warrants		-	808,485,020	-	779,428,175
2	Share application money pending allotment			-		
3	Non-current liabilities					
a	Long-term borrowings	4	794,229,997		386,169,893	
b	Deferred tax liabilities (Net)		-		-	
c	Other Long-term liabilities	5	641,501		1,560,097	
d	Long-term provisions	6	6,182,860	801,054,358	3,738,817	391,468,807
4	Current liabilities					
a	Short-term borrowings	7	1,294,712,723		700,373,425	
b	Trade payables	8	3,956,015		3,313,271	
c	Other current liabilities	9	14,409,610		8,056,358	
d	Short-term provisions	10	43,754,901	1,356,833,249	68,021,323	779,764,377
	Total			2,966,372,627		1,950,661,359
2	Assets					
1	Non-current assets					
a	Fixed Assets					
	(i) Tangible assets	11	22,644,683		27,889,379	
	(ii) Intangible assets		-		-	
	(iii) Capital advances		-		39,924,140	
	(iv) Intangible assets under developement		-		-	
b	Non-current investments	12	4,300,000		300,000	
c	Deferred tax assets (Net)		-		-	
d	Long-term loans and advances	13	3,311,945		52,239,238	
e	Other non-current assets		-	30,256,628	-	120,352,757
	Good Will on Consolidation			392,646		392,646
2	Current assets					
a	Current investments	14	70,000,000		-	
b	Inventories	15	771,726,249		251,560,045	
c	Trade receivables		-		-	
d	Cash and cash equivalents	16	27,512,964		8,124,541	
e	Short-term loans and advances	17	2,043,637,897		1,548,859,211	
f	Other current assets	18	22,846,243	2,935,723,353	21,372,159	1,829,915,956
	Total			2,966,372,627		1,950,661,359
	See accompanying notes to the financial statements					

As Per Our Report Of Even Date
For M/S CNGSN and Associates LLP
Chartered Accountants
Firm. Reg.No. 0049155

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Date : May 29, 2015
Place : Hyderabad

For And On Behalf Of The Board Of Directors

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
B. Bhargava
Company Secretary

Date : May 29, 2015
Place : Hyderabad

Sd/-
R. Nagarajan
Director

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 2015

Amount in Rupees

		Note No	For the year ended 31-03-2015	For the year ended 31-03-2014
1	Revenue from operations	19	548,340,400	1,012,370,890
2	Other income	20	2,117,499	1,828,361
3	Total Revenue (1 + 2)		550,457,899	1,014,199,251
4	Expenses:			
a	Cost of film production expenses	21	166,306,120	593,571,381
b	Purchases of Stock-in-Trade		-	-
c	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
d	Employee benefit expenses	22	21,651,181	35,016,598
e	Finance costs		211,129,572	141,035,062
f	Depreciation and amortization expenses	11	6,765,731	2,947,188
g	Other expenses	23	64,476,744	63,574,214
h	Contingent Provision on Standard Assets		1,998,986	1,758,857
	Total Expenses		472,328,334	837,903,300
5	Profit/(Loss) before exceptional and extraordinary items and tax (3 - 4)		78,129,565	176,295,951
6	Exceptional items		-	-
7	Profit/(Loss) before extraordinary items and tax (5 - 6)		78,129,565	176,295,951
8	Extraordinary items		-	-
9	Profit/(Loss) before tax (7 - 8)		78,129,565	176,295,951
10	Tax expenses			
	(1) Current tax		49,938,850	64,728,447
	(2) Deferred Tax		-	-
	(3) Earlier Year Income Tax Paid		(634,265)	3,645,118
	Provision no longer required		(231,865)	-
11	Profit / (loss) for the year from continuing operations (9 - 10)		29,056,845	107,922,386
12	Profit / (loss) from discontinuing operations		-	-
13	Tax expenses of discontinuing operations		-	-
14	Profit / (loss) from discontinuing operations after tax (12 - 13)		-	-
15	Profit / (loss) for the year (11 + 14)		29,056,845	107,922,386
16	Earnings per share:			
	(1) Basic		0.56	2.07
	(2) Diluted		0.56	2.07
	See accompanying notes to the financial statements			

As Per Our Report Of Even Date
For M/S CNGSN and Associates LLP
Chartered Accountants
Firm. Reg.No. 0049155

For And On Behalf Of The Board Of Directors

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R. Nagarajan
Director

Sd/-
B. Bhargava
Company Secretary

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR
ENDED MARCH 31, 2015

Amount in Rupees

		31-03-2015	31-03-2014
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	78,129,565	176,295,951
	Adjustments for:		
	Depreciation	6,765,731	2,947,188
	Interest Paid On Financing Activity	211,129,572	87,159,544
	Interest Received On Staff Advances	(1,917,999)	(1,828,361)
	Loss On Sale Of Asset	308,087	-
	Provision For Employee Benefit	2,419,201	1,886,508
	Contigent Provision Against Standard Assets	1,998,986	1,758,857
	Operating Profit Before Working Capital changes	298,833,143	268,219,687
	Adjustments for:		
	Increase/(Decrease) in Long Term Liabilities	(918,596)	(3,766,527)
	Increase/(Decrease) in Trade Payables	642,744	(1,796,323)
	Increase/(Decrease) in Current Liabilities	6,353,252	(1,395,375)
	(Increase)/Decrease in Inventories	(520,166,204)	226,293,257
	(Increase)/Decrease in Trade Receivables	-	25,000,000
	(Increase)/Decrease in Long Term Loans and Advances	48,924,522	225,235,958
	(Increase)/Decrease in Short Term Loans and Advances	(494,778,686)	(617,670,556)
	(Increase)/Decrease in Other Current Assets	86,868	25,761,831
	Cash Generated from Operations	(661,022,957)	145,881,951
	Direct Taxes paid	(76,871,468)	(58,748,370)
	Net Cash from Operating Activities	(737,894,425)	87,133,581
B	CASH FROM INVESTING ACTIVITIES		
	Interest Received		-
	Interest From Staff Advances	1,917,999	1,828,361
	Proceeds from sale of Fixed Assest including Capital Advances	40,711,640	-
	Purchase/ Addition to Fixed Assets	(2,616,622)	(8,903,685)
	Investment Made During The Year	(74,000,000)	(300,000)
	Net Cash used in Investing Activities	(33,986,983)	(7,375,324)
C	CASH FROM FINANCING ACTIVITIES		
	Interest Paid	(211,129,572)	(87,159,544)
	Issue Of Equity Share Capital	-	-
	Proceeds From Long Term Borrowing	408,060,104	(400,784,876)
	Proceeds From Short Term Borrowing (Net)	594,339,298	395,639,897
	Net Cash From Financing Activities	791,269,830	(92,304,523)
	Net Increase In Cash And Cash Equivalents	19,388,422	(12,546,266)
	Cash And Cash Equivalents At The Beginning Of The Year*	8,124,541	20,670,807
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	27,512,964	8,124,541

As Per Our Report Of Even Date
For M/S CNGSN and Associates LLP
Chartered Accountants
Firm. Reg.No. 004915S

For And On Behalf Of The Board Of Directors

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R. Nagarajan
Director

Sd/-
B. Bhargava
Company Secretary

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

NOTES TO THE ACCOUNTS AS AT MARCH 31, 2015

Note: 2					
				31-03-2015	31-03-2014
A	Authorised, Issued, Subscribed and Paid-up share capital and par value per share				
	Authorised Share Capital 8,00,00,000 Equity Shares of Rs. 10/- each			800,000,000	800,000,000
				800,000,000	800,000,000
	Issued, Subscribed and Paid Up 5,22,50,000 Equity Shares of Rs. 10/- each			522,500,000	522,500,000
				522,500,000	522,500,000
B	Reconciliation of number of paid up shares outstanding				
	Equity Shares				
	Number of shares outstanding as at the beginning of the year			52,250,000	52,250,000
	Add: Number of Shares allotted during the year			-	-
	Less: Number of Shares bought back			-	
	Number of equity shares outstanding as at the end of the year			52,250,000	52,250,000
C	Equity Shares in the company held by each shareholder holding more than 5%:				
	Name of shareholder	No of shares at year end 2015	% as at year end	No of shares at year end 2014	% as at year end
	PVP Ventures Limited	3,353,114	6.42	3,353,114	6.42
	Jhansi Sureddi	11,757,249	22.50	19,857,249	38.00
	Rayudu Media Projects Private Limited	4,506,490	8.62	4,506,490	8.62
	PVP Global Ventures Pvt Ltd	3,136,641	6.00	3,136,641	6.00
	South Field Energy Projects Pvt Ltd	-	-	12,299,650	23.54
	PVP Media Ventures Private Limited	12,299,650	23.54	-	-
	Bloomfield Power Projects Private Limited	8,100,000	15.50	-	-

Note: 3 Reserves and Surplus				
	No of shares at year end 2015		No of shares at year end 2014	
Capital Reserve	2,287,500		2,287,500	
General Reserve	86,000		86,000	
Statutory Reserve	36,131,783		19,673,425	
Securities Premium Reserve	18,250,000		18,250,000	
Exchange Fluctuation Reseerve	(1,241,522)		(1,341,263)	
Surplus (P&L a/c) as under:	230,471,259		217,972,513	
	285,985,020		256,928,175	

Note: 4 Long Term Borrowings				
	As at 31-03-2015		As at 31-03-2014	
From other parties - Secured	794,229,997		386,169,893	
(Refer Note No. 25.7)				
	794,229,997		386,169,893	

Note: 5 Other Long Term Liabilities		
	As at 31-03-2015	As at 31-03-2014
From Banks - Vehicle Loan	2,394,138	6,097,568
The loans are secured by vehicle purchased on Hire Purchase.		
Current Maturity of Long Term Debt (Note: 9)	(1,752,637)	(4,537,471)
	641,501	1,560,097

Note: 6 Long Term Provisions		
	As at 31-03-2015	As at 31-03-2014
Employee Benefits	6,182,860	3,738,817
	6,182,860	3,738,817

Note: 7 Short Term Borrowings		
	As at 31-03-2015	As at 31-03-2014
From Banks - Secured	1,294,712,723	651,664,623
From other parties - Secured (Refer Note No. 25.7)	-	48,708,802
	1,294,712,723	700,373,425

Note: 8 Trade Payable		
	As at 31-03-2015	As at 31-03-2014
Sundry Creditors for services	3,956,015	3,313,271
	3,956,015	3,313,271

Note: 9 Other Current Liabilities		
	As at 31-03-2015	As at 31-03-2014
Income received in advance	5,597,390	707,390
TDS Payable	7,059,583	2,811,497
Current Maturity of Long Term Debt (Note No. 5)	1,752,637	4,537,471
	14,409,610	8,056,358

Note: 10 Short Term Provisions		
	As at 31-03-2015	As at 31-03-2014
Provision for income tax	38,487,881	64,728,447
Contigent Provision against Standard Assets		
(Made at @ 0.25% of the outstanding loans)	5,151,545	3,152,559
Provision for employee benefits	115,475	140,317
	43,754,901	68,021,323

Note: 11 Fixed Assets - Tangible										
Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 1 April 2014	Addition	Deletion	As at 31 March 2015	As at 1 April 2014	Addition	Deletion	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Plant and Machinery	172,101	-	-	172,101	12,168	37,858	-	50,026	122,075	159,933
Computers and Related Assets	3,768,143	317,395	-	4,085,538	909,465	1,737,821		2,647,286	1,438,252	2,858,678
Furniture and Fixtures	2,217,775	204,000	-	2,421,775	286,233	329,544	-	615,777	1,805,998	1,931,542
Vehicles	18,414,769	1,567,054	1,296,769	18,685,054	3,009,738	2,336,397	238,303	5,107,832	13,577,222	15,405,031
Office Equipment	8,190,284	528,173	52,220	8,666,237	656,089	2,324,111	15,099	2,965,101	5,701,136	7,534,195
	32,763,072	2,616,622	1,348,989	34,030,705	4,873,693	6,765,731	253,402	11,386,022	22,644,683	27,889,379
Previous Year	23,911,376	23,666,674	14,872,918	32,705,132	1,926,495	2,947,188		4,873,683	27,889,389	21,984,881
Note: Pursuant to the enactment of Companies Act 2013, The Company has applied the estimated usefull lives as specified in Schedule II. Accordingly the unamortised carrying value is being Depreciated/Amortised over the revised/remaining usefull lives. Hence the Depreciation charges is more by Rs. 36,71,318/- for the Year Ending 31 March, 2015.										

Note: 12 Non Current Investments				
		As at 31-03-2015	As at 31-03-2014	
A	Investment in equity instruments - Unquoted			
	Investment in Mutual Fund			
	Investment in Canara Robeco Mutual Funds - (NAV 43,32,121)	4,300,000	300,000	
		4,300,000	300,000	

Note: 13 Long Term Loans And Advances				
		As at 31-03-2015	As at 31-03-2014	
	Security Deposits - Considered Good	3,311,945	2,761,620	
	Loans and advances for Film Finance - Considered Good	-	49,477,618	
		3,311,945	52,239,238	

Note: 14 Current Investments				
		As at 31-03-2015	As at 31-03-2014	
	Investments in Mutual Funds			
	Reliance Liquid Fund	70,000,000	-	
		70,000,000	-	

Note: 15 Inventories		
	As at 31-03-2015	As at 31-03-2014
(Valued at cost or net realizable value which ever is less)		
Under Film Production Expenses	771,726,249	251,560,045
	771,726,249	251,560,045

Note: 16 Cash And Cash Equivalents		
	As at 31-03-2015	As at 31-03-2014
Balance with banks	27,263,416	8,084,798
Deposit - CTO	-	2,500
Cash on hand	249,548	37,243
	27,512,964	8,124,541

Note: 17 Short Term Loans And Advances		
	As at 31-03-2015	As at 31-03-2014
Secured - Considered Good		
Advances for Film Finance - (Refer Note No. 25.8)	2,013,974,922	1,517,433,996
Unsecured - Considered Good		
Advances for Staff	19,086,297	17,160,298
Advances for Others	10,576,678	14,264,917
	2,043,637,897	1,548,859,211

Note: 18 Other Current Assets		
	As at 31-03-2015	As at 31-03-2014
Advance Income Tax	22,390,789	20,829,837
Prepaid Expenses	455,454	542,322
	22,846,243	21,372,159

NOTES TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Note: 19 Income		
	As at 31-03-2015	As at 31-03-2014
Income from Movie and Related activities	548,340,400	1,012,370,890
	548,340,400	1,012,370,890

Note: 20 Other Income		
	As at 31-03-2015	As at 31-03-2014
Interst Income	-	-
Interest income on Staff Advances	1,917,999	1,828,361
Misc. Income	199,500	-
	2,117,499	1,828,361

Note: 21 Cost Of Film Production Expenses		
	As at 31-03-2015	As at 31-03-2014
Opening Film Production Expenses	251,560,045	477,853,302
Add: Current year Film Production Expenses	686,472,324	367,278,124
	938,032,369	845,131,426
Less: Closing Film Production Expenses - WIP	771,726,249	251,560,045
	166,306,120	593,571,381

Note: 22 Employee Benefit Expenses		
	As at 31-03-2015	As at 31-03-2014
Salaries and wages	20,354,860	33,653,489
Contribution to PF and other funds	291,069	186,661
Staff welfare expenses	1,005,252	1,176,448
	21,651,181	35,016,598

Note: 23 Other Expenses		
	As at 31-03-2015	As at 31-03-2014
Rent	8,901,098	8,238,397
Insurance	433,484	323,050
Power and Fuel	1,227,750	1,217,429
Printing and Stationery	729,430	561,422
Communication Expenses	1,350,204	1,293,418
Repairs and Maintenance	462,652	677,401
Registration Charges	7595	62,957
Security Charges	433,615	402,688
Rates and taxes	101,233	84,904
Payment to statutory auditors:		
as auditors	1,916,958	1,494,328
for tax audit	280,900	224,720
for certification	288,989	252,810
Directors Sitting Fees	404,496	157,304
Legal, Professional and consultancy	6,195,601	27,473,428
Brokerage and Commission	28,090,000	-
Office Maintenance	2,187,098	4,018,804
Advertisement, publicity and sales promotion	337,000	450,913
Investor related expenses including Listing Fees	494,940	480,486
Travelling Expenses including Conveyance	8,726,919	11,175,272
TDS Receivable Written Off	1,582,900	4,210,208
Loss on Sale of Asset	308,087	-
Exchange Fluctuation Loss	-	-
Miscellaneous expenses	15,795	774,275
	64,476,744	63,574,214

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

A The financial statements of the Company have been prepared under the historical cost convention in accordance with the Accounting Standards specified by Companies (Accounts) Rules, 2014 issued by the Central Government and the relevant provisions of the Companies Act, 2013, to the extent applicable.

B All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

C Principles of Consolidation: The Group’s consolidated financial statements include those of Picturehouse Media Limited and its subsidiary companies PVP Cinema Private Limited , PVP Capital Ltd , Picturehouse Media Privated Limited, Singapore. All significant inter-company transactions and balances have been eliminated in the consolidated statements.

D List of subsidiaries and proportion of voting power held:

Name of Subsidiary	Country of incorporation/ Residence	Proportion of Ownership interest / Proportion of Voting power held
PVP Cinema Private Limited (Formerly PVP Screens Private Limited)	India	100 % (Wholly owned Subsidiary)
PVP Capital Ltd(Formerly Nahar Finance Ltd)	India	100 % (Wholly owned Subsidiary)
Picturehouse Media Private Limited	Singapore	100 % (Wholly owned Subsidiary)

E Going Concern: During the previous year, PVP Cinema Private Limited is fully dependent upon the financial and administrative support of its holding company Picturehouse Media Limited. Hence, the financial statements are prepared on going concern basis.

1.2 Revenue Recognition

Income from Movie and related rights are recognized in accordance with the terms of the agreement on accrual basis. Sale of Intangibles are recognized when asset are sold to customers which generally coincides with the delivery and acceptance. Income earned on licensing the copyrights is recognized on time proportionate basis. Interest income is recognized on time proportionate basis. Where loans have been classified as non-performing assets the interest is recognized on collection basis as per RBI guidelines.

1.3 Use of Estimates

In preparation of financial statements conforming to GAAP requirements certain estimates and assumptions are essentially required to be made with respect to items such as provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful life period of fixed assets. Due care and diligence have been exercised by the Management in arriving at such estimates and assumptions since they may directly affect the reported amounts of income and expenses during the year as well as the balances of Assets and Liabilities including those which are contingent in nature as at the date of reporting of the financial statements.

To comply with GAAP requirements relating to impairment of assets, if any, the Management periodically determines such impairment using external and internal resources for such assessment. Loss, if any, arising out of such impairment is expensed as stipulated under the GAAP requirements. Contingencies are recorded when a liability is likely to be incurred and the amount can be reasonably estimated. To this extent the results may differ from such estimates.

1.4 Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost. Depreciation is charged on a pro-rata basis on a straight-line method as per the rates and in the manner prescribed under the Schedule II to the Companies Act, 2013, as amended.

1.5 Inventory

Inventory at the yearend consists of film under production Work in progress (WIP). The inventory WIP are valued at cost or net realizable value whichever is less. Cost includes direct and indirect cost relating to film production activities.

1.6 Benefits to employees

A Gratuity

The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out in accordance with Accounting Standard 15 (Revised 2005) on "Employee Benefits" as at the end of the period. Actuarial Gains/Losses are recognized immediately in Statement of Profit & Loss.

B Leave Encashment

Leave encashment is paid for in accordance with the rules of the Company and provided based on an actuarial valuation as at the balance sheet date. Actuarial Gains/Losses are recognized immediately in Statement of Profit & Loss.

C Other Benefit Plans

Contributions paid under defined contribution plans are recognized in the Statement of Profit and Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The company makes monthly contributions and has no further obligations under the plan beyond its contributions.

1.7 Foreign Currency Transactions

All foreign currency transactions are accounted for at the rates prevailing on the dates of the transaction. Foreign currency assets and liabilities are converted at the yearend rates as applicable. The exchange difference on settlement / conversion is adjusted to Statement of Profit and Loss.

1.8 Taxes

Tax expense comprises current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant tax laws. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

1.9 Leases

The assets purchased under hire purchase agreements are included in the Fixed Assets block. The value of the asset purchased is capitalized in the books. A liability for the same amount is created at the time of entering into the agreement. The payments are made to the HP vendors as per the EMI's given in the hire purchase agreements. The finance charges are debited to the profit and loss statement and the principal amount is adjusted against the liability created for the vendor.

Lease rental in respect of operating lease arrangements are charged to expense on a straight-line basis over the term of the related lease agreement.

1.10 Borrowing Cost

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset. Other borrowing costs are charged to revenue over the tenure of the loan.

1.11 Segment Reporting

The Holding Company, Picturehouse Media Limited operates only in entertainment segment, whereas PVP Cinema Private Limited, the subsidiary, did not have any commercial activity during the year and PVP Capital Ltd is in the media financing business and Picutrehouse Media Private Limited , Singapore operates only in entertainment segment. Hence the group operations are under one segment i.e movie and related activities.

1.12 Impairment of Assets

The Group reviews the carrying values of tangible and intangible assets for any

possible impairment at each Balance Sheet date. Impairment loss, if any, is recognized in the year in which the impairment takes place.

1.13 Cash Flow Statement

The Cash Flow statement is prepared under the indirect method as per Accounting Standard 3 "Cash Flow Statements".

1.14 Earnings per Share

The earnings considered for ascertaining the Group's Earnings Per Share comprises the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises of the weighted average number of shares considered for deriving Basic EPS and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares.

1.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

NOTE 25: OTHER ITEMS

25.1 Provision for Taxation and deferred tax

The provision for deferred tax asset/liability has been made in accordance with AS-22 on Accounting for Taxes on Income.

Amount in Rupees

Particulars	For the year ending	
	31 March 2014	31 March 2015
Opening balance of deferred tax assets	931,137	668,275
Add: Timing difference on account of gratuity and leave encashment	1,147,690	694,683
Deferred tax asset on account of Income tax losses	Nil	48,955,009
Total deferred tax assets	2,078,827	50,317,967
Less: Timing difference on account of depreciation	1,410,552	2,922,535
Net Deferred tax assets as at the year end	668,275	47,395,432

Deferred tax assets are not recognised on the consideration of prudence as on 31.3.2015. The Provision for taxes has been made as per applicable laws.

25.2 The Group has entered into operating lease agreements for its office premises which can be cancelled at any point of time by giving necessary notice period. During the year, the Company also entered into a Hire purchase Agreement for purchase of Vehicles.

The lease rentals paid during the year and the future lease obligations including HP and EMI repayment for the agreement in vogue as at March 31, 2015 are as follows:

	Year Ended 31 March 2014	Year Ended 31 March 2015	
a. Future lease obligations			
Due within 1 year from the Balance Sheet date	50,22,698	18,52,587	
Due between 1 and 5 years	15,60,958	5,65,062	
Due after 5 years	Nil	Nil	
b. Lease rent paid during the year	82,38,397	89,01,098	
Details of assets under Hire purchase			
Particulars	Gross Block(Rs.)	Depreciation (Rs.)	Net block (Rs.)
Vehicles	1,56,28,656	40,92,134	1,15,36,522

25.3 Expenditure in Foreign Exchange
During the year the Group has incurred expenditure in foreign exchange of Rs.22,61,633/- towards Film Production Expenses. (2014- 69,90,298).

25.4 Earnings per Share

Particulars		Year ended March 31, 2014	Year ended March 31, 2015
Profit after Tax (in Rs.)	A	10,79,22,386	2,90,56,845
Number of shares outstanding of face value of Rs.10 each	B	5,22,50,000	5,22,50,000
Weighted average number of equity shares outstanding	C	5,22,50,000	5,22,50,000
Number of weighted average shares outstanding including diluted potential equity shares	D	5,22,50,000	5,22,50,000
Earnings per share – Basic (in Rs.)	A/C	2.07	0.56
Earnings per share – Diluted (in Rs.)	A/D	2.07	0.56

25.5 The Group has not entered into any derivative contracts during the year under review and also does not have any foreign currency exposure as at March 31, 2015.

25.6 The Group has not received any intimation from Suppliers, regarding their status under the Micro, Small Enterprises Development Act, 2006 and hence required disclosures such as amounts unpaid as at the year-end together with interest paid/payable have not been given.

- 25.7** Long Term and Short Term Secured Loans are borrowed for the purpose of advancing film production/film finance. Bank loans are secured by charge on the film production undertaken by the company and collateral security of land given by group companies. Borrowings from Banks and others are secured by way of charge on some of the advance to film production/finance and also personally guaranteed by Mr.Prasad V Potluri, Managing Director.
- 25.8** Advance made for film finance are on the security of hypothecation of assets, mortgage of property, personal guarantee, assignment of rights, lien on film negative , undertaking to create security, etc.
- 25.9 Contingent Liabilities**
The Income tax assessment for the AY 2009-10 was completed for the subsidiary PVP Cinema Private Limited with a demand of Rs. 146.69 lac, which was disputed before ITAT, Chennai. Honorable ITAT has set aside the order and directed the Assessing officer to decide the issue afresh in accordance with the law. The ITAT has ordered to pay a sum of Rs. 20 lakhs pending dispute which was shown as "Other Current Assets". As on date there are no Income Tax demand and hence provision for Income tax does not arise.
- 25.10** Related Party transactions : KMP and Relatives are interested :-
PVP Ventures Ltd has given Corporate guarantees to
Picturehouse Media Ltd Rs.32.75 Crs (Loan outstanding Rs.30.07 Crs)
PVP Capital Ltd Rs.100.00 Crs(Loan outstanding Rs.99.41 Crs)
- 25.11** Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs Nil (P.Y. 10,31,23,950)
- 25.12 Corporate Social Responsibility(CSR)**
As per section 135 of companies act 2013, the Group should have spent Rs. 26.55 lakhs, towards CSR activities during the year 2014-15. Management have formed the Committee and formulated the policy, but could not effect payment before 31st March 2015 and the same will be expensed during the current financial year 2015-16.
- 25.13** The previous year's figures have been regrouped/rearranged wherever necessary to make it comparable with the current year figures.

As Per Our Report Of Even Date
For M/S CNGSN & Associates LLP
Chartered Accountants
Firm. Reg.No. 0049155

For And On Behalf Of The Board Of Directors

Sd/-
R. Thirumalmarugan
Partner
Membership No. 200102

Sd/-
Prasad V. Potluri
Managing Director

Sd/-
R. Nagarajan
Director

Sd/-
B. Bhargava
Company Secretary

Sd/-
A. Praveen Kumar
GM - Finance and Accounts

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Date : May 29, 2015
Place : Hyderabad

Picturehouse Media Limited

CIN: L92191TN2000PLC044077

Regd. Office: KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai 600 031

PROXY FORM / BALLOT FORM

[Pursuant to Section 105(6) and 108 of the Companies Act, 2013 and Rule 19(3) and 20 respectively of the Companies (Management and Administration) Rules, 2014]

Name of the Company	Picturehouse Media Limited
Registered Office	KRM Centre, 9 th Floor, Door No.2, Harrington Road, Chetpet, Chennai 600 031
Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No./Clint ID	
DP ID	

I/We, being the member(s) ofshares of the above named Company, hereby appoint:

- 1.....of.....having e-mail id.....or failing him
- 2.....of.....having e-mail id.....or failing him
- 3.....of.....having e-mail id.....

And whose signature(s) are appended below as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the Company, to be held on Tuesday, September 29, 2015 at 11.30 A.M. at Hotel Green Park, 'Vauhini Hall', No.183, NSK Salai, Arcot Road, Vadapalani, Chennai, Tamil Nadu - 600 026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote**	
		For	Against
Ordinary Business:			
1	Consider and adopt audited Financial Statements, Reports of the Board of Directors' and Auditors' thereon.		
2	Re-appointment of Auditors and fixing their remuneration.		
Special Business:			
3	Appointment of Mrs. Sai Padma Potluri as Director Liable to retire by rotation		

Signed this.....day of.....2015

.....

Signature of 1st Proxy holder

Signature of 2nd Proxy holder

.....

Signature of Shareholder

.....

Signature of 3rd Proxy holder

Affix Revenue Stamp

Notes

- 1** The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours (forty eight hours) before the time fixed for holding the meeting.
- 2** A proxy need not be a member of the Company.
- 3** A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4** ** This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 5** Appointing a proxy does not prevent a member from attending in person if he so wishes.
- 6** In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- 7** The shareholders who wish to cast their vote through Post may use this form as Ballot Paper, by striking off the words 'Proxy Form' and sending it to The Company at its Registered Office in Chennai by September 28, 2015, i.e, cut off date, by 5.00 pm.

Picturehouse Media Limited

CIN: L92191TN2000PLC044077

Regd. Office: KRM Centre, 9th Floor, Door No.2, Harrington Road, Chetpet, Chennai 600 031

ATTENDANCE SLIP

I hereby record my presence at the 16th Annual General Meeting of the company being held on Tuesday, September 29, 2015 at 11.30 am. at Hotel Green Park, Vauhini Hall, No.183, NSK Salai, Arcot Road, Vadapalani, Chennai 600 026

Name of the Shareholder	
Name of the Proxy	
Signature of Member/Proxy	
Regd. Folio/*Client Id	

Signature of Shareholder/ Proxy

*Applicable for members holding shares in electronic form
Note: To be signed and handed over at the entrance of the Meeting venue.

Notes

Notes

PICTUREHOUSE MEDIA LIMITED

Registered Office :

KRM Center, 9th Floor, Door No.2

Harrington Road. Chetpet. Chennai 600 031

T +91 44 3028 5570

E ir.telphoto@pvpglobal.com