Picturehouse Media Limited

13th Annual Report
2011-12

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COMPANY INFORMATION

Board of Directors
Mr. Prasad V. Potluri, Managing Director
Mr. R. Nagarajan
Mr. N. S. Kumar

Company Secretary & Compliance Officer
Ms. Prerna Mundada

Board Committees
Audit Committee
Mr. R. Nagarajan (Chairman)
Mr. N. S. Kumar

Shareholders'/Investors' Grievance Committee
Mr. R. Nagarajan (Chairman)
Mr. N. S. Kumar

Auditors
M/s. CNGSN & Associates
Chartered Accountants
Chennai

Bankers
Kotak Mahindra Bank Limited
HDFC Bank Limited
Indian Overseas Bank

Registered Office
KRM Centre, 9th Floor, Door No. 2,
Harrington Road, Chetpet, Chennai-600031
Telephone:+91-44-30285570
Fax: +91-44-30285571
Email: ir.telephoto@pvpglobal.com

Corporate Office
4th Floor, Punnaiah Plaza, Plot No. 83&84,
Road No. 2, Banjara Hills,
Hyderabad, India
Tel: +91-40-67309999
Fax: +91-40-67309988
Email:ir.telephoto@pvpglobal.com

Registrars & Transfer Agents
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

Notice

NOTICE is hereby given that the 13th Annual General Meeting of the members of Picturehouse Media Limited *(formerly known as Telephoto Entertainments Limited)* **will be held on September 26, 2012 at 11.30 A.M. or soon after conclusion of the Annual General Meeting of PVP Ventures Limited convened on the same day, whichever is later, at "Kamaraj Arangam", No. 492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006, to transact the following Businesses:**

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at March 31, 2012, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. R. Nagarajan, who retires by rotation and being eligible, offers himself for reappointment.

3. To appoint M/s. CNGSN & Associates, Chartered Accountants, Chennai 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 a remuneration to be decided by the Board of Directors.

Special Business:

4. **Appointment of Mr. Prasad V. Potluri as Managing Director**

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

   "RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, Mr. Prasad V. Potluri, be and is hereby appointed as the Managing Director of the Company for a period of five years effective from June 01, 2012 to May 30, 2017 at a salary of ₹ 1/- per annum and on the terms and conditions including remuneration set out in the Agreement entered into between the Company and Mr. Potluri, which is hereby specifically sanctioned.

   RESOLVED FURTHER THAT the terms and conditions of his appointment including remuneration herein may be altered and varied from time to time by the Board of Directors of the Company (which term shall be deemed to include the Remuneration Committee constituted by the Board), provided those are within the limits specified in Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Alteration of Capital Clause of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof for time being in force), approval of the members is hereby accorded that 2,70,00,000 (Two Crore Seventy Lac) Preference Shares of ₹ 10/- each aggregating ₹ 27,00,00,000/- (Rupees Twenty Seven Crores only) forming part of the Authorized Share Capital of the Company be and are hereby reclassified as 2,70,00,000 (Two Crore Seventy Lac) of equity shares of ₹ 10/- each so that the Authorised Share Capital of the Company shall be ₹ 80,00,00,000/- (Eighty Crores only) divided into 8,00,00,000 (Eight Crore Only) Equity Shares of ₹ 10/- each (Rupees Ten Only)

   RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be deleted and substituted by the following:

   V. *The Authorised Share Capital of the Company is ₹ 80,00,00,000/- (Rupees Eighty Crores Only) divided into 8,00,00,000 (Eight Crore) Equity Shares of ₹ 10 each. The Company shall have power to issue shares at par or at a premium or at a discount and shall also have the power to increase or reduce its capital and to divide the capital for the time being into several classes and to attach such preferential, qualified, deferred, non-voting or special rights, privileges, conditions or restrictions thereto as may be permissible by law and as may be determined by or in* *accordance with the Articles of Association of the Company for the time being in force, and to vary, modify or abrogate such rights, privileges or conditions in such manner as permitted by law and as provided by the Articles of Association of the Company, for the time being in force."*

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. Alteration of Article 3 of the Articles of Association

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

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies act, 1956 the existing Article 3 of the Article of association of the Company be deleted and substituted by the following Article:

3. *The Authorised Share Capital of the Company shall be as per the Clause V of the Memorandum of Association of the Company.*

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order and on behalf of the Board

Prerna Mundada
(Company Secretary)

August 10, 2012
Chennai

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy 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 the commencement of the Meeting.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members who hold shares in dematerialised 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.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 17, 2012 to Wednesday, September 26, 2012 (both days inclusive).
6. Members are requested to quote their Registered Folio Number/Client ID on all correspondence with the Company/RTA and notify the Company's RTA, or the Depository Participants, in case of shares in dematerialized form, immediately of change, if any, in their registered address.
7. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
   (i) Change in their Residential status on return to India for permanent settlement.
   (ii) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
8. The Company has designated an exclusive email ID viz. ir.telephoto@pvpglobal.com, which would enable the investors/shareholders to post their grievances and monitor its redressal. Any member having any grievances can post the same to this email ID for the quick redressal.

9. **Details of Directors seeking appointment/re-appointment at the forthcoming AGM (pursuant to clause 49 of the Listing Agreement)**

At the ensuing AGM, Mr. R. Nagarajan is retiring by rotation and being eligible, offers himself for reappointment as director. Further, it is also proposed to appoint Mr. Prasad V. Potluri as Managing Director of the Company for a period of five years from June 01, 2012 to May 30, 2017. In terms of **clause 49 of the Listing Agreement, their profiles etc. are** as follows:

Name of Director	Mr. R. Nagarajan	Mr. Prasad V. Potluri
DIN	00443963	00179175
Date of birth	July 06, 1938	September 08, 1970
Date of appointment on the Board	April 27, 2006	December 04, 2007
Qualifications	B. Com (Hons.), CAIIB	BME, MES
Brief Resume	Mr. R. Nagarajan is a retired State Bank of India (SBI) Officer, who during his 50 years of career, held various positions in different part of the Country with SBI. He retired in 1998 as the Chief General Manager of SBI, Chennai Circle.	A serial entrepreneur who started his entrepreneurial career in global IT services space and has to his credit promotion of three successful companies to serve the needs of Fortune 1000 companies. Within the global investment community, he is a respected thought leader. During an entrepreneurship-packed decade, he had been the driving force behind many companies, including Procon Inc, Albion Orion Company LLC and Irevna Ltd. Irevna Limited was acquired by CRISIL (S&P India) in 2005. He is the Promoter of PVP Group and Chairman & Managing Director of PVP Ventures Limited.
Expertise	Over 48 years of experience in banking and finance.	Over 20 years of entrepreneurship experience with a track record of interface with both US & Indian Markets. Expertise in building successful organizations based on organic growth and inorganic consolidation.
Directorships held in other public companies	PVP Ventures Limited Dhandapani Finance Limited	PVP Ventures Limited
Chairmanship/ Membership of Committee across public companies	Chairmanships in: *PVP Ventures Limited* (a) Audit Committee, (b) Remuneration Committee and (c) Shareholders & Investors Grievances' Committee *Picturehouse Media Limited* (a) Audit Committee (b) Remuneration Committee and (c) Shareholders & Investors Grievances' Committee *Dhandapani Finance Limited* *(a)* Audit Committee	Member of Shareholders & Investors Grievances' Committee- PVP Ventures Limited
No. of shares held in the Company	NIL	NIL
Relationship with other directors of the Company	NIL	NIL

Explanatory statements
(Pursuant to section 173(2) of the Companies Act, 1956)

Item No. 4

The Board of Directors of the Company has, subject to the approval of the members in the Annual General Meeting, appointed Mr. Prasad V. Potluri as Managing Director of the Company for a period of five (5) years from June 01, 2012 to May 30, 2017 and entered into an Agreement setting out the Terms and Conditions including remuneration for his appointment.

Mr. Potluri is the Promoter of PVP Group and also the Chairman and Managing Director of PVP Ventures Limited.

It is proposed to seek approval of the members for his appointment. Broad particulars of the terms of his appointment as setout in the Agreement are as follows:

Salary, Perquisites and Allowances

Mr. Potluri shall receive a salary of Re. 1/- per annum. Medical re-imbursement, leave travel assistance for self and family, premium on personal accident/mediclaim insurance and such other benefits and allowances, in accordance with the rules applicable to the senior executives of the Company. The value of these perquisites shall be determined in accordance with applicable laws and in the absence thereof, these perquisites shall be valued at actual cost to the Company.

Re-imbursement of expenses

Re-imbursement of expenses incurred for travelling, boarding and lodging during business trips, provision of company's car with driver, petrol and maintenance for use on the Company's business, provision of internet, telephones and mobile phone expenses and club membership shall be re-imbursed and not considered as perquisites.

General

(a) The Office of Managing Director may be terminated by the Company or by Mr. Potluri by giving 3 (three) months prior written notice to the other party. In the exceptional circumstances as may be decided by the Board, the Company or Mr. Potluri can waive off this notice period.

(b) Mr. Prasad V. Potluri shall be entrusted with the substantial powers of management of the Company's business and its affairs, subject to the supervision, control and directions of the Board of Directors. He shall carry out the orders and directions given by the Board from time to time and shall also assist the Board in proper and effective exercise of its powers and discharge of functions.

(c) During the continuance of his appointment, he shall devote his full time and attention to the Company's work and shall use his best endeavour for promotion of the interest and welfare of the Company, its shareholders and other stakeholders.

(d) If he ceases to hold office of the Director for any reason, he shall immediately cease to be the Managing Director.

(e) He shall not be entitled to any sitting fees for attending meetings of the Board of Directors of the Company or any committee(s) thereof. However, the Company shall pay (or re-imburse to him as the case may be) the charges for travelling, boarding and lodging incurred in connection with attending these meetings on actuals. However, in case where on the same day and place, meeting of PVP Ventures Limited is also convened, the expenses for attending meetings shall be shared with PVP Ventures Limited and the Company in equal proportion.

(f) His services will be governed by the service rules of the Company, as may be in force from time to time in so far as they are not at variance with the terms herein contained.

The Board and/or its Committee may, from time to time, alter or vary the terms and conditions as set-out above and/or in the Agreement, provided those are within the limits specified in Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

Mr. Potluri fulfills the conditions for eligibility contained in Part I of Schedule XIII to the Act and he is not disqualified from being appointed as a director in terms of section 274(1) (g) of the Act.

The above may be treated as an abstract of the terms of his appointment under section 302 of the Act.

Mr. Prasad V. Potluri is interested in this resolution as it pertains to his appointment and remuneration. Save and except Mr. Prasad V. Potluri, none of other directors of the Company is, in any way, concerned or interested in the Resolution.

A copy of the Agreement entered with Mr. Potluri is open for inspection by the shareholders at the registered office of the Company between 10.00 am to 1.00 pm on all working days up to September 26, 2012.

The Board recommends this resolution for your approval by way of an Ordinary Resolution.

Item 5 & 6

The existing authorized share capital of the Company is ₹ 80 Crores comprising of 5,30,00,000 equity Shares of ₹10 each aggregating to ₹ 53,00,00,000 (Rupees Fifty Three Crore Only) and 2,70,00,000 Preference shares of ₹10/- each aggregating to ₹ 27,00,00,000 (Rupees Twenty Seven Crore Only).

The issued, subscribed and paid up preference shares were converted into equity shares in terms of their issuance and currently there are no outstanding preference shares in the Company. Hence, it is proposed to re-classify the preference shares capital back to equity share capital, which inter-alia entails alteration of the Capital clause of the Memorandum of Association and Article 3 of Article of Association of the Company. It is also proposed that existing Article 3 should be altered to provide for the authorised share capital as specified in Capital Clause of Memorandum of Association of the Company.

In terms of section 94 of the Act, the proposed alteration of the Memorandum of Association requires your approval by way of an ordinary resolution and in terms of section 31 of the Act, the proposed alteration of the Articles of Association requires your approval by way of a Special resolution. The Board of Directors recommends your approval to both the resolutions as set out in item 5 and 6.

A Copy of the Memorandum & Articles of Association of the Company containing the proposed alterations as above is open for inspection by the shareholders at the registered office of the Company between 10.00 am to 1.00 pm on all working days up to September 26, 2012.

None of the Directors of the Company is interested or concerned in any manner in the proposed resolution.

By order and on behalf of the Board

Prerna Mundada
(Company Secretary)

August 10, 2012
Chennai

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 13th Annual Report on the business and operations of the Company together with audited annual accounts for the financial year ended March 31, 2012.

Financial Results (₹ in lacs)

Particulars	2011-2012	2010-2011
Total Income	4645.18	712.49
Operational, Administration and other expenses	3099.45	259.71
Profit/(Loss) before Depreciation, Interest and Tax	1545.73	452.78
Depreciation	2.05	0.13
Interest and Finance Charges	279.68	169.21
Profit / (Loss) before Tax	1264.00	283.44
Provision for taxation	411.41	79.27
Profit/ (Loss) after tax	852.59	204.17

Review of Operations

The year 2011-12 has been a tremendous year for the Company as its produced it first feature film under the banner of PVP Cinema "Rajapattai" in Tamil language starring Vikram and Deeksha Seth under the directions of Susheendhran. The Company earned total income of ₹ 46.45 Cr during the year (previous year ₹ 712.49 lac) with PBT of ₹ 12.64 Cr (previous year ₹ 2.83 Cr).

In July 2012, another movie under the banner of PVP Cinema "Naan-E" starring Sudeep and Samantha and directed by Mr. S. S. Rajmouli was released in Tamil language. Naan-E redefined the special effects and animation usage in the Indian movies and received huge response from the public and critics both.

During the year, Picturehouse consolidated its position as a leading organised capital provider to the Tamil and Telugu film industry with providing capital to all top star movies. The Company worked with a well-structured process-driven approach to ensure a high degree of professionalism and transparency and it recovered all its investments signifying the strength of its management team, their understanding of the market and execution capability.

Future Plans

Overcoming the gloom that had set in during the economic slowdown of 2008-09, the Indian Media & Entertainment Industry bounced back registering a growth of 11%. According to KPMG's Report on the Indian Media & Entertainment Industry, the Industry is estimated to touch INR 738 billion and with exciting times ahead, this sector is projected to grow a CAGR of 14% to reach INR 1,275 billion by 2015, while the Indian Film Industry is projected to grow at a CAGR of 9.6% to touch INR 133.5 billion in revenues by 2015.

Picturehouse aims to be a market leader in providing capital and production of movies and to be a 'One-Stop-Shop' for all capital requirements across the Indian Media & Entertainment space. It has already been acknowledged by the Tamil & Telugu Film Industry as a reputed organisation in terms of professionalism, transparency, integrity & ethics in a short span of time, we envisage a great opportunity in the media and entertainment sector.

In April 2012, Picturehouse acquired a NBFC named PVP Capital Limited (formerly known as Nahar Finance Limited) to diversify and consolidate its presence in funding and providing capital to movies and production houses. The renewed film financing business through PVP Capital will bring fast track growth, long-term sustainability and de-risk the business of film financing as well. The Company's objective is to build a loan book size of around ₹ 500 Crores over the next 5 years.

We are also aware that in this changing scenario, availability of organised funding will be the key growth driver and as one of the early entrants, we stand to gain substantially in this segment as compared to new players who take time to stabilise.

Dividend

The Directors has not recommended any dividend for the financial year 2011-12.

Allotment of Equity shares

During the year, the Company issued and allotted 3,67,54,212 equity shares of ₹10/- each at par upon conversion of 2,59,97,722 Compulsorily Convertible Preference Shares and 1,07,56,490 convertible Warrants. Consequently, the paid up share capital of the Company increased to ₹ 52.25 Cr. divided into 5,22,50,000 equity shares of ₹ 10/- each.

Acquisition of PVP Capital Limited, an NBFC

In April 2012, the Company acquired 100 % equity share capital of PVP Capital Limited (formerly known as *Nahar Finance Limited*) a Non Banking Financial Company (NBFC) registered with RBI, Chennai. PVP Capital Limited will be the financing arm of the Company.

Directors

As on the date of this Report, the Board of Directors comprises of Mr. Prasad V. Potluri, Mr. R. Nagarajan and Mr. N.S. Kumar.

As per the Articles of Association, Mr. R. Nagarajan, retires by rotation at the ensuing AGM and being eligible offers himself for reappointment. Brief profiles etc. of Mr. R. Nagarajan, as stipulated under Clause 49 of the Listing Agreements, are provided in the notes attached to the Notice calling the AGM and necessary resolution for his appointment is incorporated in the Notice calling the AGM.

Also, it is proposed to appoint Mr. Prasad V. Potluri as Managing Director of the Company for a period of 5 years from June 01, 2012 to May 30, 2017. The Board of Directors has approved his appointment subject to the approval of the shareholders. The required information and the terms and conditions of his appointment are disclosed in the Notice calling the AGM.

Employees

During the year, the Company appointed Mr. Vinay Chilakapati as COO and Dr. Rajeev Kamineni as Executive Director-Production of the Company. The Company is looking to strengthen its senior management team for the expansion and consolidation.

Public Deposits

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

Subsidiary Company

As on March 31, 2012, PVP Cinema Private Limited was the only subsidiary of the Company. In terms of the section 212(1) of the Companies Act, 1956, the Balance Sheet, Profit and Loss Account and other documents of the PVP Cinema are attached with the Balance Sheet of the Company. A statement pursuant to section 212(1)(e) read with 212(3) of the Companies Act, 1956, relating to Company's Interest in PVP Cinema for the financial year under review is attached as **Annexure-I** to this report.

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. The requisite Certificate from M/s. V. Mahesh & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

Auditors' report

The Auditors' Report together with the Audited Accounts for the financial year ended March 31, 2012 read with the Notes on Accounts are self-explanatory and therefore do not call for any further comments.

Auditors

M/s. CNGSN & Associates, the statutory auditors, hold office upto the conclusion of the forthcoming Annual General Meeting (AGM). The Company has received requisite certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

The Board of Directors recommend reappointment of M/s. CNGSN & Associates as the statutory auditors of the Company for the year 2012-13.

Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements, the audited Consolidated Financial Statements are provided in the Annual Report.

Particulars of employees

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company for the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/Outgo

Particulars regarding technology absorption, conservation of energy and foreign exchange earning and outgo required under section 217 (1)(e) of the Companies Act, 1956 and Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 to the extent applicable are annexed as **Annexure-II** of this Report.

Directors' Responsibility Statement

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended March 31, 2011 and of the profit of the Company for the year ended on that date;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors have prepared the annual accounts on a going concern basis.

Acknowledgement

Your Directors acknowledge with gratitude the co-operation and assistance received from the bankers, producers, 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 the Board of Directors

Prasad V. Potluri
(Managing Director)

Hyderabad,
August 10, 2012

Annexure-I

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Company for the financial year 2011-12

Name of Subsidiary Company	**PVP Cinema Private Limited** (Formerly PVP Screens Private Limited)
The Financial Year of the Subsidiary Company ended on	March 31, 2012
Date from which it became Subsidiary Company	March 02, 2006
Number of shares held by the Company along with its nominees in the subsidiary at the end of the financial year of the Subsidiary	30,000 equity shares of ₹ 10 each
Extent of Interest of the Company at the end of the financial year of the Subsidiary Company	100%
The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members of the Holding Company not dealt with in the Company's accounts:	
(a) for the current financial year	₹ (47,629,951)
(b) for the previous financial year	₹ (47,480,968)
The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members of the Holding Company dealt with in the Company's accounts	
(a) for the current financial year	NIL
(b) for the previous financial year	NIL

For and on behalf of the Board of Directors

Hyderabad,
August 10, 2012

Prasad V. Potluri
(Managing Director)

ANNEXURE-II

Disclosure of particulars under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

A. Conservation of Energy

(a) Energy conservation measures taken — Your Company uses energy efficient equipment in its offices and other premises. Periodic tests are also conducted on equipment like air conditioners and lighting and necessary steps are being taken to conserve energy.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy; — NA

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods — NA

(d) Total energy consumption and energy consumption per unit of production — NA

B. Technology absorption

(e) efforts made in technology absorption as per Form B of the Annexure — NA

C. Foreign exchange earnings and outgo

(f) activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans — The Company does not have any export as such.

(g) Total foreign exchange used and earned

(₹ in Lakhs)

Particulars	**Current year**	**Previous year**
Foreign exchange earnings	NIL	NIL
Foreign exchange outgo:		
Travel related Expenses	Nil	Nil
Other Expenses (Film Production)	52.74	Nil
Total	**52.74**	**Nil**

For and on behalf of the Board of Directors

Hyderabad,
August 10, 2012

Prasad V. Potluri
(Managing Director)

Report on Corporate Governance

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

Board Composition, its meetings and procedure

The Board of Directors of the Company, as on the date of this Report, comprises of three (3) directors. Mr. Prasad V. Potluri is the Managing Director and Promoter Director and Mr. R. Nagarajan and Mr. N.S. Kumar are Independent & Non-Executive directors.

During the financial year, Six (6) board meetings were held on May 27, 2011, August 11, 2011, August 25, 2011, November 14, 2011, February 07, 2012 and February 25, 2012. The maximum interval between any two Board meetings was of 85 days.

Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships/Memberships of Committees of each Director in various companies are as follows:

Name of the Director	DIN	Attendance		No. of Directorships and Committee Memberships / Chairmanships including Picturehouse Media Limited		
		Board Meetings*	Last AGM	Other Directorships#	Committee Memberships@	Committee Chairman-ships@
Mr. Prasad V. Potluri**	00179175	5	Yes	2	1	Nil
Mr. R. Nagarajan	00443963	6	Yes	3	5	3
Mr. N. S. Kumar	00552519	6	Yes	3	4	Nil

** includes meetings attended through tele-conference.*
*# Other directorships excludes directorships in Indian private limited companies, section 25 companies, foreign companies, and alternate directorships. @ Represents Memberships/Chairmanships of Audit Committee & Shareholders/Investors Grievance Committee. ** Mr. Prasad V. Potluri was appointed as the Managing Director, subject to the approval of shareholders in the forthcoming AGM, w.e.f. August 10, 2012.*

The Board of the Company is regularly presented with all information, in specific, the information stipulated under Clause 49 of the Listing Agreement to ensure adequate disclosure and a transparent decision-making. Detailed agenda with explanatory notes and information is circulated among the members of the Board, in advance of each meeting. However, urgent matters are also considered and adopted by passing resolutions through circulation, which are noted at the next meeting of the Board

Code of Conduct for Directors & Senior Management

A code of conduct as applicable to the Directors and the designated senior management of the Company had been approved by the Board, which is being abided by them. A declaration to this effect from the Managing Director of the Company is given below:

I confirm that the Company has obtained confirmation from all its directors and the designated senior management that they have complied with the provisions of the Code of Conduct, as may be applicable to them, during the financial year 2011-2012.

Prasad V. Potluri August 10, 2012
(Managing Director) Chennai

Committees of the Board

(I) **Audit Committee**

As on March 31, 2012, this Committee comprised of Mr. R. Nagarajan (Chairman) and Mr. N.S. Kumar, all independent directors. The Company Secretary of the Company acts as the Secretary of this Committee. The terms of reference of Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement.

This Committee inter alia, recommends appointment of statutory auditors; reviews Company's financial reporting processes and systems; reviews financial and risk management policies; Company's financial statements, including annual and quarterly financial results; and financial accounting practices & policies. The scope of the audit committee has been defined by the Board of Directors in accordance with Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Executives of Accounts & Finance Department and representatives of the Statutory and Internal Auditors attend the Audit Committee Meetings.

Meetings and attendance of the Audit Committee during the year

Four (4) meetings of the Audit Committee were held during the year on May 27, 2011, August 11, 2011, November 14, 2011 and February 07, 2012

Members	No. of Meetings held	No. of Meetings attended
Mr. R. Nagarajan	4	4
Mr. N.S. Kumar	4	4

(II) **Shareholders /Investors' Grievance Committee**

As on March 31, 2012, this Committee comprised of Mr. R. Nagarajan (Chairman) and Mr. N. S. Kumar. It approves the transfer and transmission of securities; issuance of duplicate share certificates, redressal of investors' grievances. It also suggests and monitors measures to improve investor relations.

During the year, there was no meeting of the Shareholders'/Investors' Grievance Committee as there were no complaints/grievances received from any shareholder of the Company. The Company Secretary acts as Secretary of the Committee. Ms. Prerna Mundada is the Compliance Officer of the Company.

(III) **Remuneration Committee**

As on March 31, 2012, this Committee comprised of Mr. R. Nagarajan (Chairman) and Mr. N.S. Kumar, all independent directors. The Company Secretary of the Company acts as the Secretary of this Committee. However, during the year, no meeting of the Remuneration Committee was held.

Remuneration paid to the Directors during the year 2011-12

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 Audit Committee @ ₹ 5,000 per meeting. *The Company does not have any employee stock option scheme in force.*

The details of sitting fees paid to the Directors are as follows:

Mr. Prasad V. Potluri	Nil
Mr. R. Nagarajan	₹ 50,000
Mr. N. S. Kumar	₹ 50,000

Details of equity shares of the Company held by Directors as on March 31, 2012

Director	*No. of shares @ ₹ 10 each*
Mr. Prasad V. Potluri	NIL
Mr. R. Nagarajan	NIL
Mr. N.S. Kumar	NIL

General Body Meetings

A. **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 & Time	Special resolutions passed
2008-09	Kamaraj Arangam, No.492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006	September 30, 2009 12:00 Noon	NIL
2009-10	Kamaraj Arangam, No.492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006	September 30, 2010 11:30 A.M.	NIL
2010 -11	Rani Seethai Hall, No. 603, Anna Salai, Chennai–600 006	September 28, 2011 11:30 A.M	NIL

B. **Extraordinary General Meetings**

During the year, there was one Extra-Ordinary General Meeting held on February 24, 2012 and approval of shareholders was obtained to increase the authorised share capital of the Company to ₹ 80 Crores and to make corresponding amendments in Articles of Association and Memorandum of Association for such increase.

C. **Postal Ballot**

During the year, there were no resolutions passed through Postal Ballot for obtaining approval of the shareholders through postal ballot.

Disclosures

(i) There were no materially significant 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. The Company's related party transactions are generally with its subsidiaries and associate companies. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, legal requirements and capital requirements of these subsidiaries and associate companies. All related party transactions are intended to further the business interests of the Company.

(ii) All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.

(iii) The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.

(iv) In terms of Clause 49(V) of the Listing Agreement, a Director and G.M.-Finance and Accounts made a certification 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.

(v) The Company has adopted an Insider Trading Code as per the model code prescribed under the SEBI (Insider Trading) Regulations as amended upto date. All Directors/designated employees are required to disclose related information periodically as defined in the Code. The Company Secretary has been designated as the Compliance Officer under the Code.

Means of Communication

The Company announced the quarterly/half-yearly/annual results within the prescribed period and published the same in Trinity Mirror (in English) and in Makkal Kural (in Tamil).

Annual Report containing inter-alia, Audited Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Management Discussion & Analysis Report and Corporate Governance Report including information for the Shareholders and other important information is circulated to the members and others entitled thereto.

General Shareholders Information

Registered Office	KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai-600031. Phone: +91-44-30285570, Fax:+91-44-30285571
Investor Helpline	Ms. Prerna Mundada, Company Secretary Picturehouse Media Limited KRM Centre, 9th Floor, Door No. 2, Harrington Road, Chetpet, Chennai-600031. Phone: +91-40-67309977, Fax:+91-40-67309988 *Email: ir.telephoto@pvpglobal.com*
Registrar and Transfer Agent	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
Date, place and time of Annual General Meeting	September 26, 2012 at 11.30 AM "Kamaraj Arangam", No.492, (Old No.574-A), Anna Salai, Teynampet, Chennai–600006
Date of Book Closure	September 17, 2012 to September 26, 2012 (both days inclusive)
Financial Calendar 2011-12	Adoption of Quarterly results for the quarter ending June, 2012 - August, 2012 September, 2012 - November, 2012 December, 2012 - February, 2013 March, 2013 - May, 2013

	Instead of publishing unaudited quarterly financial results for the last quarter, the Company may also opt to publish audited annual accounts by May 30, 2013.
Listing on Stock Exchanges at	The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited ('BSE').
Reuters code	Bombay Stock Exchange- 5

Stock Market data

Monthly high and low quotations, in Rupees, of the shares traded at BSE from April 2011 to March 2012 are as follows:

Month	**Bombay Stock Exchange**	
	Highest	Lowest
April 2011	18.70	12.36
May 2011	17.50	14.45
June 2011	18.25	15.00
July 2011	17.10	12.85
August 2011	14.57	9.41
September 2011	10.07	7.55
October 2011	9.24	6.66
November 2011	9.92	6.81
December 2011	16.65	8.30
January 2012	22.30	16.95
February 2012	32.50	22.70
March 2012	35.75	25.80

Distribution of Shareholding as at March 31, 2012

The distribution of shareholding as at March 31, 2012 was as follows:

No. of Equity shares held	**No. of shareholders**	**% of shareholders**	**No. of shares**	**% of shareholdings**
1-5000	4,610	91.63	3,090,840	0.59
5001-10000	174	3.46	1,366,810	0.26
10001-20000	91	1.81	1,354,800	0.87
20001-30000	47	0.93	1,203,330	0.23
30001-40000	18	0.36	649,470	0.12
40001-50000	18	0.36	840,740	0.16
50001-100000	29	0.58	2,202,490	0.42
100001-15495788	46	0.91	511,791,520	97.95
Total	5033	100.00	522,500,000	100.00

Corporate Governance Certificate

A Certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to the Directors' Report forming part of the Annual Report. This Certificate is also being forwarded to the Bombay Stock Exchange Limited.

Share Capital Audit

As stipulated by the Securities and Exchange Board of India, a qualified practicing Company Secretary carries out the Secretarial Audit, on a quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and physical with the total listed capital and paid-up capital. The audit, inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form and total number of shares in physical form.

Status as regards adoption/non-adoption of non-mandatory requirements under Clause 49

Provisions of non-mandatory requirements	Status
The Board (i) A non-executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not applicable as the Company has not appointed a Chairman.
(ii) Independent Directors may have a tenure not exceeding, in the aggregate, a period of nine years, on the Board of a company.	Not adopted
(iii) The company may ensure that the person who is being appointed as an independent director has the requisite qualifications and experience which would be of use to the company and which, in the opinion of the company, would enable him to contribute effectively to the company in his capacity as an independent director	All the Independent Directors have requisite qualifications and experience in their respective fields.
Remuneration Committee	Not adopted
Shareholder Rights A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders	Not adopted
Audit qualifications Company may move towards a regime of unqualified financial statements	Adopted
Training of Board Members	All Board members have requisite qualifications and experience in their respective fields. They are well aware of the business model of the Company as well as the risk profile.
Mechanism for evaluating non-executive Board Members	Not adopted
Whistle Blower Policy	Not adopted

Certification in terms of Clause 49(V) of the listing agreement

May 30, 2012

The Board of Directors
Picturehouse Media Limited
(formerly Telephoto Entertainments Limited)

Dear Sirs,

We, Prasad V. Potluri, Director and Mr. A. Praveen Kumar, GM-Finance and Accounts of Picturehouse Media Limited **("the Company")** certify to the Board, in terms of the requirement of Clause 49(V) of the listing agreement, that we have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2012 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 together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(iii) There are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct.

(iv) We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and the steps taken for or proposed to be taken for rectifying these deficiencies.

(v) We do further certify that during the year there has been:

  (a) no significant changes in internal controls during the year;

  (b) no significant changes in accounting policies during the year; and

  (c) no instances of significant fraud of which we have become aware.

Thanking you,

Yours truly,

Prasad V. Potluri
(Director)

A. Praveen Kumar
(GM-Finance & Accounts)

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, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of 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.

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.

On the basis of our review of the relevant records and documents furnished to us and the report on Corporate Governance as approved by the Board of Directors and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements. We also state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records of the Company.

V. Mahesh
Company Secretary in Practice
C.P.2473

Place: Chennai
Date: August 10, 2012

Management's Discussion and Analysis

Cautionery 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 realised. 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.

Indian Film Industry, review and future outlook

The Indian Film Industry, acknowledged as one of the fastest growing and the largest in the world, produces the maximum number of films every year across various Indian languages.

Overcoming the gloom that had set in during the economic slowdown of 2008-09, the Indian Media & Entertainment Industry bounced back in 2010 registering a growth of 11% as compared to a mere 1.4% in 2009. According to KPMG's Report on the Indian Media & Entertainment Industry, the Industry is estimated to achieve a growth of 13% in 2011 to touch INR 738 billion and with exciting times ahead, this sector is projected to grow a CAGR of 14% to reach INR 1,275 billion by 2015, while the Indian Film Industry is projected to grow at a CAGR of 9.6% to touch INR 133.5 billion in revenues by 2015.

Among the factors that drive the growth of this Industry other than governmental measures are Corporatisation, Multiplex Culture, Digital Cinemas, Overseas Market for Indian films, Emerging Technologies like Mobile Entertainment, Merchandising, In-film advertising etc., Interestingly, during the last 5 years, the Indian Film Industry witnessed the entry of leading Corporate Houses in all the 3 segments viz., Film Production, Distribution & Exhibition.

On the financing of films, IDBI took the lead way back in the year 2000 in extending financial assistance to film producers. Subsequently, Reserve Bank of India re-framed the lending norms for Film Financing and this paved the way for Commercial Banks to finance film production. Organised funding is more prevalent among Hindi Film Producers, while regional language film producers still thrive on traditional funding from Private Financiers.

Business Overview

Our Company's business activities are focussed in media & entertainment space and we have identified 'Media Financing' as our primary activity. Last year, we started funding production of feature films and to begin with, our initial focus has been in the Tamil and Telugu film industry, though our long-term objective is to be present across all Indian languages. We are exploring opportunities in the television segment as well.

Business Model

Our business model comprises of "Interest Model" and "Interest-cum-Profit Sharing Model". Under the "Interest-cum-Profit Sharing Model", our revenue comprises of the interest on the loan amount and a share in the Profits earned by the Producer of the films.

We work with a well-structured process-driven approach to ensure a high degree of professionalism and transparency at each stage. Our analysis to fund a movie starts with identifying the right Producer. We finance Producers who possess a good track record of producing films in terms of completing them within the budgeted cost and releasing them on time. Having convinced with the credentials of the Producer, we evaluate the viability of the project in terms of the marketability of the film. Various attributes like presence of leading cast & crew members in the film including the Hero, Director and the Music Director play a vital role in the saleability of the film. Our financial exposure is related to the budgeted cost of production and the tenure of the loan is linked to the targeted date of release given by the producer. Our rates of interest vary depending on the credentials of the Producer and the merits of the proposal.

For securing our interest and rights for funding a movie, as per the industry practice, we create a first charge on the negative of the movie. In certain cases, we also insist on the additional security of immovable properties and other assets as collateral.

Key Competence Drivers

De-risking the Business: The Film Industry over the decades has earned a dubious reputation of being unpredictable. We are working fervently to remove this stigma attached to the Industry and we see this as a great opportunity in building a solid base which will eventually position ourselves as a leading financier for the Indian Media & Entertainment Industry.

Though Film Financing is prone to risks, we follow prudent, transparent and professional business practices and take effective steps to mitigate risks to ensure that there are no 'Bad Accounts'.

We have a team of professionals who possess in- depth knowledge and experience in funding of movies coupled with vast experience in the Film Industry. Our selection of Producers to whom we lend is based on various parameters and our 100% success rate in this activity speaks for itself on our capabilities.

Our risk ends on receipt of full and final settlement of the principal and interest by the Producer and is not related to the success or failure of the film.

Corporate Structure: We have put in place a corporate structure for funding of movies, which has led to increased efficiency and greater transparency and has been achieved through adoption of our disciplined corporate practices.

Film Completion Guarantee: Since the repayment of our loan is linked to the completion of the timely completion of the film, as an additional measure to secure the repayment of the principal and interest, we are in the process of evaluating the feasibility of obtaining Film Completion Guarantees. We are in talks with leading Completion Guarantee Providers and will soon have this risk mitigation tool in place to safeguard our lending interests.

Future Plans

We aim to be a market leader and to be a 'One-Stop-Shop' for all financing needs across the Indian Media & Entertainment space. Acknowledged by the Tamil & Telugu Industry as a reputed Financier in terms of Professionalism, Transparency, Integrity & Ethics in a short span of time, we envisage a great opportunity in the Media Financing activity. During the coming years, we will strengthen our base in the South Indian Film industry.

Our Producer identification process has ensured us a 100% recovery rate in recovery and going forward, with the level of growth envisaged in the operations, we will review our lending norms on a continuous basis and adopt various risk mitigation measures to safeguard our exposure so as to maintain to maintain the same success rate.

Challenges

We face competition from existing private money lenders who have been present in the Industry for ages. Despite the transformation undergone by the Industry over the last few years, unorganised players continue to dominate this Industry, though the entry of Corporate Houses is changing the way the Industry used to operate. The entry of several listed entities to this Industry and their long-term plans to be present in the entire Media & Entertainment value chain has paved the need for organised funding.

In this Changing scenario, availability of organised funding will be the key growth driver and as one of the early entrants, we stand to gain substantially in this segment as compared to new players who take time to stabilise. Unorganised players including Traditional Private Money Lenders will continue to remain, but their presence will reduce drastically in the changed environment. We therefore do not envisage any challenges as such, though we will be operating in a 'Healthy & Competitive' environment and be a stable player.

Film Production

We also plan to be producer of films and our objective as a Production House is to produce films with 'Leading Artistes & Technicians'. Unlike most of the other film makers in the Country, we have a Corporate Structure that follows a structured methodology for film production. We hire the best talent available in the Industry and put together a 'winning combination' for each project to ensure that only quality films are produced by us.

Film Production activity involves Project Management, Financial Planning and developing relationships with Artistes & Technicians. The Company's Production Wing plans and executes the production activity, besides tracking the changing tastes and preferences of the audience.

Internal Control Systems and their Adequacy

Our Company has an appropriate internal control system for the business processes, with regard to the efficiency of operations, financial reporting, compliance with applicable laws and regulations. Our Internal Auditors conducts quarterly internal audits encompassing all processes of the Company like statutory compliances, payroll, purchase, fixed assets, etc. It also ensures adherence to policies and systems and mitigation of the operational risks perceived for each area under audit.

Discussion on Financial Performance

Reserves & Surplus

The Reserves & Surplus moved out of negative in the current year, As of 31st March 2012 it is at ₹4,34,30,634/=(Previous year at ₹4,18,28,427)

Fixed Assets

The Company, during the year, purchase fixed assets worth of ₹ 46,29,412. The net block of fixed assets after depreciation ₹ 47,06,704. (Excl Capital Work In progress of ₹6,31,815)

Investments

The Company, during the year, not made any investments.

Other Current Assets

Other Current Assets are Prepaid expenses and Advance of Income Tax of ₹ 2,84,31,419.

Results of Operations

The Company, during the year achieved a revenue of ₹ 46,44,84,699 on account of movie production and finance.

Total Administrative and other expenses stand at ₹ 2,81,06,715. An analysis of the various Administrative and other expenses is given below:

ADMINISTRATION AND OTHER EXPENSES	(in ₹)	% of total
Employee Cost	108,79,398	38.71%
Comntribution to Provident Fund and Other Funds	107,206	0.38%
Staff Welfare Expenses	334,528	1.19%
Rent	39,03,068	13.89%
Power & Fuel	437,551	1.56%
Printing & Stationery	370,869	1.32%
Communication Expenses	628,727	2.24%
Travelling & Conveyance	28,69,188	10.21%
Rates & Taxes	304,369	1.08%
Registration Charges	46,984	0.17%
Insurance	32,168	0.11%
Security Charges	200,765	0.71%
Investor Services	552,783	1.97%
Legal & Consultancy Charges	21,21,775	7.55%
Advertisement,publicity and sales promotion	9,60,223	3.42%
Repairs & Maintenance – Building	-	0.00%
Others	247,215	0.88%
Directors Sitting Fees	100,000	0.36%
Other Expenses	19,99,777	7.11%
Audit Fees – Audits	14,04,500	5.00%
- Other Services	605,620	2.15%
Total	**281,06,715**	**100.00%**

Interest & Finance charges represent an amount of ₹ 2,79,67,742 /- on the facility assigned from the parties.

For Members Use

Standalone Financial Statements and Notes

For Members Use

AUDITORS REPORT TO THE MEMBERS OF PICTUREHOUSE MEDIA LIMITED

To

The Shareholders
Picturehouse Media Limited
Chennai

1. We have audited the attached Balance Sheet of Picturehouse Media Limited as at 31st March 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed there to. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:

a) We have obtained all 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 such books;

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;

d) In our opinion the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt by this report, comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.

e) On the basis of written representation received from the Directors, and taken on records by the Board of Directors, we report that, none of the Directors are disqualified as on 31/03/2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f) Attention is drawn to the following material matters:

a) Note 12 in notes to the accounts with regard to the doubtful long term loans and advances given to Subsidiary Company of ₹ 452.11 lakhs and provision made for entire amount in earlier years. Note 14 in notes to the accounts with regard to the unsecured loans and advances to the Subsidiary Company ₹ 38.83 lakhs, the company has since recovered a sum of ₹18.29 lakhs and on the balance of ₹ 20.54 lakhs we are not expressing any opinion as to the recoverability or otherwise.

b) Note 12 and 14 in notes to the accounts with regard to the advances for film finance. In the absence of materials, we are unable to express any opinion with regard to the recoverability or otherwise, for a sum of ₹1029.98 lakhs included in these advances.

g) In our opinion and to the best of our information and according to the explanations given to us, *subject to the effect on the financial statement on the matters referred to in the preceding paragraph,* the said accounts read with the accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

i. In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March 2012,
ii. In the case of Statement of Profit and Loss, of the PROFIT of the Company for the year ended on that date; and
iii. In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **M/s CNGSN & ASSOCIATES**
CHARTERED ACCOUNTANTS

R.THIRUMALMARUGAN
PARTNER
Membership No.200102
Firm Registration No. 004915S

Place: Chennai
Date: 30th May, 2012

ANNEXURE TO AUDITORS REPORT

(Referred to in Paragraph 3 of our 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.

   c. As per the information and explanation provided to us, substantial part of fixed assets have not been disposed off during the year, which affects the going concern.

2. There are no inventory and hence the provision of clause 4 (ii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.

3. a. According to the information and explanations given to us, the Company has granted, unsecured loans to subsidiary company- PVP Cinema Pvt Ltd during earlier years, a party covered in the register maintained under section 301 of the Companies Act, 1956. It is informed that these advances are recoverable on demand. The outstanding as on the balance sheet date is ₹ 452.11 lakhs, shown as doubtful and provided for, and ₹ 38.83 lakhs shown as Unsecured. The rate of interest, terms and conditions of loans, receipt of principal and overdue amounts are not applicable.

   b. According to the information and explanations given to us, the Company has taken unsecured loans from a company covered in the register maintained under section 301 of the Act. The amount involved is ₹ 2800.14 lakhs which was immediately repaid in full with interest.

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. According to the information and explanations given to us, there are no contracts or arrangements entered into during this year which are required to be entered in the register maintained under section 301 of the Companies Act.

6. 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 58A, 58AA of the Act and any contravention of these provisions for the year under audit are not applicable.

7. The Company has an internal audit system to commensurate with its size and nature of its business.

8. As per the information and explanation given to us the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.

9. a. According to the information and explanation given to us, the Company is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Investor Education and Protection Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Cess, wherever applicable, except few delays in depositing TDS remittances. There are no undisputed Statutory outstanding dues as at the 31st March, 2012 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, Cess which have not been deposited on account of any dispute.

10. There are no accumulated loss of the Company as at the year end. The company has not incurred cash losses during the financial year covered by our audit and during immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not borrowed any money from financial institutions or banks or debenture holders during the year and default in repayment does not arise.

12. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the information and explanation given to us the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.

14. In our opinion and according to the information and explanation given to us the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.

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

16. In our opinion and according to the information and explanation given to us, the Company has not obtained any term loans during the year.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.

18. According to the information and explanation given to us the Company has made allotment of equity by conversion of preferences shares during the year to the parties covered in the register maintained under section 301 of the Act and the price at which these shares have been converted is not prejudicial to the interest of the company.

19. According to the information and explanation given to us, the Company has not issued any secured debentures during the year and creation of security for issue of debenture does not arise.

20. According to the information and explanation given to us, the Company has not raised money by public issue during the year and disclosure of end use of public issue does not arise.

21. 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.

For **M/s CNGSN & ASSOCIATES**
CHARTERED ACCOUNTANTS

R.THIRUMALMARUGAN
PARTNER
Membership No.200102
Firm Registration No. 004915S

Place: Chennai
Date: 30th May, 2012

Balance Sheet as at March 31, 2012

	Note No.	As at 31.03.2012		As at 31.03.2011	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	522,500,000		414,935,100	
(b) Reserves and Surplus	3	43,430,634		(41,828,427)	
(c) Money Received against Share warrants		-	565,930,634	15,017,350	388,124,023
(2) Share application money pending allotment		-		-	
(3) Non-current liabilities:					
(a) Long-term borrowings		-		-	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities	4	906,262	-		
(d) Long-term provisions	5	1,000,509	1,906,771	3,740,860	3,740,860
(4) Current liabilities:					
(a) Short-term borrowings	6	948,504,449	-		
(b) Trade payables	7	2,990,958		3,691,547	
(c) Other current liabilities	8	3,903,038		4,114,617	
(d) Short-term provisions	9	41,162,387	996,560,832	7,926,754	15,732,918
Total			1,564,398,237		407,597,801
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	10	4,706,704		282,689	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		631,815		-	
(iv) Intangible assets under developement		-		-	
(b) Non-current investments	11	-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	12	20,123,440		1,052,000	
(e) Other non-current assets		-	25,461,959	-	1,334,689
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables					
(d) Cash and cash equivalents	13	6,519,876		47,906,566	
(e) Short-term loans and advances	14	1,503,984,983		353,541,026	
(f) Other current assets	15	28,431,419	1,538,936,278	4,815,520	406,263,112
Total			1,564,398,237		407,597,801
See accompanying notes to the financial statements					

As per our Report of even date

For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary

Place : Chennai
Date : May 30, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

		Note No.	For the Year Ended 31.03.2012 ₹	For the Year Ended 31.03.2011 ₹
I	Revenue from operations	16	464,484,699	71,246,268
II	Other income	17	33,084	2,284
III	Total Revenue (I + II)		464,517,783	71,248,552
IV	Expenses:			
	a Cost of film production expenses	18	284,556,832	-
	b Purchases of Stock-in-Trade		-	-
	c Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
	d Employee benefit expenses	19	11,321,132	14,828,659
	e Finance costs		27,967,742	16,921,308
	f Depreciation and amortization expenses	10	205,397	13,153
	g Other expenses	20	16,785,582	11,141,931
	Total expenses		340,836,686	42,905,051
V	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		123,681,097	28,343,501
VI	Exceptional items	21	(2,718,994)	-
VII	Profit/(Loss) before extraordinary items and Interest tax (V - VI)		126,400,091	28,343,501
VIII	Extraordinary items		-	-
IX	Profit/(Loss) before tax (VII - VIII)		126,400,091	28,343,501
X	Tax expenses			
	(1) Current tax		41,141,030	7,926,754
	(2) Deferred tax		-	-
XI	Profit / (loss) for the year from continuing operations (IX -X)		85,259,061	20,416,747
XII	Profit / (loss) from discontinuing operations		-	-
XIII	Tax expenses of discontinuing operations		-	-
XIV	Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV	Profit / (loss) for the year (XI + XIV)		85,259,061	20,416,747
XVI	Earnings per share:			
	(1) Basic		4.45	3.30
	(2) Diluted		4.45	3.29

See accompanying notes to the financial statements

As per our Report of even date
For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary
Place : Chennai
Date : May 30, 2012

CASH FLOW STATEMENT for the year ended March 31, 2012 (Amount in ₹)

		31st March 2012	31st March 2011
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	126,400,091	28,343,501
	Adjustments for:		
	Depreciation	205,397	13,153
	Interest Received	(642)	(2,284)
	Interest paid	27,967,742	16,921,308
	Dividend Income	(32,442)	-
	Excess Provision Written Back	(2,718,994)	-
	Operating Profit Before Working Capital changes	151,821,152	45,275,678
	Adjustments for:		
	Increase/(Decrease) in Long Term Provisions	-	3,740,860
	Increase/(Decrease) in Trade payable	(700,589)	4,659,161
	Increase/(Decrease) in Current Liabilities	(211,579)	1,838,000
	(Increase)/Decrease in Long Term Loans & Advances	(19,071,440)	-
	(Increase)/Decrease in Short Term Loans & Advances	(1,150,443,957)	(353,541,026)
	(Increase)/Decrease in Other Current Assets	(23,615,899)	(1,052,000)
	Cash Generated from Operations	(1,042,222,312)	(299,079,327)
	Direct Taxes paid	(7,926,754)	(4,343,971)
	Net Cash from Operating Activities	(1,050,149,066)	(303,423,298)
B.	**CASH FROM INVESTING ACTIVITIES**		
	Interest Received	642	2,284
	Addition to Fixed Assets including WIP	(5,261,227)	(295,842)
	Dividend Income	32,442	-
	Net Cash used in Investing Activities	(5,228,143)	(293,558)
C.	**CASH FROM FINANCING ACTIVITIES**		
	Interest paid	(27,967,742)	(16,921,308)
	Issue of Equity Share Capital	92,547,550	368,586,340
	Proceeds from Short Term Borrowing	948,504,449	-
	Proceeds from Long Term Borrowings (Net)	906,262	(203,102)
Net Cash from Financing Activities		1,013,990,519	351,461,930
Net increase in cash and cash equivalents		(41,386,690)	47,745,074
Cash and cash equivalents at the beginning of the year		47,906,566	161,492
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		6,519,876	47,906,566

As per our Report of even date
For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary

Place : Chennai
Date : May 30, 2012

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note: 2 (A)	Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
	Authorised Share Capital		
	53000000(PY: 48000000) Equity Shares of ₹ 10/- each	530,000,000	480,000,000
	27000000(PY: 27000000) Preference Shares of ₹ 10/- each	270,000,000	270,000,000
		800,000,000	750,000,000
	Issued, Subscribed and Paid Up		
	52250000 (PY: 15495788) Equity Shares of ₹ 10/- each	522,500,000	154,957,880
	Nil (PY:25997722) 0% Fully Convertible Preference Shares of ₹ 10/- each	-	259,977,220
		522,500,000	414,935,100
(B)	Reconciliation of number of paid up shares outstanding		
	EQUITY SHARES		
	Number of shares outstanding as at the beginning of the year	15,495,788	6,136,611
	Add: Number of Shares allotted during the year	36,754,212	9,359,177
	Less: Number of Shares bought back	-	-
	Number of equity shares outstanding as at the end of the year	52,250,000	15,495,788
	PREFERENTIAL SHARES		
	Number of shares outstanding as at the beginning of the year	25,997,722	-
	Add: Number of Shares allotted during the year	-	25,997,722
	Less: Number of Shares converted in to equity	(25,997,722)	-
	Number of shares outstanding as at the end of the year	-	25,997,722

(C) Equity Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end 2012	% as at year end	No of shares at year end 2011	% as at year end
PVP Ventures Limited	3,353,114	6.42	3,353,114	21.64
Jhansi Sureddi	32,156,899	61.54	6,159,177	39.75
Rayudu Media Projects Private Limited	4,506,490	8.62	1,000,000	6.45
Sparrow Asia Diversified Opportunity Fund	4,750,000	9.09	-	-

(D) Preferential Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end 2012	% as at year end	No of shares at year end 2011	% as at year end
Jhansi Sureddi	-	-	25,997,722	100.00

(E) Pursuant to the approval of the shareholders and the FIPB, the Company allotted 47,50,000 warrants of ₹ 10 each to Sparrow Asia Diversified Opportunities Fund (earlier known as Sparrow India Diversified Opportunities Fund I), a sub-account of an FII. Each of the warrants were convertible, within 12 months, into One (1) equity share of ₹ 10 per share each in terms of SEBI ICDR Pricing guidelines. On February 25, 2012, the Company converted 2,59,97,722 Zero Percent Compulsorily Convertible Preference Shares and 1,07,56,490 Convertible Warrants and allotted 3,67,54,212 equity shares of ₹ 10/- each to the respective holders. Post such allotment, the Issued, subscribed and paid-up share capital of the Company increased to ₹ 52,25,00,000/- divided into 5,22,50,000 equity shares of ₹ 10 each fully paid up in cash.

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

Note: 3 RESERVES AND SURPLUS

	As at 31-3-2011	Additions during the year	Deductions during the year	As at 31-3-2012
Capital Reserve	2,287,500	-	-	2,287,500
Securities Premium Reserve	18,250,000	-	-	18,250,000
Surplus (P&L a/c) as under:	(62,365,927)	85,259,061	-	22,893,134
	(41,828,427)	85,259,061	-	43,430,634
Opening Balance	(82,782,674)			(62,365,927)
Profit / (Loss) for the year - From P & L	20,416,747	85,259,061	-	85,259,061
Less: Proposed dividends	-	-	-	-
Tax on distributed profits	-	-	-	-
Balance of Profit / (Loss)	(62,365,927)	85,259,061	-	22,893,134

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note-4	OTHER LONG TERM LIABILITIES		
	From Banks - Vehicle Loan	906,262	-
	The loans are secured by vehicle purchased on Hire Purchase.		
		906,262	-
Note-5	LONG TERM PROVISIONS		
	Employee Benefits	1,000,509	3,740,860
	(Refer Note No.22.2)		
		1,000,509	3,740,860
Note-6	SHORT TERM BORROWINGS		
	From other parties - Unsecured	948,504,449	-
		948,504,449	-

During the year the Company has borrowed unsecured short-term loans for the purpose of advancing of film production/film finance. All these borrowings are secured by way of charge on some of the advances to film production/finance and also personally guaranteed by Mr. Prasad V. Potluri, Director of the Company.

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note-7	TRADE PAYABLE		
	Sundry Creditors for services	2,990,958	3,691,547
		2,990,958	3,691,547
Note-8	OTHER CURRENT LIABILITIES		
	Income received in advance	1,167,390	2,985,390
	TDS Payable	2,735,648	1,129,227
		3,903,038	4,114,617
Note-9	SHORT TERM PROVISIONS		
	Provision for income tax	41,141,030	7,926,754
	Provision for employee benefits	21,357	
	(Refer Note No. 22.2)	41,162,387	7,926,754

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

Note-10 :FIXED ASSETS - TANGIBLE

(Amount in ₹)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 31st March, 2011	Addition	Deletion	As at 31st March, 2012	As at 31st March, 2011	Addition	Deletion	As at 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
Furniture & Fixtures		321,050		321,050		38,526		38,526	282,524	-
Vehicles		2,979,617		2,979,617		50,200		50,200	2,929,417	-
Office Equipments	295,842	1,328,745		1,624,587	13,153	116,671		129,824	1,494,763	282,689
	295,842	4,629,412	-	4,925,254	13,153	205,397	-	218,550	4,706,704	282,689

Note: Vehicle includes ₹ 10,41,000/- purchased on HP Scheme. The title to this vehicle is subject to HP agreement.

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note-11	NON CURRENT INVESTMENTS		
	Investment in equity instruments - Unquoted		
	(PVP Cinema Private Limited -		
	30,000 equity shares of ₹ 10/- each.)	300,000	300,000
	Less: Provision for diminution in value of investment	(300,000)	(300,000)
		-	-
Note-12	LONG TERM LOANS AND ADVANCES		
	Security Deposits - Considered Good	1,827,000	1,052,000
	Loans and advances for Film Finance	18,296,440	
	Loans and advances to related parties	45,211,000	45,211,000
	Considered doubtful (PVP Cinema Private Limited)		
		65,334,440	46,263,000
	Less: Provision for doubtful advances	45,211,000	45,211,000
		20,123,440	1,052,000
Note-13	CASH AND CASH EQUIVALENTS		
	Balance with banks	5,351,624	47,766,359
	Cash on hand	1,168,252	140,207
		6,519,876	47,906,566
Note-14	SHORT TERM LOANS AND ADVANCES		
	Secured - Considered Good		
	Advances for Film Finance	1,165,456,242	305,152,673
	Advances for Film Copy Rights	53,088,868	19,500,000
		1,218,545,110	324,652,673
	Unsecured - Considered Good		
	Loans and advances to related parties -		
	PVP Cinema Private Limited	3,883,812	-
	Advances for Film Production	182,720,463	28,721,675
	Advances for Film Finance	98,685,598	-
	Advances for Others	150,000	166,678
		285,439,873	28,888,353
		1,503,984,983	353,541,026
Note-15	OTHER CURRENT ASSETS		
	Advance Income Tax	28,343,580	4,815,520
	Prepaid Expenses	87,839	-
		28,431,419	4,815,520

NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2012

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Note-16	INCOME		
	Income from Movie Rights & Related Activities	464,484,699	71,246,268
		464,484,699	71,246,268
Note-17	OTHER INCOME		
	Interest income	642	2,284
	Dividend income	32,442	-
		33,084	2,284
Note-18	COST OF FILM PRODUCTION		
	Film Production Expenses	284,556,832	-
		284,556,832	-
Note-19	EMPLOYEE BENEFIT EXPENSES		
	Salaries and wages	10,879,398	14,463,888
	Contribution to PF and other funds	107,206	148,761
	Staff welfare expenes	334,528	216,010
		11,321,132	14,828,659
Note-20	OTHER EXPENSES		
	Rent	3,903,068	2,320,712
	Insurance	32,168	122,008
	Power and Fuel	437,551	222,335
	Printing & Stationery	370,869	241,069
	Communication Expenses	628,727	421,220
	Repairs to building	-	28,262
	Repairs to machinery	247,215	44,927
	Registration Charges	46,984	232,100
	Security Charges	200,765	158,102
	Rates & taxes	304,369	3,163,985
	Payment to statutory auditors		
	as auditors	1,404,500	661,800
	for tax audit	445,320	-
	for certification	160,300	137,875
	Directors Sitting Fees	100,000	110,000
	Legal, Professional and consultancy	2,121,775	474,938
	Advertisement, publicity and sales promotion	960,223	133,508
	Investor related expenses including Listing Fees	552,783	287,694
	Travelling Expenses including Conveyance	2,869,188	1,723,834
	Miscellaneous expenses	1,999,777	657,562
		16,785,582	11,141,931
Note-21	EXCEPTIONAL ITEMS		
	Provision No Longer Required for Employees Retirement Benefits (Refer Note No.22.2)	2,718,994	-
		2,718,994	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2012

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 (Accounting Standards) Rules, 2006 issued by the Central Government and the relevant provisions of the Companies Act, 1956, 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 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 also 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 XIV to the Companies Act, 1956, as amended.

1.5 Benefits to employees

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.

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.

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 Foreign Currency Transactions

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

1.8 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.

1.9 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 & loss statement 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.

1.10 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. The company does not have any borrowing cost during the current year.

1.11 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.

1.12 Cash Flow Statement

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

1.13 Segment Reporting

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

1.14 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.

1.15 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 22. OTHER ITEMS

22.1 Provision for Taxation and deferred tax

The provision for deferred tax asset/liability for the year ended March 31, 2012 has been made in accordance with AS-22 on Accounting for Taxes on Income. The deferred tax liability on amount of depreciation is ₹ 1,12,614 (2011: ₹ 23,084/-) and the deferred tax liabilities on account of timing differences with regard to gratuity and leave encashment provisions is ₹ 8,43,275 (2011: ₹12,13,772/-). On a conservative basis, the net deferred tax asset of ₹ 2,34,799 (2011: ₹ 11,90,688/-) has not been recognised as on March 31, 2012. .

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

22.2 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 March 31, 2012	Year ended March 31, 2011
Discount rates	8.65%	8.00%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	28 years	22 years

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

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present Value of Obligation at the beginning of the period	6,93,450	3,70,027
Current service cost	94,085	2,09,574
Interest cost	55,476	29,602
Actuarial loss/(gain)	(5,37,916)	1,12,816
Benefits paid	**Nil**	**(28,569)**
Present Value of obligation at the end of the period	**3,05,095**	**6,93,450**

Actuarial gain/loss recognised

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Actuarial (gain)/loss for the year		
Obligations	5,37,916	(1,12,816)
Assets	Nil	Nil
Total (gain)/loss for the year	(5,37,916)	1,12,816

Amounts recognized in the balance sheet

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present value of funded obligation	3,05,095	6,93,450
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	3,05,095	6,93,450

*****_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 & loss statement

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Current service cost	94,085	2,09,574
Interest cost	55,476	29,602
Actuarial (gain)/loss	(5,37,916)	1,12,816
Cost recognized	(3,88,355)	3,51,992

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 March 31, 2012	Year ended March 31, 2011
Discount rates	8.65%	8.00%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	28 years	22 years

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

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present Value of Obligation at the beginning of the year	30,47,410	21,97,218
Current service cost	(23,30,639)	8,50,182
Interest cost	2,43,793	1,75,777
Actuarial loss/(gain)	(2,43,793)	3,46,215
Benefits paid	Nil	(5,21,982)
Projected benefit obligation at the end of the period	**7,16,771**	**30,47,410**

Actuarial gain/loss recognised

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Actuarial (gain)/loss for the year		
Obligations	2,43,793	(3,46,215)
Assets	Nil	Nil
Total (gain)/loss for the year	(243793)	3,46,215

Amounts recognized in the balance sheet

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present value of funded obligation	7,16,771	30,47,410
Less: Fair value of assets	-	-
Net Liability / (Asset)	7,16,771	30,47,410

Expenses recognised in the profit & loss statement

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Current service cost	(23,30,639)	8,50,182
Interest cost	2,43,793	1,75,777
Actuarial (gain)/loss	(2,43,793)	3,46,215
Cost recognized	(23,30,639)	13,72,174

The Actuary has not furnished the data related to experience adjustment and estimate for the next year.

Defined contribution plans

In respect of the defined contribution plans, an amount of ₹ 1,07,206 (2011: ₹ 1,48,761) has been recognized in the Statement of Profit and Loss during the year.

22.3 The Company has entered into two operating lease agreements for its office premises and one of these agreements are binding on the Company upto May 17, 2013. In case the Company cancels the agreement any time before the end of the contracted period, security deposit of ₹ 10,52,000 shall not be refunded to the Company. The Other Lease agreement is binding for 11 months upto February 05, 2013 renewable after every 11 months till 33 months period. During the year, the Company also entered into a Hire purchase Agreement for purchase of a Vehicle.

The lease rentals paid during the year and the future lease obligations including HP repayment for the agreement in vogue as at March 31, 2012 are as follows:

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Due within 1 year from the Balance Sheet date	49,56,340	31,56,000
Due between 1 and 5 years	32,91,644	35,50,500
Due after 5 years	Nil	Nil
Lease rent paid during the year	39,03,068	23,20,712

22.4 On a conservative basis, the Company has, in earlier years, provided for the entire amount of investments and advances to its subsidiary company and the management does not expect any further provision on these investments and advances.

22.5 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 related party	Relation
PVP Cinema Private Limited (PCPL)	100% Subsidiary company
Mr. Prasad V Potluri	Key Managerial Personnel

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

Nature of transactions	Transactions for the year ended (in ₹)		Balance as at (in ₹)	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Loan Given to PCPL	3,77,52,532	68,87,674	490,94,812	4,52,11,000
Loan Adjusted with expenditure on production of a film by PCPL	(338,68,720)	Nil		
Provision for advances given to PCPL	Nil	NIL	4,52,11,000	4,52,11,000

22.6 Earnings per Share

Particulars	Ref	Year ended March 31, 2012	Year ended March 31, 2011
Profit after Tax (in ₹)	A	8,52,59,061	204,16,747
Number of equity shares outstanding	B	5,22,50,000	154,95,788
Weighted average number of Equity Shares outstanding	C	1,91,20,861	61,87,894
Number of weighted average shares outstanding including diluted potential equity shares	D	1,91,20,861	62,10,368
Earnings per share – Basic (In ₹)	A/C	4.45	3.30
Earnings per share – Diluted (In ₹)	A/D	4.45	3.29

22.7 Expenditure in Foreign Exchange

During the year the Company has incurred expenditure in foreign exchange of ₹ 52,74,227/- towards Film Production Expenses. (2011- Nil)

22.8 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.

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

22.10 The financial statements for the year ended March 31, 2012 have been prepared as per revised Schedule-VI of the Companies Act, 1956. Accordingly, the previous quarters/years figures have been regrouped/ rearranged wherever necessary to make it comparable with the current quarter/year.

As per our Report of even date

For **CNGSN & Associates**
Chartered Accountants
Firm.Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri Director	**R. Nagarajan** Director	**N.S. Kumar** Director
A. Praveen Kumar (GM-Finance & Accounts)	**Prerna Mundada** (Company Secretary)	

Place : Chennai
Date : May 30, 2012

Consolidated Financial Statements and Notes

For Members Use

Auditors' Report to the Board of Directors of Picturehouse Media Limited on the Consolidated Financial Statements of Pictuehouse Media Limited and its Subsidiary:

1. We have audited the attached Consolidated Balance Sheet of Picturehouse Media Limited as at 31st March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We report that, the Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, on Consolidated Financial Statements, and on the basis of the separate audited financial statements of Picturehouse Media Ltd and its subsidiary included in Consolidated Financial Statements.

4. *Attention is invited to the following material matters:*

   a. *Preparation of financial statements of the Subsidiary Company, PVP Cinema Private Limited on a going concern. Negative networth, no operational income for the year,* dependence on financial and administrative support from *holding company and other related factors indicate that existence of a material uncertainty that may cast significant doubt about the Subsidiary Company's ability to continue as a going concern.*

   b. *Note 11 in notes to the accounts, with regard to the doubtful long terms loans and advances and provision made in earlier years to ₹ 620 lakhs. In the absence of materials, we are unable to express any opinion on these doubtful advances and provisions made in the accounts.*

   c. *Note 11 and 13 in notes to the accounts with regard to the advances for film finance/ production. In the absence of materials, we are unable to express any opinion with regard to the recoverability or otherwise, for a sum of ₹ 1029.98 lakhs included in these advances.*

5. On the basis of information and explanations given to us, and on the consideration of the separate audit reports on individual audited financial statements of Picturehouse Media Limited and its subsidiary, *subject to the effect on the financial statements on the matters related to in the preceding paragraph*, we are of the opinion that the attached consolidated financial statement give a true and fair view in conformity with the accounting principles generally accepted in India :

   a. in the case of the Consolidated Balance Sheet, of the Consolidated State of Affairs of Picturehouse Media Ltd and its Subsidiary as at 31st March, 2012;

   b. in the case of the Consolidated Statement of Profit & Loss, of the PROFIT for the year ended on that date; and

   c. in the case of Consolidated Cash Flow, the Cash Flows for the year ended on that date.

For **M/s CNGSN & ASSOCIATES**
CHARTERED ACCOUNTANTS

R.THIRUMALMARUGAN
PARTNER
Membership No.200102
Firm Registration No. 004915S

Place : Chennai
Date: 30th May, 2012

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

	Notice No.	As at 31.03.2012		As at 31.03.2011	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	522,500,000		414,935,100	
(b) Reserves and Surplus	3	41,311,683		(43,798,395)	
(c) Money Received against Share warrants		-	563,811,683	15,017,350	386,154,055
(2) Share application money pending allotment		-		-	
(3) Non-current liabilities:					
(a) Long-term borrowings		-		-	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities	4	906,262		-	
(d) Long-term provisions	5	1,000,509	1,906,771	3,740,860	3,740,860
(4) Current liabilities:					
(a) Short-term borrowings	6	948,504,449		-	
(b) Trade payables	7	3,045,593		3,741,181	
(c) Other current liabilities	8	3,975,053		4,121,507	
(d) Short-term provisions	9	41,162,387	996,687,482	7,926,754	15,789,442
Total			1,562,405,936		405,684,357
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	10	4,706,704		282,689	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		631,815		-	
(iv) Intangible assets under developemnt		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	11	20,123,441		1,052,000	
(e) Other non-current assets		-	25,461,960	-	1,334,689
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables					
(d) Cash and cash equivalents	12	8,403,621		47,916,554	
(e) Short-term loans and advances	13	1,500,101,171		351,609,829	
(f) Other Current Assets	14	28,439,184	1,536,943,976	4,823,285	404,349,668
Total			1,562,405,936		405,684,357
See accompanying notes to the financial statements					

As per our Report of even date

For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary

Place : Chennai
Date : May 30, 2012

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

		Note No.	For the Year Ended 31.03.2012 ₹	For the Year Ended 31.03.2011 ₹
I	Revenue from operations	15	464,484,699	71,246,268
II	Other income	16	33,084	2,284
III	Total Revenue (I + II)		464,517,783	71,248,552
IV	Expenses:			
	a Cost of film production expenses	17	284,556,832	-
	b Purchases of Stock-in-Trade		-	-
	c Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
	d Employee benefit expenses	18	11,321,132	14,828,659
	e Finance costs		27,967,742	16,921,308
	f Depreciation and amortization expenses	10	205,397	13,153
	g Other expenses	19	16,934,566	11,221,257
	Total expenses		340,985,669	42,984,377
V	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		123,532,114	28,264,175
VI	Exceptional items	20	(2,718,994)	(21,064)
VII	Profit/(Loss) before extraordinary items and tax (V - VI)		126,251,108	28,285,239
VIII	Extraordinary items		-	-
IX	Profit/(Loss) before tax (VII - VIII)		126,251,108	28,285,239
X	Tax expenses			
	(1) Current tax		41,141,030	7,926,754
	(2) Deferred tax		-	-
XI	Profit / (loss) for the year from continuing operations (IX -X)		85,110,078	20,358,485
XII	Profit / (loss) from discontinuing operations		-	-
XIII	Tax expenses of discontinuing operations		-	-
XIV	Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV	Profit / (loss) for the year (XI + XIV)		85,110,078	20,358,485
XVI	Earnings per share:			
	(1) Basic		4.45	3.29
	(2) Diluted		4.45	3.28

See accompanying notes to the financial statements

As per our Report of even date
For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary
Place : Chennai
Date : May 30, 2012

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2012 (Amount in ₹)

	Year Ended 31st March 2012	Year Ended 31st March 2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	126,251,108	28,285,239
Adjustments for:		
Depreciation	205,397	13,153
Interest Received	(642)	(2,284)
Interest paid	27,967,742	16,921,308
Dividend Income	(32,442)	-
Excess Provision Written Back	(2,718,994)	(21,064)
Operating Profit Before Working Capital changes	151,672,169	45,196,352
Adjustments for:		
Increase/(Decrease) in Long Term Provisions	-	3,740,860
Increase/(Decrease) in Trade payables	(695,588)	4,659,161
Increase/(Decrease) in Other Current Liabilities	(146,454)	1,836,036
(Increase)/Decrease in Long Term Loans & Advances	(19,071,441)	(1,052,000)
(Increase)/Decrease in Short Term Loans & Advances	(1,148,491,342)	(351,609,828)
(Increase)/Decrease in Other Current Assets	(23,615,899)	-
Cash Generated from Operations	(1,040,348,555)	(297,229,419)
Direct Taxes paid	(7,926,754)	(4,343,971)
Net Cash from Operating Activities	(1,048,275,309)	(301,573,390)
B. CASH FROM INVESTING ACTIVITIES		
Interest Received	642	2,284
Purchase/addition to Fixed Assets	(5,261,227)	(295,844)
Dividend Income	32,442	-
Net Cash used in Investing Activities	(5,228,143)	(293,560)
C. CASH FROM FINANCING ACTIVITIES		
Interest paid	(27,967,742)	(16,921,308)
Issue of Equity Share Capital	92,547,550	368,586,340
Proceeds from Short Term Borrowing	948,504,449	-
Proceeds from Other Long Term Liabilities	906,262	(2,326,342)
Net Cash from Financing Activities	1,013,990,519	349,338,690
Net increase in cash and cash equivalents	(39,512,933)	47,471,739
Cash and cash equivalents at the beginning of the year	47,916,554	444,815
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8,403,621	47,916,554

As per our Report of even date

For **M/s CNGSN & ASSOCIATES**
Chartered Accountants
Firm Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri
Director

R. Nagarajan
Director

N.S. Kumar
Director

A. Praveen Kumar
GM - Finance & Accounts

Prerna Mundada
Company Secretary

Place : Chennai
Date : May 30, 2012

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note: 2 (A)	Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
	Authorised Share Capital		
	53000000(PY: 48000000) Equity Shares of ₹ 10/- each	530,000,000	480,000,000
	27000000(PY: 27000000) Preference Shares of ₹ 10/- each	270,000,000	270,000,000
		800,000,000	750,000,000
	Issued, Subscribed and Paid Up		
	52250000 (PY: 15495788) Equity Shares of ₹ 10/- each	522,500,000	154,957,880
	Nil (PY:2,59,97,722) 0% Fully Convertible Preference Shares of ₹ 10/- each	-	259,977,220
		522,500,000	414,935,100
(B)	Reconciliation of number of paid up shares outstanding		
	EQUITY SHARES		
	Number of shares outstanding as at the beginning of the year	15,495,788	6,136,611
	Add: Number of Shares allotted during the year	36,754,212	9,359,177
	Less: Number of Shares bought back	-	-
	Number of equity shares outstanding as at the end of the year	52,250,000	15,495,788
	PREFERENTIAL SHARES		
	Number of shares outstanding as at the beginning of the year	25,997,722	-
	Add: Number of Shares allotted during the year	-	25,997,722
	Less: Number of Shares converted in to equity	(25,997,722)	-
	Number of shares outstanding as at the end of the year	-	25,997,722

(C) Equity Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end 2012	% as at year end	No of shares at year end 2011	% as at year end
PVP Ventures Limited	3,353,114	6.42	3,353,114	21.64
Jhansi Sureddi	32,156,899	61.54	6,159,177	39.75
Rayudu Media Projects Private Limited	4,506,490	8.62	1,000,000	6.45
Sparrow Asia Diversified Opportunity Fund	4,750,000	9.09	-	-

(D) Preferential Shares in the company held by each shareholder holding more than 5%:

Name of shareholder	No of shares at year end 2012	% as at year end	No of shares at year end 2011	% as at year end
Jhansi Sureddi	-	-	25,997,722	100.00

(E) During the year, the Holding Company pursuant to the approval of FIPB, allotted 47,50,000 warrants of ₹ 10 each to Sparrow Asia Diversified Opportunities Fund (earlier known as Sparrow India Diversified Opportunities Fund I), a sub-account of an FII. Each of the warrants were convertible, within 12 months, into One (1) equity share of ₹ 10 per share each in terms of SEBI ICDR Pricing guidelines. On February 25, 2012, the Company converted 2,59,97,722 Zero Percent Compulsorily Convertible Preference Shares and 1,07,56,490 Convertible Warrants and allotted 3,67,54,212 equity shares of ₹ 10/- each to the respective holders. Post such allotment, the Issued, subscribed and paid-up share capital of the Company increased to ₹ 52,25,00,000/- divided into 5,22,50,000 equity shares of ₹ 10 each fully paid up in cash.

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

Note: 3 RESERVES AND SURPLUS

Name of shareholder	As at 31-3-2011	Additions during the year	Deductions during the year	As at 31-3-2012
Capital Reserve	2,287,500	-	-	2,287,500
Securities Premium Reserve	18,250,000	-	-	18,250,000
Surplus (P&L a/c) as under:	(64,335,895)	85,110,078	-	20,774,183
	(43,798,395)	85,110,078	-	41,311,683
Opening Balance	(84,694,380)			(64,335,895)
Profit / (Loss) for the year - From P & L	20,358,485	85,110,078	-	85,110,078
Less: Proposed dividends	-	-	-	-
Tax on distributed profits	-	-	-	-
Balance of Profit / (Loss)	(64,335,895)	85,110,078	-	20,774,183

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note-4	OTHER LONG TERM LIABILITIES		
	From Banks - Vehicle Loan	906,262	-
	The loans are secured by vehicle purchased on Hire Purchase.		
		906,262	-
Note-5	LONG TERM PROVISIONS		
	Employee Benefits	1,000,509	3,740,860
	(Refer Note No.21.2)		
		1,000,509	3,740,860
Note-6	SHORT TERM BORROWINGS		
	From other parties - Unsecured	948,504,449	-
		948,504,449	-

The Holding Company has borrowed unsecured short term loans for the purpose of advancing of film production/ film finance. All these borrowings are secured by way of charge on some of the advances to film production/ finance and also personally guaranteed by Mr. Prasad V. Potluri, Director of the Company.

Note-7	TRADE PAYABLE		
	Sundry Creditors for services	3,045,593	3,741,181
		3,045,593	3,741,181
Note-8	OTHER CURRENT LIABILITIES		
	Income received in advance	1,167,390	2,985,390
	TDS Payable	2,807,663	1,136,117
		3,975,053	4,121,507
Note-9	SHORT TERM PROVISIONS		
	Provision for income tax	41,141,030	7,926,754
	Provision for employee benefits	21,357	-
	(Refer Note No. 21.2)	41,162,387	7,926,754

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

Note-10 :FIXED ASSETS - TANGIBLE

(Amount in ₹)

Description	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 31st March, 2011	Addition	Deletion	As at 31st March, 2012	As at 31st March, 2011	Addition	Deletion	As at 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
Furniture & Fixtures		321,050		321,050		38,526		38,526	282,524	-
Vehicles		2,979,617		2,979,617		50,200		50,200	2,929,417	-
Office Equipments	295,842	1,328,745		1,624,587	13,153	116,671		129,824	1,494,763	282,689
	295,842	4,629,412	-	4,925,254	13,153	205,397	-	218,550	4,706,704	282,689

Note: Vehicle includes ₹ 10,41,000/- purchased on HP Scheme. The title to this vehicle is subject to HP agreement.

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2012

		As at 31.03.2012 ₹	As at 31.03.2011 ₹
Note-11	LONG TERM LOANS AND ADVANCES		
	Security Deposits - Considered Good	1,827,000	1,052,000
	Loans and advances - Considered doubtful	62,000,000	62,000,000
	Loans and advances for Film Finance	18,296,441	-
		82,123,441	63,052,000
	Less: Provision for doubtful advances	62,000,000	62,000,000
		20,123,441	1,052,000
Note-12	CASH AND CASH EQUIVALENTS		
	Balance with banks	7,181,010	47,776,347
	Cash on hand	1,222,611	140,207
		8,403,621	47,916,554
Note-13	SHORT TERM LOANS AND ADVANCES		
	Secured - Considered Good		
	Advances for Film Finance	1,165,456,240	278,653,073
	Advances for Film Copy Rights	53,088,868	19,500,000
		1,218,545,108	298,153,073
	Unsecured - Considered Good		
	Advances for Film Production	182,720,464	26,790,477
	Advances for Film Finance	98,685,599	26,499,601
	Advances for Others	150,000	166,678
		281,556,063	53,456,756
		1,500,101,171	351,609,829
Note-14	OTHER CURRENT ASSETS		
	Advance Income Tax	28,351,345	4,823,285
	Prepaid Expenses	87,839	-
		28,439,184	4,823,285

NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2012

		For the year ended 31.03.2012 ₹	For the year ended 31.03.2011 ₹
Note-15	INCOME		
	Income from Movie Rights & Related Activities	464,484,699	71,246,268
		464,484,699	71,246,268
Note-16	OTHER INCOME		
	Interest income	642	2,284
	Dividend income	32,442	-
		33,084	2,284
Note-17	COST OF FILM PRODUCTION		
	Film Production Expenses	284,556,832	-
		284,556,832	-
Note-18	EMPLOYEE BENEFIT EXPENSES		
	Salaries and wages	10,879,398	14,463,888
	Contribution to PF and other funds	107,206	148,761
	Staff welfare expenes	334,528	216,010
		11,321,132	14,828,659
Note-19	OTHER EXPENSES		
	Rent	3,903,068	2,320,712
	Insurance	32,168	122,008
	Power and Fuel	437,551	222,335
	Printing & Stationery	370,869	241,069
	Communication Expenses	628,727	421,220
	Repairs to building	-	28,262
	Repairs to machinery	247,215	44,927
	Registration Charges	46,984	232,100
	Security Charges	200,765	158,102
	Rates & taxes	305,669	3,163,985
	Payment to statutory auditors		
	as auditors	1,459,650	716,950
	for tax audit	445,320	-
	for certification	160,300	137,875
	Directors Sitting Fees	100,000	110,000
	Legal, Professional and consultancy	2,208,885	496,143
	Advertisement, publicity and sales promotion	960,223	133,508
	Investor related expenses including Listing Fees	552,783	287,694
	Travelling Expenses including Conveyance	2,869,188	1,723,834
	Miscellaneous expenses	2,005,201	660,533
		16,934,566	11,221,257
Note-20	EXCEPTIONAL ITEMS		
	Provision No Longer Required for Employees Retirement Benefits (Refer Note No.21.2)	2,718,994	-
	Liabilities Written back	-	21,064
		2,718,994	21,064

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2012

Note 1 Significant Accounting Policies

1.1 Basis of preparation of financial statements

(A) The financial statements of the Group have been prepared under the historical cost convention in accordance with the Accounting standards specified by Companies (Accounting Standards) Rules, 2006 issued by the Central Government and the relevant provisions of the Companies Act, 1956, 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 actual results could differ from those estimates. Examples of such estimates include future obligations under employee retirement benefit plans and the useful life of the fixed assets.

(C) Principles of Consolidation: The Group's consolidated financial statements include those of Picturehouse Media Limited (formerly Telephoto Entertainments Limited) and PVP Cinema Private Limited (Formerly PVP Screens Private Limited), its 100% Subsidiary. All significant inter-company transactions and balances have been eliminated in the consolidated statements.

(D) List of subsidiaries & 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)

1.2 Revenue Recognition

Interest income is recognized on time proportionate basis. Income earned on licensing the copyrights is also 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 XIV to the Companies Act, 1956, as amended. Expenditure on maintenance, repairs and renewals of minor items are generally charged to revenue as incurred. Upon sale or write off of assets, the cost of the assets and the accumulated depreciation on such assets are eliminated from the Fixed Assets block. The profit / loss on sale of assets are included in the earnings statement.

1.5 Benefits to employees

Gratuity

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

Leave Encashment

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

Other Benefit Plans

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

1.6 Foreign Currency Transactions

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

1.7 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.

1.8 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 & 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.

1.9 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. The company does not have any borrowing cost during the current year.

1.10 Segment Reporting

The Holding Company, Picturehouse Media Limited *(formerly Telephoto Entertainments Limited)* operates only in entertainment segment, whereas PVP Cinema Private Limited *(formerly PVP Screens Private Limited),* the subsidiary, did not have any commercial activity during the year. Hence segment reporting for this year is not applicable.

1.11 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.

1.12 Cash Flow Statement

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

1.13 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.

1.14 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 21. OTHER ITEMS

21.1 Provision for taxation

The provision for deferred tax asset/liability for the year ended March 31, 2012 has been made in accordance with AS-22 on Accounting for Taxes on Income. The deferred tax liability on amount of depreciation is ₹ 1,42,670 (2011: ₹ 23,084) and the deferred tax asset on account of timing differences with regard to gratuity and leave encashment provisions is ₹ 3,39,438 (2011: ₹ 12,13,772). On a conservative basis, the net deferred tax asset of ₹ 1,96,769 (2011: ₹ 11,90,688) has not been recognised as on March 31, 2012.

The Provision for Tax has been made as per the provisions of the Income Tax Act, 1961 considering the brought forward losses for set off.

21.2 Employee Benefits

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

Principal Actuarial assumptions used

	Year ended March 31, 2012	Year ended March 31, 2011
Discount rates	8.65%	8.00%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	28 years	22 years

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

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present Value of Obligation at the beginning of the period	6,93,450	3,70,027
Current service cost	94,085	2,09,574
Interest cost	55,476	29,602
Actuarial loss/(gain)	(5,37,916)	1,12,816
Benefits paid	Nil	(28,569)
Present Value of obligation at the end of the period	**3,05,095**	**6,93,450**

Actuarial gain/loss recognised

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Obligations	5,37,916	(1,12,816)
Assets	Nil	Nil
Total Actuarial (gain)/loss for the year	(5,37,916)	1,12,816

Amounts recognized in the balance sheet

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Present value of funded obligation	3,05,095	6,93,450
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	3,05,095	6,93,450

*****_The Group 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 & loss statement

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Current service cost	94,085	2,09,574
Interest cost	55,476	29,602
Actuarial (gain)/loss	(5,37,916)	1,12,816
Cost recognized	(3,88,355)	3,51,992

Expenses recognised in the profit & loss statement

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Current service cost	(23,30,639)	8,50,182
Interest cost	2,43,793	1,75,777
Actuarial (gain)/loss	(2,43,793)	3,46,215
Cost recognized	(23,30,639)	13,72,174

The Actuary has not furnished the data related to experience adjustment and estimate for the next year.

Defined contribution plans

In respect of the defined contribution plans, an amount of ₹ 1,07,206 (2011: ₹ 1,48,761) has been recognized in the Statement of Profit and Loss during the year.

21.3 The Group has entered into two operating lease agreements for its office premises and one of these agreements is binding on the Group upto May 17, 2013. In case the Company cancels the agreement any time before the end of the contracted period, security deposit of ₹ 10,52,000 shall not be refunded to the Group. The Other Lease agreement is binding for 11 months upto Feburary 05, 2013 renewable after every 11 months till 33 months period. During the year, the Company has also entered into a Hire purchase Agreement for purchase of a Vehicle.

The lease rentals paid during the year and the future lease obligations including HP repayment for the agreement in vogue as at March 31, 2012 are as follows:

	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Due within 1 year from the Balance Sheet date	49,56,340	31,56,000
Due between 1 and 5 years	32,91,644	35,50,500
Due after 5 years	Nil	Nil
Lease rent paid during the year	39,03,068	23,20,712

21.4 Expenditure in Foreign Exchange

During the year the Holding Company has incurred expenditure in foreign exchange of ₹ 52,74,227/- towards Film Production Expenses. (2011- Nil)

21.5 Earnings per Share

Particulars	Ref	Year ended March 31, 2012 (in ₹)	Year ended March 31, 2011 (in ₹)
Profit after Tax (in ₹)	A	8,51,10,078	2,03,58,485
Number of shares outstanding	B	5,22,50,000	154,95,788
Weighted average number of Equity Shares outstanding	C	1,91,20,861	61,87,894
Weighted average number of shares outstanding including diluted potential equity shares	D	1,91,20,861	62,10,368
Earnings per share – Basic (In ₹)	A/C	4.45	3.29
Earnings per share – Diluted (In ₹)	A/D	4.45	3.28

21.6 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, 2011.

21.7 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.

21.8 Contingent Liabilities

The Income tax assessment for the AY 2009-10 for the subsidiary company, PVP Cinema Limited is completed with a demand of ₹ 146.69 lakhs, which was disputed before CIT (Appeals), Chennai.

21.9 The financial statements for the year ended March 31, 2012 have been prepared as per revised Schedule-VI of the Companies Act, 1956. Accordingly, the previous quarters/years figures have been regrouped/rearranged wherever necessary to make it comparable with the current quarter/year.

As per our Report of even date
For **CNGSN & Associates**
Chartered Accountants
Firm.Reg.No. 004915S

R. Thirumalmarugan
Partner
Membership No : 200102

Place : Chennai
Date : May 30, 2012

For and on behalf of the Board of Directors

Prasad V. Potluri	**R. Nagarajan**	**N.S. Kumar**
Director	Director	Director
A. Praveen Kumar	**Prerna Mundada**	
(GM-Finance & Accounts)	(Company Secretary)	

Place : Chennai
Date : May 30, 2012

For Members Use