

B S R & Co. LLP

Chartered Accountants

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Private and Confidential

The Board of Directors
PVR Limited
Block A, 4th Floor, Building No. 9A,
DLF Cyber City, Phase III,
Gurugram – 122002 (Haryana)

Date: 11 August 2018

Dear Sir(s)

Independent Auditor's Report on the proposed accounting treatment specified in the Scheme of Amalgamation in pursuance of the provisions of Section 230-232 of the Companies Act, 2013 (the 'Act')

1. This certificate is issued in accordance with the terms of our engagement letter dated 06 August 2018.
2. PVR Limited ("PVR" or "the Transferee Company"), and SPI Cinemas Private Limited ("SPI" or "the Transferor Company"), and their respective shareholders and creditors under Sections 230 -232 of the Act have entered into a proposed Scheme of Arrangement ("proposed Scheme") providing, inter-alia, for amalgamation of SPI into PVR as per the terms of the proposed Scheme. The proposed Scheme is subject to approval of the respective Shareholders, Creditors, National Company Law Tribunal and Statutory and Regulatory Authorities, as applicable.
3. We, the statutory auditors of PVR have examined the proposed accounting treatment as specified in Clause 6 of the proposed Scheme approved by the Board of Directors of the Company on 12 August 2018 and as reproduced in Annexure 1 to this Report, with reference to its compliance with the applicable Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India.

Management's Responsibility

4. The responsibility for preparation of the proposed Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards read with rules made thereunder and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Companies involved.

Auditor's Responsibility

5. Our responsibility is to examine and report whether the proposed accounting treatment referred to in Clause 6 of the proposed Scheme and as reproduced in Annexure 1 to this Report complies with the applicable Accounting Standards and accounting principles generally accepted in India. Nothing contained in this Report, nor anything said or done in the course of, or in connection with the services that are subject to this Report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

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6. We conducted our examination of the proposed accounting treatment in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this Report. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Proposed Scheme.

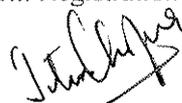
Opinion

8. The proposed accounting treatment with regard to in the aforesaid proposed Scheme and as reproduced in Annexure 1 to this report, is in conformity with Ind AS 103 “Business Combination”, as specified under Section 133 of the Act read with rules framed thereunder.

Restriction on Use

9. This certificate is issued at the specific request of the Board of directors of the Company solely for the purpose of their record to comply with the relevant provisions of the Act and for onward submission to the relevant statutory authorities as may be necessary to give effect to the Proposed Scheme and is not to be filed anywhere or used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 11 August 2018

ANNEXURE 1

EXTRACT FROM THE SCHEME OF AMALGAMATION
BETWEEN
PVR LIMITED
AND
SPI CINEMAS PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

6. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary in this Scheme, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of account as per the 'Acquisition Method' provided in Indian Accounting Standard 103 "Business Combinations", prescribed under Section 133 of the Companies Act, 2013.

For PVR Limited



Nitin Sood
Chief Financial Officer



K.S. RAO & Co

CHARTERED ACCOUNTANTS

STATUTORY AUDITORS' CERTIFICATE

The Board of Directors
SPI Cinemas Private Limited
5th Floor, No.25, Mamatha Complex,
Whites Road, Chennai-600014

10th August, 2018

1. We, K S Rao & Co, Chartered Accountants (Firm registration No. 003109S), the Statutory Auditors of SPI Cinemas Private Limited ("the Company" or "Transferor Company"), have examined the proposed accounting treatment specified in Clause 6 in the Scheme of Amalgamation (hereinafter referred as 'the Scheme') between the Company and PVR Limited and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles in India. Clause 6 of the Scheme is reproduced in Annexure 1 to this Certificate and is initialled by us only for the purposes of identification.

Auditor's responsibility

2. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 6 of the Scheme comply with the applicable Accounting Standards, and Other Generally Accepted Accounting Principles in India. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity as statutory auditors of any financial statements of the Company.

Opinion

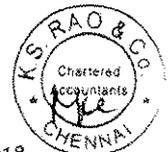
3. Based on our examination and according to the information and explanations given to us, we are of the opinion that the accounting treatment contained in Clause 6 of the Scheme for the proposed Amalgamation of SPI Cinemas Private Limited with PVR Limited is in compliance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under, and other generally accepted accounting principles in India, as applicable.

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Restriction on use

4. This certificate is issued at the request of the Company, for onward submission by the Company to the National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Chennai

Date: 10th August, 2018

For K S Rao & Co.
Chartered Accountants
Firm Regn No. 0031095

M Krishna Chaithanya

M Krishna Chaithanya
Partner
Membership No. 231282



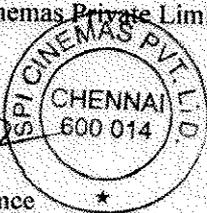
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BETWEEN
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AND
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AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

6. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary in this Scheme, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of account as per the 'Acquisition Method' provided in Indian Accounting Standard 103 "Business Combinations", prescribed under Section 133 of the Companies Act, 2013.

For SPI Cinemas Private Limited



Head- Finance
S. Madhavan

