IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.

THIS OFFERING OF THE SECURITIES DESCRIBED IN THE ATTACHED PLACEMENT DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER REGULATION 2(1)(SS) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ("SEBI ICDR REGULATIONS").

IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing. The following applies to the pre-numbered placement document of PVR Limited (the "**Company**") dated October 29, 2019 in relation to the proposed qualified institutions placement of equity shares by the Company filed with BSE Limited and National Stock Exchange of India Limited (the "**Placement Document**") attached to this e-mail, and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached Placement Document. In accessing the Placement Document, you agree to be bound by the following terms and conditions, including any modifications to them, from time to time, each time you receive any information from us as a result of such access. The information in the Placement Document is confidential and subject to updating, completion, revision, verification, amendment and change without notice. You agree and acknowledge that, none of the Company, Kotak Mahindra Capital Company Limited and CLSA India Private Limited (the "**Book Running Lead Managers**") or any person who controls them or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Placement Document or their respective contents or otherwise arising in connection therewith. **You acknowledge that the Placement Document is intended for use by you only and you agree not to forward it to any other person, internal or external to your company, in whole or in part, or otherwise provide access via e-mail or otherwise to any other person.**

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE EQUITY SHARES OF THE COMPANY HAVE NOT BEEN NOR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS.

ACCORDINGLY, THE EQUITY SHARES OF THE COMPANY ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN 'OFFSHORE TRANSACTIONS' (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**")) IN RELIANCE ON REGULATION S AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES ARE MADE. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF THE EQUITY SHARES OF THE COMPANY AND DISTRIBUTION OF THE ATTACHED PLACEMENT DOCUMENT, SEE "SELLING RESTRICTIONS", "NOTICE TO INVESTORS", AND "TRANSFER RESTRICTIONS". THE ATTACHED PRE NUMBERED PLACEMENT DOCUMENT MAY NOT BE FORWARDED, DOWNLOADED, DELIVERED OR DISTRIBUTED, IN WHOLE OR IN PART, ELECTRONICALLY OR OTHERWISE TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY

MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE EQUITY SHARES OF THE COMPANY DESCRIBED IN THE ATTACHED PLACEMENT DOCUMENT.

This Issue and the distribution of this Placement Document is being done in reliance on Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, as amended and the rules made thereunder. This Placement Document is personal to each prospective investor and does not constitute an offer or invitation or solicitation of an offer to the public or to any other person or class of investors.

Confirmation of your Representation: You are accessing the attached Placement Document on the basis that you have confirmed your representation, agreement and acknowledgement to Book Running Lead Managers that: (1) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions and to the extent that you purchase the securities described in the attached Placement Document, you will be doing so pursuant to Regulation S; (2) the securities offered hereby have not been registered under the Securities Act; (3) that you consent to delivery of the attached Placement Document and any amendments or supplements thereto by electronic transmission.; (4) you are a "Qualified Institutional Buyer" as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not restricted from participating in the offering under the SEBI Regulations and other applicable laws and not excluded pursuant to Regulations 179(2)(b) of the SEBI ICDR Regulations; (5) you are aware that your name has been included in the Placement Document as proposed allottees along with the number of Equity Shares proposed to be Allotted to you and the percentage of your post issue shareholding in the Company and you consent to such disclosure; (6) you are aware that if you, together with any other Qualified Institutional Buyers belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, the Company shall be required to disclose your name, along with the name of such other Allottees and the number of Equity Shares Allotted to you and to such other Allottees, on the website of the Stock Exchanges, and you consent to such disclosure; (7) you are aware that if you are circulated the Placement Document or are Allotted any Equity Shares in the Issue, the Company is required to disclose details such as your name, address, PAN, email-id and the number of Equity Shares Allotted along with other relevant information as may be required, to the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi and you consent to such disclosures; and (8) that you consent to delivery of the attached Placement Document and any amendments or supplements thereto by electronic transmission.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or the Book Running Lead Managers to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S) in the United States or elsewhere. You are reminded that the attached Placement Document has been delivered to you on the basis that you are a person into whose possession the attached Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Placement Document to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or invitation or solicitation in any place where offers, invitations or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and Book Running Lead Managers or any affiliate of the Book Running Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Book Running Lead Managers or such affiliate on behalf of the Bank in such jurisdiction. Further, nothing in this electronic transmission constitutes an offer or an invitation or solicitation of an offer or an offer or invitation to the public under the Companies Act, 2013, or any other applicable law, by or on behalf of either the Bank or the Book Running Lead Managers to subscribe for or purchase any of the equity shares described in the attached Placement Document. The attached Placement Document has not been and will not be registered as a prospectus with any registrar of companies in India and is not and should not be construed as an offer document under the SEBI ICDR Regulations or any other applicable law. The attached Placement Document has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, the Reserve Bank of India, any registrar of companies in India or any stock exchange in India. The attached Placement Document is not and should not be construed as an invitation, offer or sale of any securities to the public in India.

The Placement Document been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Bank, Book Running Lead Managers or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any of them accepts any liability or responsibility whatsoever in respect of any difference between the Placement Document distributed to you in electronic format and the hard copy version available to you on request from the Book Running Lead Managers. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature. The attached Placement Document is intended only for use by the addressee named herein and may contain legally privileged and / or confidential information. If you are not the intended recipient of the attached Placement Document, you are hereby notified that any dissemination, distribution or copying of the attached Placement Document is strictly prohibited. If you have received the attached Placement Document in error, please immediately notify the sender or the Book Running Lead Managers by reply email and destroy the email received and any printouts of it.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any of the equity shares described in the attached pre-numbered Placement Document by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) FORWARD, DISTRIBUTE OR DELIVER THE ATTACHED PLACEMENT DOCUMENT, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR (2) REPRODUCE SUCH PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISSEMINATION, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Placement Document
Not for circulation
Private and confidential
Serial No._____
Dated October 29, 2019

PVR LIMITED

*PVR Limited (the "**Company**"), with Corporate Identity Number L74899DL1995PLC067827, was incorporated on April 26, 1995 under the laws of the Republic of India as 'Priya Village Roadshow Limited' with a certificate of incorporation granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi. Subsequently, the name of our Company was changed to 'PVR Limited' pursuant to a fresh certificate of incorporation dated June 28, 2002. For details of the change in the name of our Company, see "**General Information**" on page 297.*

Registered Office: 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India
Corporate Office: Block A, 4th Floor, Building No. 9A, DLF Cyber City, Phase - III, Gurugram 122 002, Haryana, India
Tel No.: +91 124 4708 100; **Website:** www.pvrcinemas.com; **Email:** cosec@pvrcinemas.com

Issue of 29,08,583 equity shares of face value of ₹ 10 each (the "**Equity Shares**") at a price of ₹ 1,719.05 per Equity Share, including a premium of ₹ 1,709.05 per Equity Share (the "**Issue Price**"), aggregating ₹ 50,000 lakhs (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 58.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "**SEBI ICDR REGULATIONS**"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "**PAS RULES**"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND THE RULES MADE THEREUNDER (THE "**COMPANIES ACT, 2013**").

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on the NSE and the BSE as on the date of this Placement Document were ₹ 1,790.30 and ₹ 1,788.30 per Equity Share, respectively. Applications shall be made for obtaining the listing and trading approvals for the Equity Shares offered through the Preliminary Placement Document on the Stock Exchanges. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchanges should not be taken as an indication of the merits of the business of our Company or the Equity Shares. Each of the in-principle approvals under Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") for listing of Equity Shares to be issued pursuant to the Issue have been received on October 23, 2019 from the NSE and BSE.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QIBs. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 71 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT.

A copy of the Preliminary Placement Document (which included disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of this Placement Document (which includes disclosures prescribed under Form PAS-4) has been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi ("**RoC**"), each within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Placement Document has not been reviewed by SEBI, the Reserve Bank of India ("**RBI**"), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Qualified Institutional Buyers as defined in the SEBI ICDR Regulations ("**QIBs**"). This Placement Document has not been and will not be registered as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see "***Issue Procedure***" on page 230. The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any documents referred to in this Placement Document.

The information on the websites of our Company or our Subsidiaries or our Joint Venture or any website directly or indirectly linked to such websites, or respective websites of the Book Running Lead Managers (as defined hereinafter) or their respective affiliates, does not constitute nor form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such website.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' (as defined in Regulation S under the Securities Act ("**Regulation S**")) in reliance on Regulations S and the applicable laws of the jurisdiction where those offers and sales are made.

BOOK RUNNING LEAD MANAGERS

KOTAK MAHINDRA CAPITAL COMPANY LIMITED	**CLSA INDIA PRIVATE LIMITED**

This Placement Document is dated October 29, 2019.

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to our best knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to us and the Equity Shares that is material in the context of the Issue. The statements contained in this Placement Document relating to us and the Equity Shares are, in every material respect, true and accurate and not misleading. The opinions and intentions expressed in this Placement Document with regard to us and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to us. There are no other facts in relation to us and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, all reasonable enquiries have been made by us to ascertain such facts and to verify the accuracy of all such information and statements.

Kotak Mahindra Capital Company Limited and CLSA India Private Limited (together the "**Book Running Lead Managers**") have not separately verified all the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or by any of their respective shareholders, employees, counsels, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with us or the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied on either the Book Running Lead Managers or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, our Subsidiaries and our Joint Venture and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or the Book Running Lead Managers. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as on any time subsequent to its date.

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered under the Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 244 and 255, respectively.

Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the sections "***Representations by Investors***" and "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 3, 244 and 255, respectively of this Placement Document.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their respective representatives, and those retained by such Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Equity Shares.

The distribution of this Placement Document and the offering of the Equity Shares may be restricted by law in certain countries or jurisdictions. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Placement Document in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" on page 244.

In making an investment decision, prospective investors must rely on their own examination of our Company, our Subsidiaries, our Joint Venture and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of the Preliminary Placement Document or this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each investor, subscriber, offeree or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares.

The information available on or through our Company's website (www.pvrcinemas.com), the respective websites of our Subsidiaries and our Joint Venture, any website directly or indirectly linked to the website of our Company, or the respective websites of the Book Running Lead Managers, or their respective affiliates, does not constitute nor form part of this Placement Document and prospective investors should not rely on the information contained in or available through any such websites. This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

For information relating to investors in certain other jurisdictions, see the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 244 and 255, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By bidding and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Managers, as follows:

1. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations / making necessary filings, if any;

2. That you are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter), and have not been prohibited by the SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

3. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details;

4. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges;

5. You are aware that the Preliminary Placement Document and this Placement Document has not been, and will not be registered as prospectuses with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document has not been reviewed, verified or affirmed by the SEBI, the RBI, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document has been filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

6. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Placement Document), and will honor such obligations;

7. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

8. All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Placement Document. None of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

9. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;

10. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 244 and 255, respectively;

11. You have been provided a serially numbered copy of the Preliminary Placement Document and this Placement Document, and have read them in their entirety, including in particular the "***Risk Factors***";

12. In making your investment decision, you have (i) relied on your own examination of our Company and its Subsidiaries and Joint Venture and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of our Company and our Subsidiaries and Joint Venture, the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in the Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

13. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

14. You have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

15. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

16. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations), and are not a

person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or Promoter Group of our Company or persons or entities related thereto;

17. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

18. You have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined herein);

19. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

20. The Bid made by you would not ultimately result in triggering an open offer under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended ("**SEBI Takeover Regulations**");

21. To the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

22. You are aware that after Allotment, final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither, our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

23. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

24. You are aware that in terms of the requirements of the Companies Act, upon Allocation, the Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers;

25. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

26. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures being made by our Company;

27. You are aware and understand that the Book Running Lead Managers have entered into a placement

agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

28. The contents of this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in the Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

29. Neither the Book Running Lead Managers nor any of their respective affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

30. You are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribute. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

31. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

32. Any dispute arising in connection with the Issue will be governed and construed in accordance with the laws of the Republic of India, and the courts in New Delhi, India, shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Placement Document;

33. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company presentations; (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company presentations and are therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such meetings or presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

34. If you are not a resident of India but a QIB, (i) you are an Eligible FPI (as defined herein) having a valid

and existing registration with SEBI under the applicable laws in India; or (ii) a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory or statutory authority, from buying, selling or dealing in securities. You confirm that you are not an FVCI;

35. You understand that the Equity Shares have not been and will not be registered under the Securities Act or registered, listed or otherwise qualified in any other jurisdictions outside India and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For more information, see "***Selling Restrictions***" on page 244;

36. If you are outside the United States, you are purchasing the Equity Shares in an "offshore transaction" within the meaning of Regulation S;

37. You are not acquiring or subscribing for the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act) or "directed selling efforts" (as defined in Regulation S). You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in *"**Selling Restrictions**" and "**Transfer Restrictions**"* on pages 244 and 255, respectively;

38. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

39. Our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 ("**SEBI FPI Regulations**"), FPIs, including the affiliates of the Book Running Lead Managers, who are registered as category I FPI can issue and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. Such P-Notes can be issued post compliance with the KYC norms and such other conditions as specified by SEBI from time to time. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document or this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of or claims on the Book Running Lead Managers. Respective affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase the Equity Shares in the Issue, and may issue P-Notes in respect thereof, in each case to the extent permitted by applicable law.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document have been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Placement Document;

2. warrant that our Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.

It should not, for any reason be deemed or construed to mean that the Preliminary Placement Document or this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Placement Document, unless the context otherwise indicates or implies, references to 'you,' 'your', 'offeree', 'purchaser,' 'subscriber,' 'recipient,' 'investors' and 'potential investor' are to the prospective investors in the Issue, references to 'PVR', the 'Company', 'our Company', the 'Issuer' are to PVR Limited, and references to 'we', 'our' or 'us' are to PVR Limited, together with its Subsidiaries and Joint Venture on a consolidated basis.

In this Placement Document, references to 'US$', 'USD' and 'U.S. dollars' are to the legal currency of the United States; references to 'SGD' is to the legal currency of Singapore; references to 'AED' is to the legal currency of the United Arab Emirates; references to 'Sri Lankan rupee' is to the legal currency of Sri Lanka; and references to '₹', 'Rs.', 'INR' 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Placement Document in "lakhs" units. One lakh represents 1,00,000 and one crore represents 1,00,00,000.

Financial and Other Information

Our Company publishes its financial statements in Indian Rupees. Our Company was required to prepare standalone and consolidated financial statements in accordance with Ind AS from Fiscal 2017 under applicable regulations. Our historical standalone and consolidated financial statements for Fiscal 2016 and any period prior to Fiscal 2016 were originally prepared in accordance with Previous GAAP. Ind AS varies in many respects from Previous GAAP, and accordingly our Ind AS financial statements for Fiscal 2017, Fiscal 2018, Fiscal 2019 and the six months ended September 30, 2019 are not directly comparable with our historical Previous GAAP financial statements. See "***Financial Information***" on page 296.

In this Placement Document we have included: (i) the Ind AS audited consolidated financial statements for Fiscal 2017 comprising the consolidated balance sheet as at March 31, 2017 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2017 read along with the notes thereto (the "**Fiscal 2017 Ind AS Audited Consolidated Financial Statements**"**);** (ii) the Ind AS audited consolidated financial statements for Fiscal 2018 comprising the consolidated balance sheet as at March 31, 2018 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2018 read along with the notes thereto (the "**Fiscal 2018 Ind AS Audited Consolidated Financial Statements**"**);** (iii) the Ind AS audited consolidated financial statements for Fiscal 2019 comprising the consolidated balance sheet as at March 31, 2019 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2019 read along with the notes thereto (the "**Fiscal 2019 Ind AS Audited Consolidated Financial Statements"** and collectively with Fiscal 2017 Ind AS Audited Consolidated Financial Statements and Fiscal 2018 Ind AS Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); (iv) the Ind AS unaudited interim condensed consolidated financial statements for the six months ended September 30, 2019, comprising the interim condensed consolidated balance sheet as at September 30, 2019, the interim condensed consolidated statement of profit and loss (including other comprehensive income), the interim condensed consolidated statement of cash flows and the interim condensed consolidated statement of changes in equity for the six months ended September 30, 2019 (including the comparative financial information with respect to the six months ended September 30, 2018), read along with the notes thereto (the "**Ind AS Unaudited Interim Condensed Consolidated Financial Statements**"); and (v) pursuant to the meeting of our Board of Directors on October 17, 2019, we have adopted and filed with the Stock Exchanges on October 17, 2019, the Ind AS unaudited standalone and consolidated financial results for the quarter and six months ended September 30, 2019, comprising the statement of balance sheet as at September 30, 2019, the statement of profit and loss (including other comprehensive income) and the statement of cash flows (including the comparative financial information with respect to the quarter and six months ended September 30, 2018 and other financial information with respect to historical fiscal year periods as required under applicable law), read along with the notes thereto (the "**Statement of Unaudited Financial Results**").

Further, with respect to the Ind AS Unaudited Interim Condensed Consolidated Financial Statements, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied therein. In addition, with respect to the Statement of Unaudited Financial Results, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial results. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied therein.

Our Fiscal 2017 Ind AS Audited Consolidated Financial Statements were audited by S.R. Batliboi & Co. LLP, Chartered Accountants, our Prior Period Statutory Auditors. Our Fiscal 2018 Ind AS Consolidated Financial Statements and Fiscal 2019 Ind AS Consolidated Financial Statements and the effectiveness of internal control over financial reporting as of March 31, 2019, were audited by, and our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, were reviewed by, B S R & Co. LLP, Chartered Accountants, our current Statutory Auditors, and further, as stated in their reports appearing herein, which includes an *Other Matter* paragraph that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors.

Further, pursuant to an order dated August 23, 2019 by the NCLT, New Delhi, the SPI Merger Scheme was approved and SPI Cinemas was amalgamated with our Company with effect from the appointed date, *i.e.* August 17, 2018. Accordingly, with effect from August 17, 2018 and upon the SPI Merger Scheme becoming effective, the entire business of SPI Cinemas, including its assets, properties, rights, benefits, interests and liabilities were transferred to and vested in our Company, as a going concern. Our Company has given effect to the accounting treatment in the books of accounts as per the acquisition method stated in Ind AS 103 - "Business Combinations", as prescribed by Section 133 of the Companies Act. Accordingly, since SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the SPI Merger Scheme being approved by the NCLT, New Delhi through an order dated August 23, 2019, our financial statements and/ or financial results prepared prior to August 23, 2019 reflected only the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas into our Company. Only our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, which were prepared subsequent to August 23, 2019, reflect the amalgamation of SPI Cinemas. As a result, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation.

Further, our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, include certain financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, which have been represented taking into account the amalgamation of SPI Cinemas. Accordingly, the financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, included in our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, and are not directly comparable with the previously published financial statements and/ or financial results for such fiscal years/ periods, which reflected the acquisition of 71.69% equity shareholding of SPI Cinemas. In addition, our future standalone and consolidated financial statements and/ or financial results (and any comparative historical standalone and consolidated financial information (for periods commencing August 18, 2018) that may be included in any such future financial statements and/ or financial results prepared on the basis of the amalgamation of SPI Cinemas will not be directly comparable with any historical financial statements and/ or financial results relating to such periods published prior to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme, which would only reflect the acquisition of 71.69% equity shareholding of SPI Cinemas, and not the amalgamation of SPI Cinemas.

In this Placement Document, we have not included any proforma statement of profit and loss or other proforma financial information, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of the acquisition and/ or amalgamation of SPI Cinemas on our audited consolidated financial statements for any period prior to August 17, 2018. However, for the

convenience of potential investors, we have included in this Placement Document, the Ind AS audited standalone financial statements of SPI Cinemas for Fiscal 2019 comprising the balance sheet as at March 31, 2019 and the statement of profit and loss (including other comprehensive income), statement of cash flow and the statement of changes in equity for Fiscal 2019 (together with the comparative Ind AS standalone financial statements for Fiscal 2018 with the reconciliation of SPI Cinemas' Fiscal 2018 Previous GAAP audited standalone financial statements) read along with the notes thereto ("**Fiscal 2019 SPI Audited Standalone Financial Statements**"). The Fiscal 2019 SPI Audited Standalone Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, Chartered Accountants, our current Statutory Auditors, as stated in their report appearing herein, which includes an *Other Matter* paragraph that states that the report, as it relates to the previous years prior to the transition to Ind AS, is based upon reports issued by other auditors. Potential investors should therefore rely on a comprehensive examination of the Audited Consolidated Financial Statements for Fiscal 2018 and Fiscal 2019, Ind AS Unaudited Interim Condensed Consolidated Financial Statements, Statement of Unaudited Financial Results and Fiscal 2019 SPI Audited Standalone Financial Statements as included in this Placement Document, in connection with any investment decision.

In addition, Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements, Statement of Unaudited Financial Results and Fiscal 2019 SPI Audited Standalone Financial Statements, as included in this Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Presentation of Financial Information"*** on page 113.

All numerical and financial information as set out and presented in this Placement Document for the sake of consistency and convenience have been rounded off or expressed in whole figures. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The Fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular 'Financial Year', 'Fiscal year' or 'Fiscal' or 'FY' are to the twelve month period ended on March 31 of that year.

INDUSTRY AND MARKET DATA

The statistical information, industry and market data, information regarding our position in the market, growth rates and other industry data pertaining to our business included in this Placement Document relating to the industry in which we operate has been derived from the report "Market Assessment of film and multiplex industry in India" dated March 2019 (the "**CRISIL Report**") prepared and issued by CRISIL Research, a division of CRISIL Limited ("**CRISIL**"), and commissioned by us. Further, CRISIL has issued the following disclaimer in the CRISIL Report:

"*CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report ("CRISIL Report") based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy and adequacy of the Data / Report and is not responsible to any potential investor for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the third-party subscribers/ third-party users/ transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/ or registration to carry out its business activities in this regard. PVR Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published / reproduced in any form without CRISIL's prior written approval*."

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither we nor the Book Running Lead Managers have independently verified this data and do not make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Book Running Lead Managers can assure potential investors as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factor – Industry information included in this Placement Document has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate"*** on page 94. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'seek', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from any of the forward looking statements include, among others:

- lack of movie production or poor performance of movies resulting in a decline in movie attendance;
- our inability to successfully identify and secure strategic locations for our cinemas and timely develop and expand our operations in existing and new markets;
- increase in the use of alternative content and movie distribution channels, including OTT content and home-videos, movie DVDs, and other competing forms of entertainment;
- our inability to complete and successfully integrate acquisitions and strategic investment opportunities;
- the possibility of termination or non-renewal of our existing lease agreements, leave and license agreements, operation and management agreements and business conducting agreements;
- the possibility of outside F&B to be permitted in our cinemas pursuant to judicial proceedings;
- our inability to maintain or establish relationships with advertisers;
- restrictions on ticket prices imposed in certain states; and
- our sales growth and ability to achieve profitability could be adversely affected if Comparable Cinemas sales are less than we expect.

Additional factors that could cause actual results, performance or achievements to differ materially include but are not limited to, those discussed under "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Business***" on pages 71, 111, 158 and 182, respectively. The forward-looking statements contained in this Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document. Our Company and the Book Running Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in our Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Except for Sanjai Vohra, one of our Independent Directors, who is a resident of United Kingdom, all our other Directors and Key Managerial Personnel named herein are residents of India and majority of the assets of our Company and such persons are located in India. As a result, it may be difficult for investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except where: (i) the judgment has not been pronounced by a court of competent jurisdiction; (ii) the judgment has not been given on the merits of the case; (iii) it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) the proceedings in which the judgment was obtained were opposed to natural justice; (v) the judgment has been obtained by fraud, and (vi) where the judgment sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; such presumption may be displaced by proving want of jurisdiction.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government of India ("**GoI**") has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong, amongst others, has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the U.S. has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally, any such amount may be subject to income tax in accordance with applicable laws. It is unlikely that an Indian court would enforce foreign judgments that would be contrary to or in violation of Indian law. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currency of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rates between the Rupee and the U.S. dollar (in Rupees per U.S. dollar), based on the reference rates released by the FBIL, which are available on the website of the FBIL. No representation is made that any Rupee amounts actually represent such amounts in U.S. dollars or could have been, or could be converted into, U.S. dollars at any particular rate, the rates indicated, any other rates or at all.

(₹ per US$)

Period	**Period End(1)**	**Average(2)**	**High(3)**	**Low(4)**
	US$	**US$**	**US$**	**US$**
Fiscal:				
2019	69.17	70.94	74.38	68.29
2018	65.04	64.45	65.76	63.35
2017	64.84	67.09	68.72	64.83
Month ended:				
September 30, 2019	70.69	71.33	72.19	70.69
August 31, 2019*	71.76	71.15	72.18	69.06
July 31, 2019	68.86	68.81	69.06	68.37
June 30, 2019**	68.92	69.44	69.84	68.92
May 31, 2019	69.80	69.77	70.42	69.26
April 30, 2019	69.83	69.42	70.14	68.48

(Source: www.rbi.org.in and www.fbil.org.in)

** FBIL reference rate for August 30, 2019 has been used since August 31, 2019 was Saturday.*

***FBIL reference rate for June 28, 2019 has been used since June 29, 2019 and June 30, 2019 was Saturday and Sunday, respectively.*

Notes:

1. *The price for the period end refers to the price as on the last trading day of the respective Fiscals, quarterly or monthly periods.*
2. *Average of the official rate for each working day of the relevant period.*
3. *Maximum of the official rate for each working day of the relevant period.*
4. *Minimum of the official rate for each working day of the relevant period.*

Period end, high, low and average rates are based on the FBIL reference rates.

[The FBIL reference rate on October 25, 2019 was U.S. $ 1 = ₹ 70.96]

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein.

The terms defined in this section shall have the meaning set out herein, unless specified otherwise in the context thereof, and references to any statute or regulations or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections "***Taxation***" and ***Financial Information***" beginning on pages 266 and 296, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
"Our Company" / "the Company"	PVR Limited
"We" / "us" / "our"	Collectively, PVR Limited and our Subsidiaries and Joint Venture
Articles / Articles of Association / AoA	Articles of Association of our Company, as amended
Audited Consolidated Financial Statements	Collectively, Fiscal 2019 Ind AS Audited Consolidated Financial Statements, Fiscal 2018 Ind AS Audited Consolidated Financial Statements and Fiscal 2017 Ind AS Audited Consolidated Financial Statements
BHPL	Bijli Holdings Private Limited
Board of Directors/Board	Board of Directors of our Company
CIL	Cinemax India Limited
Directors	The directors of our Company
Equity Shares	Equity Shares of our Company with a face value of ₹ 10 each
ESOS 2017	Employee Stock Option Plan, 2017
Fiscal 2019 Ind AS Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements for Fiscal 2019 comprising the consolidated balance sheet as at March 31, 2019 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2019 read along with the notes thereto
Fiscal 2019 SPI Audited Standalone Financial Statements	The Ind AS audited standalone financial statements for Fiscal 2019 comprising the balance sheet as at March 31, 2019 and the statement of profit and loss (including other comprehensive income), statement of cash flow and the statement of changes in equity for Fiscal 2019 (together with the comparative Ind AS standalone financial statements for Fiscal 2018 based on the reconciliation of SPI Cinemas' Fiscal 2018 Previous GAAP audited standalone financial statements under Ind AS) read along with the notes thereto
Fiscal 2018 Ind AS Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements for Fiscal 2018 comprising the consolidated balance sheet as at March 31, 2018 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2018 read along with the notes thereto
Fiscal 2017 Ind AS Audited Consolidated Financial Statements	The Ind AS audited consolidated financial statements for Fiscal 2017 comprising the consolidated balance sheet as at March 31, 2017 and the consolidated statement of profit and loss (including other comprehensive income), the audited consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2017 read along with the notes thereto
Fund Raise Committee	The Committee of our Board of Directors formed with respect to this Issue, pursuant to a resolution passed by our Board dated December 21, 2018
Independent Director	Independent directors of our Company as defined in Section 2(47) of the Companies Act
Joint Venture	The joint venture of our Company as provided under "***Organizational Structure***" on page 211
Key Managerial Personnel	The key managerial personnel of our Company as identified/named under "***Board of Directors and Senior Management***" on page 202
LWPL	Leisure World Private Limited
Memorandum / Memorandum of	Memorandum of Association of our Company, as amended

Term	Description
Association / MoA	
Prior Period Statutory Auditors	The previous statutory auditors of our Company, S.R. Batliboi & Co. LLP, Chartered Accountants
Promoter Group	Promoter group of our Company as per the definition provided in Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	Promoters of our Company as per the definition provided in Regulation 2(1)(oo) of the SEBI ICDR Regulations and as reported to the Stock Exchanges, being, Ajay Bijli and Sanjeev Kumar
PVR Lanka	P V R Lanka Limited
PVR Middle East	PVR Middle East FZ-LLC
PVR Pictures	PVR Pictures Limited
Registered Office	61, Basant Lok, Vasant Vihar, New Delhi 110 057, India
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi
Shareholders	The holders of the Equity Shares from time to time
SPI Cinemas	SPI Cinemas Private Limited, an erstwhile subsidiary of our Company, which has now merged with us with effect from the appointed date of the merger, i.e., August 17, 2018
SPI Entertainment	SPI Entertainment Projects (Tirupati) Private Limited
Statement of Unaudited Financial Results	The Ind AS unaudited standalone and consolidated financial results for the quarter and six months ended September 30, 2019, comprising the statement of balance sheet as at September 30, 2019, the statement of profit and loss (including other comprehensive income) and the statement of cash flows (including the comparative financial information with respect to the quarter and six months ended September 30, 2018 and other financial information with respect to historical fiscal year periods as required under applicable law), read along with the notes thereto
Statutory Auditors	B S R & Co. LLP, Chartered Accountants, appointed pursuant to a resolution of our Shareholders dated July 24, 2017
Subsidiaries	The subsidiaries of our Company as set out under "***Organizational Structure***" on page 211
Ind AS Unaudited Interim Condensed Consolidated Financial Statements	The Ind AS unaudited interim condensed consolidated financial statements for the six months ended September 30, 2019, comprising the interim condensed consolidated balance sheet as at September 30, 2019, the interim condensed consolidated statement of profit and loss (including other comprehensive income), the interim condensed consolidated statement of cash flows and the interim condensed consolidated statement of changes in equity for the six months ended September 30, 2019 (including the comparative financial information with respect to the six months ended September 30, 2018), read along with the notes thereto
VKAAO	Vkaao Entertainment Private Limited
Zea Maize	Zea Maize Private Limited

Issue Related Terms

Term	Description
Allocated /Allocation	Allocation of Equity Shares, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allotment /Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue
Application Form	Form (including any revisions thereof) submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue
Bidder	An Eligible QIB who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Managers or BRLMs	Together, Kotak Mahindra Capital Company Limited and CLSA India Private Limited
CAN/Confirmation of Allocation Note	Note, advice or intimation confirming the Allocation of Equity Shares to Successful Bidders confirming Allocation of Equity Shares to such Successful Bidders after

Term	Description
	determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about October 30, 2019
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible QIBs	QIBs, as defined under Regulation 2(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. However, FVCIs are not permitted to participate in the Issue. In addition, QIBs, outside the United States in "offshore transactions" in reliance on Regulation S under the Securities Act.
Escrow Account	Non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "PVR – QIP ESCROW ACCOUNT" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue has been deposited
Escrow Agreement	Agreement dated October 23, 2019, entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Kotak Mahindra Bank Limited
Floor Price	Floor price of ₹ 1,809.53 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount on the Floor Price of 5% in accordance with the approval of the Shareholders accorded by way of postal ballot on January 29, 2019 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	October 29, 2019, the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Issue Opening Date	October 23, 2019, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ 1,719.05
Issue Size	Aggregate size of the Issue, ₹ 50,000 lakhs
Placement Agreement	Placement agreement dated October 23, 2019 by and among our Company and the Book Running Lead Managers
Placement Document	This placement document dated October 29, 2019, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	The preliminary placement document cum application form, dated October 23, 2019 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013
QIB / Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts
Relevant Date	October 23, 2019, which is the date of the meeting in which the Fund Raise Committee decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount and who will be Allocated Issue Shares

Conventional and General Terms/ Abbreviations

Term/Abbreviation	Full Form
Rs. or Rupees	The lawful currency of India
Adjusted EBITDA	Adjusted EBITDA, on a consolidated basis, is calculated as net profit after tax plus total tax expense, exceptional item, share of profit/(loss) of equity accounted investees (net of tax), finance costs and depreciation and amortization expense (all calculated on a consolidated basis).
Adjusted EBIT	Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortization expense (all calculated on a consolidated/ standalone basis, as applicable)
Adjusted EBITDA (Standalone)	Adjusted EBITDA (Standalone), on a standalone basis, is calculated as profit for the year plus total tax expense, exceptional item, finance costs and depreciation and amortization expense (all calculated on a standalone basis)
Adjusted EBITDA Margin	The percentage of Adjusted EBITDA divided by total income (consolidated)
Adjusted EBITDA Margin (Standalone)	Adjusted EBITDA Margin (Standalone) is the percentage of Adjusted EBITDA (Standalone) divided by total income (standalone)
AED	United Arab Emirates dirham, the lawful currency of the United Arab Emirates
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
Civil Procedure Code	Code of Civil Procedure, 1908
Companies Act / Companies Act, 2013	The Companies Act, 2013, as amended, read with the rules, regulations, clarifications and modifications thereunder
Competition Act	Competition Act, 2002
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository or Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
DP/Depository Participant	Depository participant as defined under the Depositories Act
EPS	Earnings Per Share, calculated as profit after tax for a Fiscal, divided by the weighted average outstanding number of Equity Shares during that Fiscal
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FIEA	Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948)
Financial Year / Fiscal / FY	Period of 12 months ended March 31 of that particular year
Form PAS-4	The Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations and includes a person registered under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI
FSMA	Financial Services and Markets Act 2000 of the United Kingdom
GoI / Government	Government of India
GST	Goods and Service Tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian Accounting Standards
India	Republic of India
Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015
MCA	Ministry of Corporate Affairs, GoI
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NCLT	National Company Law Tribunal
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014

Term/Abbreviation	Full Form
PAT	Profit after tax
PBT	Profit before tax
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
Previous GAAP	Generally accepted accounting principles followed in India in compliance with the accounting standards notified under Section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
SGD	Singapore dollars, the lawful currency of Singapore
Securities Act	The U.S. Securities Act of 1933
Sri Lankan rupee	The lawful currency of Sri Lanka
U.S. GAAP	Generally accepted accounting principles followed in the U.S.
U.S. / United States	United States of America
US$ / U.S. dollars or USD	U.S. dollars, the lawful currency of the United States

Technical and Industry Terms

Term/Abbreviation	Full Form
Admits	Number of tickets issued at our cinemas for any relevant period
Average Number of Shows	Average number of shows for our Company's cinemas is calculated as the aggregate number of shows screened across all our Company's Fully Operational Cinemas in the immediately preceding Fiscal year divided by the total number of screens at the end of such Fiscal period
Average Ticket Price / ATP	Gross Box Office Collection and 3D glasses income divided by Admits
Comparable Cinemas	Cinemas that were Fully Operational Cinemas during both the relevant Fiscal period as well as the comparative previous Fiscal period
F&B	Food and beverages
Full Capacity	Full capacity of any cinema is calculated as the aggregate number of seats across all screens at such cinema, multiplied by (i) the number of days in the relevant Fiscal period; and (ii) the Average Number of Shows for such cinema
Fully Operational Cinemas	Cinemas that: (i) did not undergo any renovation resulting in the addition or removal of any operational screen to such cinema in the relevant Fiscal period; and (ii) did not experience any disruption in operations (either resulting from any repair/renovation work undertaken by our Company, or due to any industry-wide issue, or as a result of any incident or circumstances beyond our Company's control) that resulted in less than 90.00% of the Full Capacity of the relevant cinema being available during the relevant Fiscal period
LBET	Local body entertainment tax
Occupancy	Number of admits in a period divided by seating capacity as of the relevant period
OTT	Over-the-top
PAT Margin	Profit after tax divided by total income
Gross Box Office Collection	Gross collection from sale of movie tickets including applicable taxes
Sale of Food and Beverages	Sale of food and beverages and sale of others /traded goods
Spend Per Head / SPH	Gross sales from food and beverages including applicable taxes divided by Admits
SPI Merger Scheme	The scheme of amalgamation pursuant to which SPI Cinemas has amalgamated with our Company with effect from the appointed date of amalgamation i.e., August 17, 2018

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in Form PAS-4 and the relevant pages in this Placement Document where these disclosures, to the extent applicable, have been provided.

S. No.	Disclosure Requirements	Relevant Page of this Placement Document
1.	**GENERAL INFORMATION**	
i.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Cover page, 301
ii.	Date of incorporation of the company.	Cover page, 211, 297
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	182-199
iv.	Brief particulars of the management of the company.	202-210
v.	Names, addresses, DIN and occupations of the directors.	202-203
vi.	Management's perception of risk factors.	71-101
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
a.	Statutory dues;	294
b.	Debentures and interest thereon;	294
c.	Deposits and interest thereon; and	294
d.	Loan from any bank or financial institution and interest thereon.	294
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	297
ix.	Any default in annual filing of the company under the Companies Act, 2013 or the rules made thereunder.	285
2.	**PARTICULARS OF THE OFFER**	
i.	Financial position of the company for the last three financial years	296
ii.	Date of passing of board resolution.	58
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	58
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security, the total number of shares or other securities to be issued	58
v.	Price at which the security is being offered including the premium, if any, along with justification of the price.	58
vi.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not applicable
vii.	Relevant date with reference to which the price has been arrived at.	19
viii.	The class or classes of persons to whom the allotment is proposed to be made.	58
ix.	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer).	Not applicable
x.	The proposed time within which the allotment shall be completed.	59
xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them.	108
xii.	The change in control, if any, in the company that would occur consequent to the private placement.	Not applicable
xiii.	The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price.	Nil
xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not applicable
xv.	Amount which the company intends to raise by way of proposed offer of securities.	58
xvi.	Terms of raising of securities:	Not applicable
a.	Duration, if applicable;	
b.	Rate of dividend;	
c.	Rate of interest;	
d.	Mode of payment; and	
e.	Mode of repayment.	
xvii.	Proposed time schedule for which the private placement offer cum application letter is valid.	19
xviii.	Purposes and objects of the offer.	104
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Not applicable

S. No.	Disclosure Requirements	Relevant Page of this Placement Document
xx.	Principle terms of assets charged as security, if applicable.	Not applicable
xxi.	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the company and its future operations.	Nil
xxii.	The pre-issue and post-issue shareholding pattern of the company in the specified format.	108
3.	**MODE OF PAYMENT FOR SUBSCRIPTION**	
i.	Cheque	Not Applicable
ii.	Demand Draft	Not Applicable
iii.	Other Banking Channels	Not Applicable
4.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC**	
i.	Any financial or other material interest of the directors, promoters or Key Managerial Personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	204, 209
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	294
iii.	Remuneration of directors (during the current year and last three financial years).	206, 207
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	70
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	294
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries.	285
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	285
5.	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(A)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	106
(B)	Size of the present offer; and	Cover page, 58
(C)	Paid up capital:	106
(I)	After the offer; and	106
(II)	After conversion of convertible instruments (if applicable);	Not applicable
(D)	Share premium account (before and after the offer).	106
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	106-108
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	108
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter.	296

S. No.	Disclosure Requirements	Relevant Page of this Placement Document
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	110
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter.	60
e.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter.	296
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	296
Part – B (To be filed by the Applicant)		
i.	Name	302
ii.	Father's name	
iii.	Complete Address including Flat/House Number, Street, Locality, Pin Code	
iv.	Phone number, if any	
v.	Email -id, if any	
vi.	PAN Number	
vii.	Bank Account Details	
6.	**A DECLARATION BY THE DIRECTORS THAT**	299-300
a.	The company has complied with the provisions of the Companies Act and the rules made thereunder.	
b.	The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter.	

SUMMARY OF BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "**Forward-Looking Statements**" on page 14 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition**" on pages 71 and 115, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 296 and 111, respectively.*

*Our Company completed the acquisition of SPI Cinemas with effect from August 17, 2018, and subsequently, SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme. Accordingly, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Amalgamation of SPI Cinemas**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition – Acquisition and effect of SPI Cinemas**" and "**Financial Information**" on pages 114, 117 and 296, respectively.*

*In addition, 'Indian Accounting Standard (Ind AS) 116 – Leases' ("**Ind AS 116**") became applicable to us from the accounting period commencing April 1, 2019. Our (i) Audited Consolidated Financial Statements, and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Adoption of Ind AS 116**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116**", and "**Financial Information**" on pages 115, 118 and 296, respectively.*

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to PVR Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to PVR Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market assessment of the film and multiplex industry in India" dated March 2019 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Overview

We are the market leader in terms of screen count in India, as of January 2019, with a market share of 28% in

total multiplexes based on the number of screens in India (*Source: CRISIL Report*). We are the leader among the multiplex operators in India in terms of admissions and operating revenues as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We are the leader in terms of screens in seven out of eight key cities in India, which include Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune (*Source: CRISIL Report*). Further, we are the market leader in three out of the four regions in India, *i.e.* north, south and west regions of India, in terms of screens among the multiplex operators in India (*Source: CRISIL Report*). In Fiscal 2018, we were the leader in terms of Bollywood domestic box office revenues in India (*Source: CRISIL Report*). Our market share of Bollywood and Hollywood (including Hollywood dubbed) domestic box office collections in India was 22% and 29%, respectively, in Fiscal 2018 (*Source: CRISIL Report*).

Over the years, we have consistently added screens, both organically and inorganically, through strategic investments and acquisitions. As a result of our acquisition and amalgamation of SPI Cinemas with effect from August 17, 2018, we added 76 screens to our screen network. Further, consequent to our acquisition and amalgamation of SPI Cinemas, we became the leader in terms of properties and screens in Chennai and further consolidated our leadership position in terms of screens in Bengaluru and Hyderabad (*Source: CRISIL Report*). As of September 30, 2019 and October 17, 2019, we had 800 screens in 170 cinemas in 69 cities across 21 States and Union Territories in India with an aggregate seating capacity of approximately 1.8 lakhs seats.

We had the highest revenue per screen (₹ 37.8 million per screen) and EBITDA per screen (₹ 6.9 million per screen) among the top three multiplex operators in India, as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We have a diversified revenue stream and generate revenues primarily from box office (income from sale of movie tickets) and non-box office (Sale of Food and Beverages, advertisement income, convenience fees, virtual print fees, income from movie production/ distribution, food court rental income, gaming income and management fees). In Fiscal 2018, we had the highest average ticket price and spend per head among the top four multiplex operators in India and the highest share of advertising income to total operating income among the multiplex operators in India (*Source: CRISIL Report*).

We offer a diversified cinema viewing experience through our formats, including 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR LUXE', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. We had the highest number of premium screens among multiplex operators in India, as of March 31, 2018 (*Source: CRISIL Report*). Premium screen formats include IMAX, 4DX, Playhouse, Gold, P[XL], Onyx and Director's Cut, and serve different customer segments. We exhibit diversified content to serve different regional customer segments across India, with Hindi, English and regional movies accounting for 59.6%, 16.0% and 24.4%, respectively, of our Gross Box Office Collections in Fiscal 2019, while such movies accounted for 53.1%, 23.2% and 23.7%, respectively, of our Gross Box Office Collections in the six months ended September 30, 2019. We are present in 60% of the 20 largest operational malls, in terms of property size, in India, as of March 2019 (*Source: CRISIL Report*) and are typically the anchor tenant in various malls across India where our cinemas are located. We have, over the years, established relationships with various mall developers.

We have maintained a consistent track record of financial performance with our revenue from operations increasing from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 3,08,556 lakhs in Fiscal 2019. Our revenue from operations was ₹ 1,85,357 lakhs in the six months ended September 30, 2019. Our Adjusted EBITDA increased from ₹ 37,587 lakhs in Fiscal 2017 to ₹ 61,947 lakhs in Fiscal 2019. Our Adjusted EBITDA was ₹ 60,965 lakhs in the six months ended September 30, 2019. For reconciliation of Adjusted EBITDA, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Presentation of Financial Information – Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" *and* "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136, 142 and 147, respectively. Our profit for the year was ₹ 9,584 lakhs in Fiscal 2017, while our net profit after tax was ₹ 18,937 lakhs in Fiscal 2019. Our net profit after tax was ₹ 6,520 lakhs in the six months ended September 30, 2019.

The following tables provides details of certain operational key performance indicators of our business:

Particulars	As of and for the financial year ended March 31,			As of and for the six months ended September 30, 2019
	2017	2018	2019	
Number of cinemas	126	134	164	170
Number of screens	579	625	763	800
Number of seats (in approximate lakhs)	1.3	1.4	1.7	1.8
Number of admits (in lakhs)	752	761	993	563
Occupancy percentage (1)	32.9%	31.3%	36.2%	37.5%
Average Ticket Price (₹) (2)	196	210	207	202
Spend Per Head (₹) (3)	81	89	91	100

Notes:
(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

Our Strengths

Movie exhibition industry leader in India

We are the market leader in terms of screen count in India, as of January 2019, with a market share of 28% in total multiplexes based on the number of screens in India (*Source: CRISIL Report*). We are the leader among the multiplex operators in India in terms of admissions in Fiscal 2018 (*Source: CRISIL Report*). We have a pan-India presence and as of September 30, 2019 and October 17, 2019, we had 800 screens in 170 cinemas in 69 cities across 21 States and Union Territories in India. We believe our leadership position has enabled us to capitalize on movie attendance trends, consolidation opportunities and ancillary businesses with relatively higher margins. Further, we believe our large scale, brand equity and cinema experience has made us the preferred choice for movie exhibition for movie distributors, production houses and real estate developers in India. We are the leader in terms of screens in seven out of eight key cities in India, which include Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune (*Source: CRISIL Report*). Further, we are the market leader in three out of the four regions in India, *i.e.* North, South and West regions of India, in terms of screens among the multiplex operators in India (*Source: CRISIL Report*). In Fiscal 2018, we were the leader in terms of Bollywood domestic box office revenues in India. (*Source: CRISIL Report*). Our market share of Bollywood and Hollywood (including Hollywood dubbed) domestic box office collections in India was 22% and 29%, respectively, in Fiscal 2018 (*Source: CRISIL Report*). We have over the years, acquired and successfully integrated our strategic acquisitions into our operations, such as our acquisitions of 'Cinemax Cinemas' in November 2012 and 'DT Cinemas' in May 2016, which added 138 screens and 32 screens, respectively, to our screen network. Following our acquisition and amalgamation of SPI Cinemas in August 2018, we added 76 screens to our screen network. Further, consequent to our acquisition and amalgamation of SPI Cinemas, we became the leader in terms of screens in Chennai and further consolidated our leadership position in terms of screens in Bengaluru and Hyderabad (*Source: CRISIL Report*).

In addition, brand and reputation are important for customers and we believe that our history, market leadership position, and quality cinema experience have led to wide recognition of the 'PVR' brand in India, which has enabled us to effectively target new customers, increase the scale of our operations and enter into new geographical areas.

Strategically located cinemas

As of September 30, 2019 and October 17, 2019, we were present in 170 cinemas across 69 cities in 21 States and Union Territories in India. As of March 2019, we are present in 60% of the 20 largest operational malls, in terms of property size, in India, such as LuLu International Shopping Mall in Kochi, DLF Mall of India in Noida, VR Mall in Chennai, Ambience Mall in Gurgaon, Phoenix Market City in Bengaluru, Select Citywalk in Delhi and Elante Mall in Chandigarh (*Source: CRISIL Report*). Accordingly, we believe that the location of our cinemas in such malls provides us with wide visibility and also enables recurring admits and high occupancy percentages.

We believe we have, over the years, established relationships with various mall developers, which along with our ability to attract footfalls, has enabled us to obtain prime locations at competitive terms. We operate based on an asset-light model and accordingly, all our cinemas are located on leased premises. We obtain the right to operate cinemas through various contractual arrangements, which we execute with mall developers/ owners of the concerned cinema. The tenure of our leases is typically for a period of 10 to 20 years which, in many instances,

are renewable subject to mutual agreement. Multiplex operators share a significant relationship with mall developers as they act as anchor tenants in malls due to their ability to attract more footfalls (*Source: CRISIL Report*). We are typically the anchor tenant in various malls across India where our cinemas are located. Accordingly, based on our relationships with mall developers and status as anchor tenants, we believe we will be able to secure further strategic locations that are proposed to be developed by the mall developers. We believe that our strategy of being in prime retail locations that generate significant admits, has helped in building our leadership position in terms of average ticket price, revenue per screen and EBITDA per screen, and increasing our profitability.

Diversified product offerings and premium guest experience

We have been able to become an integral part of a customers' movie viewing experience by offering multiple products and a premium experience. We offer a diversified cinema viewing experience through our different formats, including 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR Luxe', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. We had the highest number of premium screens among multiplex operators in India, as of March 31, 2018 (*Source: CRISIL Report*). Premium screen formats include IMAX, 4DX, Playhouse, Gold, P[XL], Onyx and Director's Cut, and serve different customer segments. As of September 30, 2019 and October 17, 2019, we had 79 and 80 premium screen formats, respectively. Further, we exhibit diversified content to serve different regional customer segments across India. In Fiscal 2017, Hindi, English and regional languages accounted for 64.1%, 18.5% and 17.3%, respectively, of our Gross Box Office Collections, while in Fiscal 2019, Hindi, English and regional languages accounted for 59.6%, 16.0% and 24.4%, respectively, of our Gross Box Office Collections while such movies accounted for 53.1%, 23.2% and 23.7%, respectively, of our Gross Box Office Collections in the six months ended September 30, 2019.

We also aim to improve customer experience by providing premium seating, quality visual and sound experience, convenient ticketing experience, diversified content and plush interiors. To cater to the diverse eating habits and dietary needs, we have enhanced our food and beverages ("**F&B**") offerings and also appointed a celebrity chef to render culinary/ cooking services at our cinemas. We offer several seating options through our various premium formats, including loungers, recliners, beanbags and double armrest seats. In addition, we have recently introduced D-Box enabled motion seats at certain of our cinemas. Further, our technology based product offerings include our own website and mobile application which allows customers to browse movies and trailers, select and reserve seats, pre-order F&B that can be served at their seat, make bulk bookings, book a cab, purchase gift cards and, have access to various offers and deals. We also introduced 'quick tix machines', a digital instant and upcoming ticketing solution which promotes cashless transactions, along with 'quick response code based paperless ticketing' for admission into our cinemas. In order to update our customers about upcoming releases, we have created 'Movie Calendar' which provide updates on our mobile application to users regularly. We also have an interactive online magazine, 'PVR Movies First' that includes box office news, latest and upcoming movie releases and interviews with actors.

We also provide our customers the option of purchasing pre-paid gift cards, both physical and digital, which can be redeemed against purchase of tickets, and F&B at our cinemas and on our website and mobile application. We offer our customers deals, rewards, cashbacks and offers for which we have collaborated with various banks, payment banks, digital wallet companies and online aggregator platforms. Further, we have introduced a loyalty programme, 'PVR Privilege', which provides our customers with a range of benefits, personalised offers and services, including reward points on each purchase of tickets or F&B, bonus points during special occasions, and an automated conversion of reward points into vouchers that can be used to pay for tickets and F&B. As of September 30, 2019, we had approximately 84.7 lakhs 'PVR Privilege' members.

Leadership position across key operating metrics and consistent financial performance

We had the highest revenue per screen (₹ 37.8 million per screen) and EBITDA per screen (₹ 6.9 million per screen) among the top three multiplex operators in India, as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We believe our high revenue per screen is attributed to brand premiumization and premium locations resulting in higher average ticket price and spend per head, and certain key factors, such as, premium and innovative screen formats, including Director's Cut, Gold Class, 4DX, Playhouse, Onyx, P[XL], and a differentiated F&B menu.

We have diversified revenue streams and generate revenues primarily from: (i) income from sale of movie tickets; (ii) Sale of Food and Beverages (iii) advertisement income; and (iv) other operating revenue which includes income from movie production/ distribution, convenience fees, virtual print fees, food court rental income, gaming income and management fees. Our income from sale of movie tickets increased from ₹ 1,12,488 lakhs in Fiscal 2017 to ₹ 1,63,543 lakhs in Fiscal 2019. Further, our income from sale of movie tickets was ₹ 94,843 lakhs in the six months ended September 30, 2019. In Fiscal 2018, we had the highest average ticket price and spend per head among the top four multiplex operators in India (*Source: CRISIL Report*). Our Average Ticket Price has increased from ₹ 196 in Fiscal 2017 to ₹ 207 in Fiscal 2019 and was ₹ 202 in the six months ended September 30, 2019. Our Spend Per Head has increased from ₹ 81 in Fiscal 2017 to ₹ 91 in Fiscal 2019 and was ₹ 100 in the six months ended September 30, 2019. Our revenue from Sale of Food and Beverages has also been steadily increasing from ₹ 57,942 lakhs in Fiscal 2017 to ₹ 85,839 lakhs in Fiscal 2019. Further, our revenue from Sale of Food and Beverages was ₹ 53,615 lakhs in the six months ended September 30, 2019. Our occupancy rates were 31.3% and 36.2% in Fiscal 2018 and Fiscal 2019, respectively, and were 35.2% and 37.5% in the six months ended September 30, 2018 and in the six months ended September 30, 2019, respectively.

In Fiscal 2018, we also had the highest share of advertising income to total operating income among the multiplex operators in India and had a market share of approximately 33% in the in-cinema advertising segment for multiplex operators in India (*Source: CRISIL Report*). We have proven the advertising monetization potential of our platform by increasing advertisement income from ₹ 25,176 lakhs in Fiscal 2017 to ₹ 35,352 lakhs in Fiscal 2019. Further, our advertisement income was ₹ 18,539 lakhs in the six months ended September 30, 2019. We believe that the premium associated with our brand has helped us in charging high in-cinema advertising rates from advertisers. We have a relatively higher gross margin on advertisement revenue as our costs are limited to the extent of the manpower hired. In addition, our revenue from convenience fees has also increased from ₹ 5,816 lakhs in Fiscal 2017 to ₹ 13,035 lakhs in Fiscal 2019. Our revenue from convenience fees was ₹ 8,627 lakhs in the six months ended September 30, 2019. Our Company renewed arrangements with Paytm and BookMyShow, for booking and selling our ticketing inventory through their digital platforms for a period of three years commencing from July 2018.

We have maintained a consistent track record of financial performance with our revenue from operations increasing from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 3,08,556 lakhs in Fiscal 2019. Our revenue from operations was ₹ 1,85,357 lakhs in the six months ended September 30, 2019. Our Adjusted EBITDA increased from ₹ 37,587 lakhs in Fiscal 2017 to ₹ 61,947 lakhs in Fiscal 2019. Our Adjusted EBITDA was ₹ 60,965 lakhs in the six months ended September 30, 2019. For reconciliation of Adjusted EBITDA, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*** *" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136, 142 and 147, respectively. Our profit for the year was ₹ 9,584 lakhs in Fiscal 2017, while our net profit after tax was ₹ 18,937 lakhs in Fiscal 2019. Our net profit after tax was ₹ 6,520 lakhs in the six months ended September 30, 2019.

Experienced Promoters, Key Managerial Personnel and Senior Management team with established track record

We benefit from the experience of our Promoters, Key Managerial Personnel and the Senior Management team who have extensive industry knowledge and expertise. Ajay Bijli, our Chairman cum Managing Director and one of the Promoters of our Company, is the founder of our Company and has over two decades of experience in the movie exhibition industry, and has been awarded, amongst others, the "EY Entrepreneurial Award for Business Transformation" in 2013, the "Most Admired Multiplex Professional of the year" award at the CMO Asia's Multiplex Excellence Awards in the year 2014 and the "Business Icon of the year" award at the International Film Business Awards by Indywood Film Market and ALIIFF in 2015. Sanjeev Kumar, our Joint Managing Director and one of the Promoters of our Company, also has over two decades of experience in the movie exhibition industry and manages the film acquisition and distribution business and programming activities, and is also involved in the development and growth strategy of our Company. Our Promoters are actively involved in our operations, and together with our Board of Directors and our Senior Management, have been instrumental in implementing our growth strategies and successfully integrating our acquisitions.

Gautam Dutta, the Chief Executive Officer of our Company, has been associated with us for over 13 years and is responsible for managing our day-to-day business operations to ensure an effective management of resources and delivering the statement of profit and loss. Kamal Gianchandani, the Chief of Business Planning & Strategy of our Company and is also the chief executive officer of one of our Subsidiaries, PVR Pictures, has been associated with us for over 18 years and is presently responsible for handling film financing, distribution, syndication, licensing, cinema exhibition (for both Indian and foreign language films) in India and also oversees business planning and strategy of our Company. Nitin Sood, the Chief Financial Officer of our Company, has been associated with us for 17 years and oversees the finance, accounting and legal compliance and is also responsible for managing all activities relating to mergers and acquisitions, fund raising and strategic business expansion opportunities for our Company. Pramod Arora, the Chief Growth & Development Officer of our Company, has been associated with us for 18 years and is presently responsible for overseeing growth and development of new screen portfolio and execution and fit-outs of new screens. For further information, see "***Board of Directors and Senior Management***" on page 202. We intend to continue to leverage the experience of our Promoters, Key Managerial Personnel and Senior Management team to further grow our business and strategically target new market opportunities.

Our Strategies

Further expand our screen network

We plan to further expand our screen network across India. For our expansion plans, we intend to organically pursue cinema and screen expansion opportunities, continue to work with the commercial real estate developers, and focus on premium screen formats. We also aim to enhance our operations by selectively expanding and upgrading existing operational properties in prime locations. Further, we have experience in identifying and integrating acquisitions/ amalgamations of cinemas and continue to intend to expand our screen network through strategic investments, amalgamations and acquisitions. We have, in the past, made certain acquisitions/ amalgamations and have been able to successfully integrate such acquisitions/ amalgamations, such as, Cinemax Cinemas in November 2012, DT Cinemas in May 2016 and SPI Cinemas in August 2018, which added 138 screens, 32 screens and 76 screens, respectively, to our screen network. In particular, we believe that significant opportunities exist for us to generate economies of scale from our recent acquisition and amalgamation of SPI Cinemas.

In 2017, among key international countries (such as United States and Canada, United Kingdom and Ireland, South Korea, China, Japan and India), India remains an under-penetrated country with a significantly lower movie screens per capita (*Source: CRISIL Report*) which presents a significant opportunity for expansion across India including in the key cities in India. However, in 2017, India was the largest in terms of movies certified/ released in a country among key countries and was amongst the top five countries in terms of box office collections internationally, and exhibited the maximum cinema attendance among the key countries (*Source: CRISIL Report*). Our growth is also supported by the trend of increasing middle and high income groups, rising per capita income, growth in working population and increase in median age in India (*Source: CRISIL Report*). In addition, approximately 13 million square feet of retail mall space is currently operational in the market and malls with gross leasable area of approximately 43 million square feet are planned across the key cities of India (*Source: CRISIL Report*), which can be effectively utilized for the growth of multiplexes. Further, the share of single screens in India in terms of overall screen count is expected to reduce from 74% as of March 31, 2018 to 60% as of March 31, 2023 (*Source: CRISIL Report*), which also provides considerable expansion scope for multiplex operators. Further, we believe significant opportunities exist in international markets as well, that offer incremental attendance-generating and revenue-generating prospects. We are currently in the process of setting up cinemas in Sri Lanka. We intend to selectively pursue opportunities that will consolidate our market position and enhance our financial position, expand our existing product offerings and increase our sales and marketing network, customers and geographical reach, enhance our customer experience and help us in technological advancements. These opportunities could be by way of strategic acquisitions, joint ventures, technical collaborations, new partner tie-ups and asset purchases.

Focus on increasing premium screens as part of our portfolio

Over the years, the per capita income in India has been continuously increasing at a CAGR of 5.5% from Fiscal 2012 to Fiscal 2018 and is expected to further increase at a CAGR of approximately 5.8% in Fiscal 2019 (*Source: CRISIL Report*). Average spending per household on movies in India has increased from approximately ₹ 368 to ₹ 388 per household in Fiscal 2015 to approximately ₹ 433 to ₹ 453 per household in Fiscal 2018 and is expected to further increase to approximately ₹ 589 to ₹ 609 per household in Fiscal 2023 (*Source: CRISIL Report*). Further,

factors such as the trend of increasing middle and high income groups, rising per capita income, growth in working population and increase in median age is expected to increase the average spending on movies per household in India (*Source: CRISIL Report*). In addition, the increase in average ticket price and spend per head on account of increasing premiumization of cinema halls is contributing to the increase in movie spends (*Source: CRISIL Report*).

Accordingly, with such increase in income and spending, customers would want to and will be able to afford movie exhibition on such premium screen formats. As a result, we intend to focus on providing more premium offerings to our customers, in the form of premium screen formats, such as IMAX, 4DX, P[XL], Playhouse, Gold and Director's Cut. Our business is of a visual medium requiring a keen focus on the quality of on-screen presentation and accordingly, we are committed to investing in and expanding our offerings to quality sight and sound experiences by providing the latest cinema technology solutions to the customers. In line with our strategy of increasing our premium offerings, our Company has recently entered into an agreement with a developer for developing a 'drive-in theatre'. We believe the investment in premium screen formats will increase the value of movie-going experience for our customers, ultimately leading to additional ticket, F&B, and advertising revenues.

Enhance customer experience

We plan to continue investing in our cinemas and improving customer experience to take greater advantage of incremental revenue-generating opportunities, primarily through an array of improved and differentiated customer experiences. We actively engage in refurbishment of our existing infrastructure and developing new screen formats, seating, technology and infrastructure in order to improve our cinemas. For instance, 'quick response code based paperless ticketing' and 'quick tix machines' are instances of measures undertaken by us, aimed at providing convenience to our customers. We also provide flexibility to our customers by offering the facility of 'book now and decide later', wherein a customer has the option to cancel the movie ticket and F&B booked prior to the start of the show. Further, through our loyalty programme, 'PVR Privilege', we provide personalised offers and services, including reward points, bonus points during special occasions and an automated conversion of reward points into vouchers. Our services also include providing our customers with the option of organizing events such as birthdays, anniversaries, workshops, seminars and school trips at our cinemas.

We offer exclusive screenings for women ('Women on Wednesdays') and senior citizens ('Seniors Day'), and dedicated screens for children ('Playhouse'). We have announced our 'Accessible Cinema Program' for people with mobility, hearing and visual impairment and intend to install step sliders, step climbers, roll-a-ramps, stair lifts and one-step ramps in our cinemas to ensure access for people with mobility issues along with offering audio description available on mobile applications and screening with subtitles and captions. Further, our messaging notification service (through an online messaging platform), provides customers with details of the movie tickets booked and upcoming movies. Further, in certain of our cinemas in Delhi and Mumbai, we monitor the air quality and filter the air in order to maintain the optimum level of air quality in our cinemas. We also intend to focus on online sales of tickets and F&B through partnerships with online aggregator platforms, which enable us to collate data and understand the behavior and preferences of our customers in terms of movies, actors, offers, timings and F&B. In addition, we intend to use technology in seating by introducing electronic leather recliners with charging ports in our existing and new cinemas. We have also installed computer systems at certain of our cinemas to collate customers' feedback/ ratings, which we believe will further help us improving our customer service. As part of our digital initiatives, we have launched a theatre-on-demand service, Vkaao, through a joint venture, which uses a crowdsourcing model to enable customers to plan exclusive screenings of movies of their choice from our collection of movies at a cinema of their choice, and also created a digital cinema environment for our customers at our cinemas. By using analytic tools and machine learning, we offer personalized communication and digital marketing campaigns as well as voice based interfaces to enhance our customers experiences.

Focus on increasing non-box office revenue

We intend to increase our non-box office revenues particularly in F&B, advertising and convenience fees. The F&B segment is a high margin business with approximately 70% to 75% gross margin (*Source: CRISIL Report*). The F&B revenue has increased at a CAGR of 20% during Fiscal 2015 and 2018, and accounted for approximately 22% of the total movie exhibition industry revenues in Fiscal 2018, and is estimated to reach to ₹ 24 billion in Fiscal 2019 (*Source: CRISIL Report*). However, the ratio of spend per head/ average ticket price for certain Indian multiplexes is lower in comparison with certain international counterparts (*Source: CRISIL Report*). Accordingly, multiplexes in India will aim to provide more F&B menu options, create more sales touch points and innovate in price and products (*Source: CRISIL Report*). As a result, we have and further intend to expand our menu of F&B products to include more options for meals, healthy snacks, mixed drinks, organic food and other gourmet

products. We also intend to focus on offers on F&B, 'combo' products, sale of F&B along with movie tickets which will help us in increasing the average value of transaction. Further, the launch of premium properties will increase the average spend per head on F&B, resulting in the growth of the cinema exhibition industry (*Source: CRISIL Report*).

As a percentage of total advertising revenue, in-cinema advertising has increased its share and is further expected to increase at a CAGR of approximately 10% from ₹ 11 billion in Fiscal 2019 to ₹ 16 billion in Fiscals 2023 (*Source: CRISIL Report*). However, as of December 2018, Indian multiplex operators' advertisement revenues were lower in comparison with international counterparts (*Source: CRISIL Report*). The key drivers for growth of in-cinema advertising in India include the increase in number of multiplex screens and number of advertisers selecting cinemas as a mode of advertising, and the presence of digital panels in multiplex lobbies (*Source: CRISIL Report*). Accordingly, we intend to capitalize on this opportunity and grow revenues from our advertising offerings through deepening advertiser engagement, attracting new advertisers to our platform, expanding our on-screen and off-screen advertising offerings and growing our advertising spot rates. In addition, we are exploring innovative mechanisms for advertisements such as advertisements on seat covers, ticketing windows and other publicly accessible places in cinema.

Our online Gross Box Office Collection contribution (as a percentage of Gross Box Office Collection) has been steadily increasing and was 50.7%, 54.7%, 59.3% and 63.0% in Fiscals 2017, 2018, 2019 and in the six months ended September 30, 2019, respectively. We have and further intend to increase the share of online Gross Box Office Collection through our partnerships with Paytm and BookMyShow and our website and mobile application by offering various offers and services including ticket cancellation, booking a cab, loyalty rewards, redemption of coupons, pre-paid cards and discounts and cashbacks. In addition, the information collected through such platforms will help us in determining the customers' behaviour and preferences, which will consequently enable us in improving our customer experience.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including "***Risk Factors***", "***Use of Proceeds***", "***Placement and Lock-up***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 71, 104, 242, 230 and 260, respectively:

Issuer	PVR Limited
Face Value	₹ 10 per equity share of the Company
Issue Size	Aggregating to ₹ 50,000 lakhs, comprising 29,08,583 Equity Shares of our Company, at a premium of ₹ 1,709.05 each A minimum of 10% of the Issue Size, i.e. at least 2,90,858 Equity Shares, were made available for Allocation to Mutual Funds only, and the balance 26,17,725 Equity Shares were made available for Allocation to all Eligible QIBs, including Mutual Funds In case of under-subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs
Floor Price	₹ 1,809.53 per Equity Share In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on January 29, 2019 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue Price	₹ 1,719.05 per equity share of the Company
Eligible Investors	Eligible QIBs, as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the SEBI ICDR Regulations. See "***Issue Procedure - Qualified Institutional Buyers***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 234, 244 and 255, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form was delivered was determined by the Book Running Lead Managers in consultation with our Company, at their sole discretion.
Date of Board Resolution approving the Issue	December 21, 2018
Date of Shareholders' Resolution (through postal ballot) approving the Issue	January 29, 2019
Dividend	Please see section "***Description of the Equity Shares***", "***Dividends***" and "***Taxation***" on pages 260, 110 and 266, respectively.
Taxation	Please see "***Taxation***" on page 266.
Equity Shares issued and outstanding prior to the Issue	4,83,82,262 Equity Shares, being fully paid-up
Equity Shares issued and outstanding immediately after the Issue	5,12,90,845 Equity Shares
Listing	Our Company has received in-principle approvals from the BSE and the NSE each dated October 23, 2019 under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares to be issued pursuant to the Issue.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.
Lock-up	For details of the lock-up, see "***Placement and Lock-up***" on page 242
Transferability Restrictions	Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Also see "***Transfer Restrictions***" and "***Selling Restrictions***" on pages 255 and 244, respectively.
Use of Proceeds	The gross proceeds of the Issue aggregates to approximately ₹ 50,000 lakhs. The net proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is

	approximately ₹ 49,000 lakhs. See "***Use of Proceeds***" on page 104 for information regarding the use of Net Proceeds from the Issue.
Risk Factors	See "***Risk Factors***" on page 71 for a discussion of factors you should consider before deciding whether to subscribe to Equity Shares pursuant to this Issue
Closing Date	Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about October 30, 2019
Status and Ranking	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Company's Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (who hold Equity Shares as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in Shareholders' meetings on the basis of one vote for every Equity Share held. See "***Dividends***" and "***Description of the Equity Shares***" on page 110 and page 260, respectively.
Security Codes for the Equity Shares	**ISIN:** INE191H01014 **BSE Code:** 532689 **NSE Code:** PVR

SELECTED FINANCIAL INFORMATION

*The following tables set forth the summary financial information derived from our Financial Information. The selected financial information presented below should be read in conjunction with "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**" on pages 111 and 296, respectively.*

[*This space has been intentionally left blank*]

PVR Limited
Summary Consolidated Balance Sheet as at March 31, 2019

Particulars	March 31, 2019 (Rs. In lakhs)
Assets	
Non-current assets	
Property, plant and equipment	148,997
Capital work-in-progress	22,080
Goodwill	111,161
Other intangible assets	19,921
Financial assets	
Equity accounted Investees	112
Investments	885
Loans	23,005
Other financial assets	2,242
Deferred tax assets (net)	1,068
Income tax assets (net)	3,630
Other non current assets	18,459
Total non-current assets	**351,560**
Current assets	
Inventories	3,034
Financial assets	
Investments	108
Trade receivables	18,386
Cash and cash equivalents	2,817
Bank balances other than cash and cash equivalents, above	597
Loans	1,183
Other financial assets	2,145
Other current assets	11,066
Total current assets	**39,336**
Total assets	**390,896**
Equity and liabilities	
Equity	
Equity share capital	4,674
Other equity	119,275
Equity attributable to equity holders of the Parent Company	**123,949**
Non-controlling interests	25,662
Total equity	**149,611**
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	101,876
Other Financial liabilities	4,217
Provisions	1,825
Deferred tax liabilities (net)	9,545
Other non-current liabilities	18,499
Total non-current liabilities	**135,962**
Current liabilities	
Financial liabilities	
Borrowings	8,515
Trade payables	
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,771
Other financial liabilities	36,100
Provisions	321
Other current liabilities	23,616
Total current liabilities	**105,323**
Total equity and liabilities	**390,896**

PVR Limited
Summary Consolidated statement of profit and loss for the year ended March 31,2019

Particulars	March 31, 2019 (Rs. In lakhs)
Income	
Revenue from operations	308,556
Other income	3,314
Total Income	**311,870**
Expenses	
Movie exhibition cost	70,193
Consumption of food and beverages	23,874
Employee benefits expense	33,726
Finance costs	12,801
Depreciation and amortization expense	19,128
Other operating expenses	122,130
Total expenses	**281,852**
Profit before share of profit of equity accounted investees, exceptional item and tax	**30,018**
Share of profit/(loss) of equity accounted investees (net of tax)	(115)
Profit before exceptional items and tax	**29,903**
Exceptional items	-
Profit before tax	**29,903**
Tax expense:	
Current tax	10,010
Adjustment of tax relating to earlier periods	162
Deferred tax (including MAT credit entitlement)	794
Total tax expenses	**10,966**
Net profit after tax	**18,937**
Non-controlling interests	(574)
Net profit after tax and after adjustment of non controlling interests	**18,363**
Other Comprehensive Income	
Items that will not be reclassified to profit or loss in subsequent period	(1,277)
Items that will be reclassified to profit or loss in subsequent period	(22)
Other comprehensive income for the year (net of tax)	**(1,299)**
Total comprehensive income for the year (comprising profit and other comprehensive income)	**17,064**
Net Profit attributable to:	
Owners of the Company	18,327
Non-controlling interests	610
Other Comprehensive Income attributable to:	
Owners of the Company	(1,263)
Non-controlling interests [#]	(36)
Total Comprehensive Income attributable to:	
Owners of the Company	17,064
Non-controlling interests	574

PVR Limited
Summary Consolidated Statement of Cash Flow for year ended March 31, 2019

Particulars	March 31, 2019 (Rs. In lakhs)
Cash flow from operating activities:	
Profit before tax	**29,903**
Adjustments to reconcile profit before tax to net cash flows:	
Depreciation of property, plant and equipment	16,843
Amortisation of intangible assets	2,285
Net loss on disposal of property, plant and equipment	143
Interest Income	(1,219)
Allowance for doubtful debts and advances	1,273
Bad debts/advances written off	53
Finance costs	11,983
Equity-settled share-based payments	296
Liabilities written back	(119)
Rent expenses (pertaining to deferred rent)	1,149
Share of loss of equity accounted investees	115
Convenience fees (Time value of money adjustment)	(1,245)
	61,460
Working capital adjustments:	
Increase/(Decrease) in provisions	86
Increase/(Decrease) in trade & other payables	37,109
Decrease/(Increase) in trade receivables	(2,159)
Decrease/(Increase) in inventories	(777)
Decrease/(Increase) in loans and advances and other assets	(4,416)
Cash generated from operations	**91,303**
Direct taxes paid (net of refunds)	(8,339)
Net cash flow from/(used in) operating activities (A)	**82,964**
Cash flows (used in) investing activities	
Purchase of PPE, Intangible assets, CWIP and Capital advance	(43,619)
Payment for acquisition of SPI Cinemas Private Limited	(53,560)
Security deposits given to Mall Developers	(4,686)
Proceeds from sale of PPE	133
Loan repaid by body Corporate	114
Interest received	271
Fixed deposits with banks	(197)
Net cash flow from/(used in) investing activities (B)	**(101,544)**
Cash flow (used in)/from financing activities	
Proceeds from long term borrowings	64,413
Repayment of long-term borrowings	(33,165)
Proceeds from short-term borrowings	40,000
Repayment of short-term borrowings	(45,550)
Payment of Dividend and tax thereon	(1,127)
Interest paid on Borrowings	(10,328)
Net cash flow from/(used in) financing activities (C)	**14,243**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(4,337)**
Cash and cash equivalents at the beginning of the year	2,676
Add : cash acquired on acquisition of subsidiary	918
Cash and cash equivalents at the end of the year	**(743)**

Particulars	March 31, 2019
Cash and cash equivalents	
Cash on hand	852
With banks - on deposit accounts	76
With banks - on current accounts	1,889
cash and cash equivalents	**2,817**
Less: Secured bank overdraft	(3,560)
Total cash and cash equivalent	**(743)**

PVR Limited
Summary consolidated Balance Sheet as at March 31, 2018

Particulars	March 31, 2018 (Rs. In lakhs)
Assets	
Non-current assets	
Property, plant and equipment	112,695
Capital work-in-progress	10,169
Goodwill	42,660
Goodwill on consolidation	787
Other intangible assets	2,843
Equity accounted Investees	227
Financial assets	
Investments	1,761
Other financial assets	21,443
Deferred tax assets (net) (includes MAT credit entitlement)	1,560
Other non current assets	10,964
Total non-current assets	**205,109**
Current assets	
Inventories	1,980
Financial assets	
Investments	106
Trade receivables	15,561
Cash and cash equivalents	2,776
Other bank balances	503
Loans	103
Other financial assets	3,281
Other current assets	5,465
Total current assets	**29,775**
Total assets	**234,884**
Equity and liabilities	
Equity	
Equity share capital	4,674
Other equity	102,862
Equity attributable to equity holders of the Parent Company	**107,536**
Non-controlling interests	81
Total equity	**107,617**
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	56,156
Provisions	1,001
Deferred tax liabilities (net) (includes MAT credit entitlement)	59
Total non-current liabilities	**57,216**
Current liabilities	
Financial liabilities	
Borrowings	9,983
Trade payables	25,111
Other payables	24,163
Provisions	267
Other current liabilities	10,527
Total current liabilities	**70,051**
Total equity and liabilities	**234,884**

PVR Limited
Summary consolidated statement of profit and loss for the year ended March 31, 2018

Particulars	March 31, 2018 (Rs. In lakhs)
Income	
Revenue from operations	233,411
Other income	3,134
Total Income	**236,545**
Expenses	
Movie exhibition cost	53,766
Consumption of food and beverages	15,907
Employee benefits expense	25,407
Finance costs	8,371
Depreciation and amortization expense	15,369
Other operating expenses	98,147
Total expenses	**216,967**
Profit before share of profit of equity accounted investees, exceptional item and tax	**19,578**
Share of profit/(loss) of equity accounted investees (net of tax)	(73)
Profit before exceptional items and tax	**19,505**
Exceptional items	59
Profit before tax	**19,446**
Tax expense:	
Current tax	4,889
Deferred tax (including MAT credit entitlement)	2,155
Total tax expenses	**7,044**
Net profit after tax	**12,402**
Non-controlling interests	68
Net profit after tax and after adjustment of non controlling interests	**12,470**
Other Comprehensive Income	
Items that will not be reclassified to profit or loss in subsequent period	(987)
Items that will be reclassified to profit or loss in subsequent period	-
Other comprehensive income for the year (net of tax)	**(987)**
Total comprehensive income for the year (comprising profit and other comprehensive income)	**11,483**
Net Profit attributable to:	
Owners of the Company	12,470
Non-controlling interests	(68)
Other Comprehensive Income attributable to:	
Owners of the Company	(987)
Non-controlling interests [#]	0
Total Comprehensive Income attributable to:	
Owners of the Company	11,483
Non-controlling interests	(68)

Amount below Rs. 1 lakh

PVR Limited

Summary consolidated Cash flow statement for the year ended March 31, 2018

Particulars	March 31, 2018 (Rs. In lakhs)
Cash flow from operating activities:	
Profit before tax	**19,446**
Adjustments to reconcile profit before tax to net cash flows:	
Depreciation of property, plant and equipment	13,651
Amortisation of intangible assets	1,718
Net loss on disposal of property, plant and equipment	37
Interest Income	(942)
Allowance for doubtful debts and advances	366
Bad debts/advances written off	22
Finance costs	7,579
Equity-settled share-based payments	295
Unspent liabilities written back	(239)
Exceptional items	59
Rent expenses (pertaining to deferred rent)	1,018
Share of loss of equity accounted investees	73
Profit on sale of Movie on demand (Vkaoo) platform	(114)
	42,969
Working capital adjustments:	
Increase/(Decrease) in provisions	286
Increase/(Decrease) in trade & other payables	8,834
Decrease/(Increase) in trade receivables	(5,747)
Decrease/(Increase) in inventories	(173)
Decrease/(Increase) in loans and advances and other assets	2,622
Cash generated from operations	**48,791**
Direct taxes paid (net of refunds)	(4,165)
Net cash flow from/(used in) operating activities (A)	**44,626**
Cash flows (used in) investing activities	
Purchase of PPE, Intangible assets, CWIP and Capital advance	(34,002)
Security deposits given to Mall Developers	(4,011)
Proceeds from sale of PPE	148
Redemption of current non-trade investments	24
Investment in iPic Entertainment Inc.	(2,581)
Loan received from body Corporate	43
Investment in Vkaao Entertainment Private Limited	(300)
Investment in PVR Pictures International Pte. Limited [#]	(0)
Interest received	110
Fixed deposits with banks	30
Net cash flow from/(used in) investing activities (B)	**(40,539)**
Cash flow (used in)/from financing activities	
Proceeds from issuance of share capital including securities premium	-
Proceeds from long term borrowings	12,500
Repayment of long-term borrowings	(8,946)
Proceeds from short-term borrowings	37,500
Repayment of short-term borrowings	(38,506)
Payment of Dividend and tax thereon	(1,127)
Interest paid on Borrowings	(8,016)
Net cash flow from/(used in) financing activities (C)	**(6,595)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(2,508)**
Cash and cash equivalents at the beginning of the year	903
Cash and cash equivalent received on sale of investment in PVR BluO Entertainment Limited	4,281
Cash and cash equivalents at the end of the year	**2,676**

Particulars	March 31, 2018
Cash and cash equivalents	
Cash on hand	536
With banks - on deposit accounts	85
With banks - on current accounts	2,155
Sub-total	**2,776**
Less: Bank overdraft	(100)
Total cash and cash equivalent for cash flow statement	**2,676**

Amount below Rs. 1 lakh

PVR Limited
Summary consolidated Balance Sheet as at March 31, 2017

	March 31, 2017 (Rs. In lakhs)
Assets	
Non-current assets	
Property, plant and equipment	104,473
Capital work-in-progress	10,557
Goodwill	42,660
Goodwill on consolidation	705
Other intangible assets	3,030
Financial assets	
Investments	101
Other financial assets	17,838
Other non current assets	10,840
Deferred tax assets (net) (inculdes MAT credit entitlement)	4,326
Total non-current assets	**194,530**
Current assets	
Inventories	1,904
Financial assets	
Investments	96
Loans	525
Trade receivables	10,208
Cash and cash equivalents	2,475
Other bank balances	515
Other financial assets	3,704
Other current assets	8,612
Total current assets	**28,039**
Total assets	**222,569**
Equity and liabilities	
Equity	
Equity share capital	4,674
Other equity	91,827
Equity attributable to equity holders of the Parent Company	**96,501**
Non-controlling interests	4,050
Total equity	**100,551**
Liabilities	
Non-current liabilities	
Financial liabilities	
Borrowings	60,504
Provisions	710
Deferred tax liabilities (net) (inculdes MAT credit entitlement)	91
Total non-current liabilities	**61,305**
Current liabilities	
Financial liabilities	
Borrowings	12,508
Trade payables	19,762
Other payables	20,077
Provisions	325
Other current liabilities	8,041
Total current liabilities	**60,713**
Total equity and liabilities	**222,569**

PVR Limited
Summary consolidated Statement of Profit and loss for the year ended March 31, 2017

Particulars	March 31, 2017 (Rs. In lakhs)
Income	
Revenue from operations	211,943
Other income	6,225
Total Income	**218,168**
Expenses	
Movie exhibition cost	46,516
Consumption of food and beverages	14,010
Employee benefits expense	22,051
Finance costs	8,058
Depreciation and amortisation	13,838
Other expenses	98,004
Total expenses	**202,477**
Profit before exceptional items and tax	**15,691**
Exceptional items	407
Profit before tax	**15,284**
Tax expense:	
Current tax	3,292
Adjustment of tax relating to earlier periods	38
Deferred tax (including MAT credit entitlement)	2,370
Total tax expenses	**5,700**
Profit for the year [A]	**9,584**
Other comprehensive income	
Items that will not be reclassified to profit or loss in subsequent period	
Re-measurement gains/(loss) on defined benefit plans	(229)
Income tax effect	81
Other comprehensive income for the year (net of tax) [B]	**(148)**
Total comprehensive income for the year [A+B] (comprising profit and other comprehensive income)	**9,436**
Total comprehensive income for the year	9,436
Attributable to:	
Equity holders of the parent	9,431
Non-controlling interests	5

PVR Limited
Summary consolidated Cash flow statement for the year ended March 31, 2017

Particulars	March 31, 2017 (Rs. In lakhs)
Operating activities:	
Profit before tax	**15,284**
Adjustments to reconcile profit before tax to net cash flows:	
Depreciation of tangible assets	12,477
Amortisation of intangible assets	1,361
Net loss on disposal and discard of property, plant and equipment, CWIP (including pre-operative expenses)	636
Interest Income	(1,345)
Provision for doubtful debts and advances	569
Bad debts/advaces written off	29
Interest expense	7,298
Employee stock option expense	5
Unspent liabilities written back	(89)
Exceptional items - Assets written off	245
Rent expenses (pertaining to deferred rent)	1,260
	37,730
Working capital adjustments:	
Increase/(Decrease) in provisions	(303)
Increase/(Decrease) in trade & other payables	2,493
Decrease/(Increase) in trade receivables	(1,624)
Decrease/(Increase) in inventories	142
Decrease/(Increase) in loans and advances and other assets	(3,168)
Cash generated from operations	**35,270**
Direct taxes paid (net of refunds)	(3,309)
Net cash flow from/(used in) operating activities (A)	**31,961**
Cash flows (used in) investing activities	
Purchase of Property, plant and equipment, Intangible assets, capital work-in-progress and capital advance	(63,305)
Security deposits to developers	(5,246)
Proceeds from sale of property, plant and equipment	63
Purchase/redemption of National saving certificate	(12)
Interest received	288
Fixed deposits with banks (includes Escrow account deposit)	5,003
Net cash flow from/(used in) investing activities (B)	**(63,209)**
Cash flow (used in)/from financing activities	
Proceeds from issuance of share capital including securities premium	103
Proceeds from long term borrowings	15,085
Repayment of long-term borrowings	(11,636)
Proceeds from short-term borrowings	20,936
Repayment of short-term borrowings	(10,000)
Payment of dividend and tax thereon	(1,169)
Interest paid on borrowings	(7,304)
Net cash flow from/(used in) financing activities (C)	**6,015**
Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(25,233)**
Cash and cash equivalents at the beginning of the year	26,136
Cash and cash equivalents at the end of the year	**903**

	March 31, 2017 (Rs. In lakhs)
Cash and cash equivalents	
Cash and cheques on hand	319
With banks - on deposit accounts	74
With banks - on current accounts	2,082
Sub-total	**2,475**
Less: Bank overdraft	(1,572)
Total cash and cash equivalent for cash flow statement	**903**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2019; (ii) Fiscal 2018; and (iii) Fiscal 2017, as per the requirements under IND AS 24, see "***Financial Information - Fiscal 2019 Ind AS Audited Consolidated Financial Statements – Notes to 48***", "***Financial Information - Fiscal 2018 Ind AS Audited Consolidated Financial Statements – Notes to the consolidated financial statements for the year ended March 31, 2018 – 48***" and "***Financial Information - Fiscal 2017 Ind AS Audited Consolidated Financial Statements – Notes to consolidated financial statements for the year ended March 31, 2017 – 36***" on pages F-87, F-148 and F-205, respectively.

RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Investors should carefully consider each of the following risk factors and all the information disclosed in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are those that we consider to be most significant to our business, results of operations and financial conditions as of the date of this Placement Document. However, they are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "**Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 182, 158 and 111, respectively, as well as the other financial information included in this Placement Document. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment in India which may differ significantly from that in other jurisdictions. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of us on a consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue.*

*This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For further information, see "**Forward-Looking Statements**" on page 14.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 296 and 111, respectively.*

*Our Company completed the acquisition of SPI Cinemas with effect from August 17, 2018, and subsequently, SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme. Accordingly, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Presentation of Financial Information – Amalgamation of SPI Cinemas**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition – Acquisition and effect of SPI Cinemas**" and "**Financial Information**" on pages 114, 117 and 296, respectively.*

*In addition, 'Indian Accounting Standard (Ind AS) 116 – Leases' ("**Ind AS 116**") became applicable to us from the accounting period commencing April 1, 2019. Our (i) Audited Consolidated Financial Statements, and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Presentation of Financial Information – Adoption of Ind AS 116**", "**Management's Discussion and Analysis***

of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition – Impact of Ind AS 116*", and "****Financial Information****" on pages 115, 118 and 296, respectively.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market assessment of the film and multiplex industry in India" dated March 2019 (the "****CRISIL Report****") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to PVR Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to PVR Limited on a consolidated basis.

RISKS RELATED TO OUR COMPANY AND BUSINESS

1. ***A lack of movie production or poor performance of movies could result in a decline in movie attendance, which could adversely affect our business, financial condition and results of operations. Further, admission levels at our cinemas depend on the content of the movies and the market for local language movies, and we may be unable to obtain the movies we want for our cinemas in certain markets.***

Our business and results of operations are dependent on the overall success, particularly the box office performance of movies, of the cinema industry. Our ability to operate successfully depends upon the availability, diversity and appeal of movies, our ability to license movies and the performance of such movies in our markets. Our revenues are also dependent upon the timing and popularity of movie releases by production studios and distributors. Further, our box office revenue depends on the number of customers that visit our cinemas and the ticket price that we charge our customers. Our revenue from income from sale of movie tickets was ₹ 1,24,707 lakhs and ₹ 1,63,543 lakhs in Fiscal 2018 and Fiscal 2019, respectively, which accounted for 52.7% and 52.4%, respectively, of our total income in the same period. In the six months ended September 30, 2019, our revenue from income from sale of movie tickets was ₹ 94,843 lakhs, accounting for 50.8% of our total income in the same period.

The success of movies is also significantly dependent on the marketing efforts of the production houses and studios. Poor performance of, or any disruption in the production of these movies, or a reduction in the marketing efforts of the production houses and studios, could adversely affect our business and results of operations. Conversely, the successful performance of any movie, particularly the sustained success of any one movie, or an increase in effective marketing efforts of the production houses and studios, may generate positive results for our business and operations in a specific quarter or year that may not necessarily be indicative of, or comparable to, future results of operations. Box office performance also affects the sale of F&B in our cinemas and advertisement income.

We do not have any control over the content of the movies and also cannot determine whether the content of movies will be appreciated by all of our customers. Our business may be adversely affected if the content of the movies we exhibit in our cinemas are suitable only to a limited or particular customer segment or if the audience do not find the content suitable or relevant. Further, a change in the content of movies offered by production houses and distributors may adversely affect the demographic base of our customers, as a result of which, our results of operations may be adversely affected. In the past, the content of certain movies have been alleged to be politically, culturally and religiously sensitive and accordingly, certain restrictions have been imposed on the exhibition of such movies in certain regions in India. For instance, one Bollywood movie was banned in Rajasthan and Gujarat, and another Bollywood movie was banned in Uttarakhand. As a result, we may face local or widespread opposition or politically supported protests against the content of such movies exhibited by us, or vandalism at our premises, which may have an adverse impact on our business, cash flows and results of operations. Such oppositions and protests could result in disruption of business operations and there can be no assurance that such disruptions will not occur in future. Any such opposition may adversely affect our business, cash flows and results of operations. Typically, there is a smaller market for local language movies and the overall supply of these movies may not be adequate to generate a sufficient attendance level at our cinemas. In addition, there may be situations where we may be unable to obtain the movies for our cinemas in certain regional markets. As a result of these factors, admission levels at some of our cinemas may not be sufficient to permit us to operate

them on a positive cash flow basis. Any one or more of the aforementioned factors could have a material adverse effect on our business, cash flows, financial condition and results of operations.

2. ***Our long-term success is highly dependent on our ability to successfully identify and secure strategic locations for our cinemas and timely develop and expand our operations in existing and new markets. Further, any downturn in the commercial real estate market in India may adversely affect the growth of our business.***

We have significantly expanded our screen network from 166 screens in 38 cinemas, as of March 31, 2012 to 800 screens in 170 cinemas across 69 cities in 21 States and Union Territories in India, as of September 30, 2019. One of the key means of achieving our growth strategies is through opening and operating cinemas at strategic locations. Our success will therefore depend on our ability to identify target markets where we can enter or expand, taking into account numerous factors such as the location, demographics, income levels and traffic patterns. Desirable locations may be limited for many reasons, including the general lack of prime real estate in the markets in which we compete and restrictions in some of these markets on the use of certain locations for cinemas. As a result, desirable locations for new cinemas or for the relocation of existing cinemas may not be available on commercially acceptable terms or at all. If we are unable to identify and obtain suitable locations for our new cinemas, we may witness lower admissions, which would adversely affect our ability to achieve our anticipated growth in revenue and profitability.

In addition, we have, over the years, established relationships with various mall developers. Such relationships, we believe have helped us in securing leases for our cinemas at competitive terms. Any inability to maintain such relationships, or if our competitors are able to capture strategic locations over us, our business and financial condition will be adversely affected.

The number and timing of new cinemas to be opened during any given period may be impacted by a number of factors including: (i) the lack of development and overall decrease in commercial real estate development activity; (ii) the identification and availability of attractive locations for new cinemas and the ability to negotiate suitable lease terms; (iii) the cost and availability of capital to fund construction costs and pre-opening expenses; (iv) our ability to obtain material governmental and statutory approvals required to operate our cinemas, in a timely manner; (v) competition in new markets, including competition for appropriate locations; (vi) anticipated commercial, residential and infrastructure development near our locations; (vii) our ability to obtain adequate financing; and (viii) recruitment and training of qualified personnel in the local market. The uncertainty of these factors could impact the opening of new cinemas which could adversely affect our business, financial condition and results of operations. In addition, any failure to identify and adapt to the trends in the exhibition industry and inability to expand in the most attractive and profitable screen format, may adversely affect our profitability and financial condition.

Further, the commercial real estate market in India is affected by many factors, including changes in the social, political, economic and legal environment and changes in the government's fiscal and monetary policies. The Indian property market as a whole experienced fluctuations in recent years in response to government policies and trends in the Indian and global economy. Any adverse development in the commercial real estate market in India resulting in a decline in the number of new large shopping malls being built or shutdown of existing malls or any global economic slowdown or financial turmoil in the future, may adversely affect the real estate market thereby adversely impacting the growth of our cinema network. Accordingly, there cannot be any assurance that we will be able to successfully expand as we may not accurately analyze the suitability of a location or anticipate all of the challenges imposed by expanding our operations to these locations. Our growth strategy and the substantial investment associated with the development of each new location may cause our operating results to fluctuate and be unpredictable or adversely affect our profits.

3. ***An increase in the use of alternative content and movie distribution channels, including over-the-top ("OTT") content and home-videos, movie DVDs, and other competing forms of entertainment may result in a decline in cinema attendance and limit ticket pricing.***

The digital audience in India has been steadily increasing due to increasing smart phone penetration, wide geographical coverage of high speed internet at affordable data rates and availability of compelling video content (*Source: CRISIL Report*). We face competition for customers from a number of alternative movie distribution channels, such as digital available content on various OTT platforms, home theatre video, pay-per-view, cable television, DVD, and broadcast television from domestic and internationally recognized brands. OTT platforms include Netflix, Amazon Prime Video and Hotstar (*Source: CRISIL Report*). These platforms also engage with

production houses for developing specific content that they offer at competitive rates, which content is not made available to us for exhibiting at our cinemas. Further, certain popular and premium content is now exclusively made available on such OTT platforms. In addition, according to industry stakeholders, it is understood that an exclusive eight week window has been agreed upon in writing before which a movie cannot be released on OTT or cable/ satellite platforms (*Source: CRISIL Report*). However, in spite of such contracts, customers may choose to view content available on alternative platforms, which may reduce the number of customers visiting our cinemas thereby adversely impacting our financial condition, cash flows and results of operations. Recently according to various media reports, an Indian telecom enterprise is proposing to provide its customers with a service, which will make movies available at home the same day these movies are released in theatres. While the publicly available information regarding the proposed service is currently limited, however, any such service that is proposed to be made available to customers may result in a decline in cinema attendance thereby adversely impacting our business, financial condition, cash flows and results of operations.

We also compete with other forms of entertainment for our customers' time and disposable income, such as live concerts, carnival parties, amusement parks, sporting events, shopping activities, social media and restaurants. In addition, distributors and production houses typically do not release movies during popular sporting events, such as cricket world cup, Indian premier league season and football world cup. The expansion of such alternative entertainment could have an adverse effect on movie cinema attendance in general and, therefore, upon our business, financial condition and results of operations. If we are unable to continue to deliver a premium movie-going experience, or adapt to evolving content and distribution channels, customers may be unwilling to pay the prices associated with our cinema tickets that would adversely harm our business and prospects.

4. ***We have in the past and may in future continue to pursue acquisitions, amalgamations and strategic investment opportunities, which could subject us to considerable risks including risks relating to the integration of these acquired/ amalgamated businesses with our existing operations. Our inability to complete and successfully integrate such acquisitions/ amalgamations could adversely affect our business prospects, results of operations and financial condition.***

We have in the past, and may in the future, acquire potential complementary businesses and pursue acquisitions, amalgamations and/ or investments opportunities to gain access to new and strategic locations, technologies, businesses, products, markets and services, both in areas served by our existing businesses as well as in new areas. For instance, our acquisitions/ amalgamations of Cinemax Cinemas in November 2012, DT Cinemas in May 2016 and SPI Cinemas in August 2018, we added 138 screens, 32 screens and 76 screens, respectively, to our screen network. For further information, see "***Business – Movie Exhibition Business***" on page 189. As a result of such acquisitions/ amalgamations, we expect to achieve certain synergies and cost savings through, for example, reducing general and administrative expenses, achieving purchasing efficiencies and achieving revenue enhancements resulting from the acquisition. However, there can be no assurance that we will be able to generate sufficient cash flow from these acquisitions/ amalgamations to service the indebtedness incurred to finance a particular acquisition or realize any other anticipated benefits. Nor can there be any assurance that our profitability will be improved by these or any future acquisitions/ amalgamations. Further, we may not be successful in identifying acquisition/ amalgamation opportunities, assessing the value, strengths and weaknesses of these opportunities or consummating acquisitions/ amalgamations on acceptable terms. For instance, in Fiscal 2018, our Company acquired a minority stake for ₹ 2,581 lakhs in an American luxury restaurant and theatre company, 'iPic Entertainment Inc.' (formerly known as iPic-Gold Entertainment LLC) ("**iPic**"). However, in May 2019, iPic filed for 'Chapter 11 Bankruptcy' before the United States Bankruptcy Court in the district of Delaware.

Acquisitions/ amalgamations may expose us to particular business and financial risks such as diverting financial and management resources from existing operations, expending significant management time and bandwidth towards ensuring that operations are integrated with our existing operations, incurring indebtedness and assuming additional liabilities, known and unknown, including liabilities relating to the use of intellectual property we acquire, incurring significant additional capital expenditures, transaction and operating expenses and non-recurring acquisition-related charges, experiencing an adverse impact on our earnings from the amortisation or impairment of acquired goodwill and other intangible assets, failing to successfully integrate the operations and personnel of the acquired businesses, failure to obtain any material government or statutory approvals including approval from competition authorities, entering new markets or marketing new products with which we are not entirely familiar, and failing to retain key personnel of, vendors to and customers of the acquired/ amalgamated businesses. If we are unable to address the risks associated with acquisitions/ amalgamations, or if we encounter expenses, difficulties, complications or delays frequently encountered in connection with the integration of acquired/ amalgamated entities and the expansion of operations, we may fail to achieve acquisition/ amalgamation synergies and may be required to focus resources on integration of operations rather than on our primary business

activities. We may also not be in compliance with all the terms of the documentation in relation to our future acquisitions/ amalgamations,which may subject us to claims in relation to the same.

Further, acquisitions/ amalgamations may also expose us to potential risks, including risks associated with the integration of new cinemas in different regions, operations, services and personnel, unforeseen or hidden liabilities, government restrictions, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions/ amalgamations, and potential loss of, or harm to, relationships with employees and customers, any of which could significantly disrupt our ability to manage our business. If we are unable to successfully integrate acquired/ amalgamated operations with our existing business, our business, results of operations and financial condition may be adversely affected.

5. ***Our Company adopted Ind AS 116 that became applicable to our Company with effect from April 1, 2019 and the adoption of Ind AS 116 had a material impact on our financial information and financial presentation. Accordingly, information with respect to our financial performance prior to the adoption of Ind AS 116 may not be comparable.***

The Ministry of Corporate Affairs ("**MCA**") has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we were required to adopt Ind AS 116 from April 1, 2019. Therefore, our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2019 have been prepared using Ind AS 116. We have applied Ind AS 116 on April 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116, is recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. Accordingly, we were not required to restate the comparative information for the year and quarter ended March 31, 2019, and the quarter and six months ended September 30, 2018. Therefore, the financial statements/ financial information that we prepare in accordance with Ind AS 116 in the future will not be comparable with our historical financial statements/ financial information. Our (i) Audited Consolidated Financial Statements and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results.

The adoption of Ind AS 116, had a material impact on our financial statements. The major impact on the consolidated financial statements for the quarter and six months ended September 30, 2019 were on assets, liabilities, finance costs, depreciation and amortisation expenses, rent expenses and profit before tax, profit after tax, earnings per share, Adjusted EBITDA and other financial ratios. Therefore, the financial statements/ financial information that we prepare in accordance with Ind AS 116 in the future will not be comparable with our historical financial statements. For further information, see *"**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Adoption of Ind AS 116***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition – Impact of Ind AS 116***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Results of Operations – Six Months Ended September 30, 2019 - First Time Adoption of Ind AS 116***" and "***Financial Information***" on pages 115, 118, 128 and 296, respectively.

In addition, the MCA also introduced a new standard for revenue recognition under Ind AS 115 for accounting periods beginning on or after April 1, 2018. Effective April 1, 2018, our Company has adopted Ind AS 115 (revenue from contracts with customers) which establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Ind AS 115 replaces Ind AS 18 revenue recognition and related interpretations. Our Company has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application (*i.e.* April 1, 2018). Under this transition method, the comparative information is not restated - *i.e.* the comparative information continues to be reported under Ind AS 18. Although the adoption of Ind AS 115 did not have any material impact on our Fiscal 2019 Ind AS Audited Consolidated Financial Statements and our Ind AS Unaudited Interim Condensed Consolidated Financial Statements, our Fiscal 2019 Ind AS Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements or the financial statements/information that we prepare in accordance with Ind AS 115 in the future, may not be comparable to our historical financial statements, including

our Audited Consolidated Financial Statements for Fiscal 2018 and Fiscal 2017 included in this Placement Document.

For further information, see "***Financial Information***" on page 296. The governmental and regulatory bodies in India may continue to notify such new accounting standards, regulations and/or policies. There can be no assurance that any such changes in accounting standards, regulations or policies would not lead to different accounting methods, which may have an adverse effect on our business, financial condition and results of operations.

6. Our standalone and consolidated financial information prepared prior and subsequent to the acquisition of SPI Cinemas and amalgamation of SPI Cinemas pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme will not be comparable to our standalone and consolidated financial statements and results subsequent to such dates.

Pursuant to SPA, our Company acquired 71.69% of the equity shareholding in SPI Cinemas with effect from August 17, 2018 and the remaining 28.31% of the equity shareholding in SPI Cinemas was proposed to be acquired through the SPI Merger Scheme. Subsequently, pursuant to an order dated August 23, 2019 by the NCLT, New Delhi, the SPI Merger Scheme was approved and SPI Cinemas was amalgamated with our Company with effect from the appointed date, *i.e.* August 17, 2018. Accordingly, with effect from August 17, 2018 and upon the SPI Merger Scheme becoming effective, the entire business of SPI Cinemas, including its assets, properties, rights, benefits, interests and liabilities were transferred to and vested in our Company, as a going concern. For further information, see "***Capital Structure – Equity Share Capital History of our Company***" and "***Financial Information***" on pages 106 and 296, respectively.

Our Company has given effect to the accounting treatment in the books of accounts as per the acquisition method stated in Ind AS 103 - "Business Combinations", as prescribed by Section 133 of the Companies Act. Accordingly, since SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the SPI Merger Scheme being approved by the NCLT, New Delhi through an order dated August 23, 2019, our financial statements and/ or financial results prepared prior to August 23, 2019 reflected only the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas into our Company. Only our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, which were prepared subsequent to August 23, 2019, reflect the amalgamation of SPI Cinemas. As a result, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation.

Further, our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, include certain financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, which have been represented taking into account the amalgamation of SPI Cinemas. Accordingly, the financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, included in our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, and are not directly comparable with the previously published financial statements and/ or financial results for such fiscal years/ periods, which reflected the acquisition of 71.69% equity shareholding of SPI Cinemas. In addition, our future standalone and consolidated financial statements and/ or financial results (and any comparative historical standalone and consolidated financial information (for periods commencing August 18, 2018) that may be included in any such future financial statements and/ or financial results prepared on the basis of the amalgamation of SPI Cinemas will not be directly comparable with any historical financial statements and/ or financial results relating to such periods published prior to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme, which would only reflect the acquisition of 71.69% equity shareholding of SPI Cinemas, and not the amalgamation of SPI Cinemas.

In this Placement Document, we have not included any proforma statement of profit and loss or other proforma financial information, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of the acquisition and/ or amalgamation of SPI Cinemas on our audited consolidated financial statements for any period prior to August 17, 2018. However, for the convenience of potential investors, we have included the Fiscal 2019 SPI Audited Standalone Financial Statements in this Placement Document. The Fiscal 2019 SPI Audited Standalone Financial Statements, included in this

Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, Chartered Accountants, our current Statutory Auditors, as stated in their report appearing herein, which includes an *Other Matter* paragraph that states that the report, as it relates to the previous years prior to the transition to Ind AS, is based upon reports issued by other auditors. Potential investors should therefore rely on a comprehensive examination of the Audited Consolidated Financial Statements for Fiscal 2018 and Fiscal 2019, Ind AS Unaudited Interim Condensed Consolidated Financial Statements, Statement of Unaudited Financial Results and Fiscal 2019 SPI Audited Standalone Financial Statements as included in this Placement Document, in connection with any investment decision. For further information, see *"**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Amalgamation of SPI Cinemas**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition – Acquisitions and effect of SPI Cinemas" and "Financial Information"** on pages 114, 117 and 296, respectively.*

7. We have entered into arrangement with various third parties for use of the premises on which our cinemas are operated. In the event of termination or non-renewal of such arrangements, our business, financial condition and results of operations would be materially adversely affected.

We do not own any of the premises on which our cinemas are located and hence, we do not have any ownership rights in the immovable property in respect of the cinemas operated by us. We have entered into arrangement with various third parties, typically mall developers, for the use of such immovable property. Rental expenses and common area maintenance charges for use of such immovable property account for a significant portion of our expenses. In Fiscal 2018 and Fiscal 2019, we incurred ₹ 41,114 lakhs and ₹ 50,591 lakhs, respectively, towards net rental expenses that amounted to 18.9% and 17.9% of our total expense in such periods, respectively. In the six months ended September 30, 2019, we incurred ₹ 4,784 lakhs towards net rental expenses that amounted to 2.7% of our total expense. Net rental expense as reflected in our statement of profit and loss for the six months ended September 30, 2019 significantly reduced on account of adoption of Ind AS 116. For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations- Presentation of Financial Information – Adoption of Ind AS 116***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116***", and "***Financial Information***" on pages 115, 118 and 296, respectively. Further, expenses towards common area maintenance (net of recovery) amounted to ₹ 11,259 lakhs and ₹ 13,016 lakhs in Fiscal 2018 and Fiscal 2019, respectively, accounting for 5.2% and 4.6%, respectively, of our total expenses in such periods. In the six months ended September 30, 2019, expenses towards common area maintenance (net of recovery) amounted to ₹ 7,615 lakhs, accounting for 4.3% of our total expenses.

The tenure of our arrangements typically range from 10 to 20 years, which, in certain instances, are renewable subject to mutual understanding. Typically, we are required to pay a security deposit and a specified monthly rental and common area maintenance charges for the mall, for the duration of the agreement, subject to periodic escalations at agreed rates. Several of our arrangements are based on revenue share model along with a fixed minimum monthly guaranteed amount. Further, in terms of our arrangements, we are required to, among others, submit monthly sales statements to the developers, seek prior consent from the developers for making any material alterations in the cinemas, maintain insurance coverage for our cinemas and obtain necessary approvals required for operating cinemas. In addition, some of our arrangements may be terminated by the developers, after providing a formal written notice and a cure period, on the grounds of, among others: (i) non-payment of rent and/or common area maintenance for a certain period, (ii) cancellation of the cinema operating license granted to us under the Cinematograph Act due to our own fault, (iii) using the premises for purpose other than carrying multiplex operations, (iv) closure of cinemas for a certain period without any reason, subject to certain exceptions such as force majeure events and closure for renovations and refurbishment. Further, in a few of our arrangements, the owners of the multiplex premises, on which we operate, have a right to terminate the arrangement if our Company ceases to be under the control/ directorship of our Chairman cum Managing Director, Ajay Bijli and our Joint Managing Director, Sanjeev Kumar. In addition, certain arrangements provide for prior written consent for certain specified conditions and have restrictive conditions, such as, restricting us from liaising with lessors or entering into arrangements with developers of upcoming properties within a certain geographical vicinity of the existing premises, along with certain lock-in provisions. In particular, certain arrangements provide that in the event that we sell/ transfer/ assign the premises to any third party in the same business, then while we may terminate the arrangements without paying the rental for the unexpired lock-in period, we would not be allowed to open another multiplex within a radius of a few kilometers for the remaining lock-in period.

Any defect in the title, ownership rights, development rights of the owners whose premises we operate in, or any non-compliance with applicable rules and regulations relating to these premises by those developers or any termination of these arrangements by the developers, or any proceedings against the developers by any third party, may impede our business and operations. In addition, if we fail to renew our arrangements on competitive terms or if we are unable to manage our rental costs, our results of operations would be materially and adversely affected. Additionally, any structural changes to the cinema premises by the owners of such premises may cause temporary inconvenience to us.

We also compete with various other businesses for prime customer-accessible real estate, such as locations inside malls. If any of the owners of these premises terminate the arrangements under which we occupy the premises or impose terms and conditions that are unfavourable or unviable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition. We may also be required to pay increased rental costs as a consequence of having to rely on one or few mall developers for prime locations of our cinemas. Further, if such properties are leased or sold to a competitor, the competitor may terminate our arrangements or impose additional terms and conditions, and further, it may increase competition for us in that location.

8. A significant portion of our revenue is derived from the sale of F&B in our cinemas. If we are unable to enhance our menu or if outside F&B are permitted in our cinemas pursuant to judicial proceedings or if we fail to timely respond to changes in customer tastes and preferences or if we are unable to maintain high food quality standards, our reputation, business and results of operations would be adversely affected.

A significant percentage of our revenues are contributed from the sale of F&B in our cinemas. Our Sale of Food and Beverages was ₹ 62,495 lakhs and ₹ 85,839 lakhs in Fiscal 2018 and Fiscal 2019, respectively, accounting for 26.4% and 27.5%, respectively, of our total income, in the same periods. Further, in the six months ended September 30, 2019, our revenue from Sale of Food and Beverages was ₹ 53,615 lakhs, accounting for 28.7% of our total income in the same period. The amount of revenue we generate from the sale of F&B in our cinemas is directly proportionate to the number of admits visiting at our cinemas. We plan our menus based on customer consumption patterns as well as on anticipated trends and customers preferences in the forthcoming seasons. Any mismatch between our forecasts, our planning, introduction of new F&B offering and the actual demand by our customers could impact us adversely, leading to loss of existing customers or lower footfalls. Customer preferences in the markets we operate in are difficult to predict and changes in those preferences or the introduction of new F&B offering by our competitors could put our F&B offering at a competitive disadvantage. Health, dietary and other considerations may also result in changes to customer preferences, which may in turn result in reduced demand for our products. In addition, customers may face the risk of health hazards arising from sub-standard food quality that may give rise to illness and thereby adversely impacting the consumption of our F&B offering and reducing our F&B revenue. The demand for our offering or our costs of doing business may also be adversely affected by public concern about nutrition, food safety and other factors. Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in customer tastes for our offering, as well as to where and how customers consume these products.

Further, several petitions have been filed before various courts across India, where, it has been petitioned that admits should be permitted to carry outside F&B inside theatres. Our Company is a party to an appeal filed by the Multiplex Association of India ("**MAI**") before the Supreme Court of India against an order of the Jammu and Kashmir High Court, wherein, the court, among others, directed cinema hall owners in the state of Jammu and Kashmir to remove prohibition on cinemagoers from carrying their own food and water inside the theatre. Similar petitions had also been filed before various High Courts, wherein the prayer was to permit admits to bring their own food and water into the cinema halls. Subsequently, the MAI filed transfer petitions before the Supreme Court and by an order dated September 7, 2018, the Supreme Court has stayed the matters pending before certain high courts and has also ordered for these matters to be heard along with the special leave petition that has been filed by our Company against the order of the Jammu and Kashmir High Court. For further details, see "***Legal Proceedings – Other Litigation – Multiplex industry related litigation involving our Company***" on page 289. Allowing outside F&B to be brought into our cinemas and the imposition of restrictions on the continuation of our F&B business may have a considerable impact on our business, financial condition and results of operations. Further, while there are currently no regulations governing the price of F&B allowed to be charged by movie exhibitors from admits, there can be no assurance that this will not change in the future.

In addition, any adverse claims, media speculation and other public statements relating to our food quality and service would materially and adversely affect our reputation and our corporate image, or otherwise affect our ability to conduct our business in the ordinary course, including, obtaining and renewing operational licenses and

regulatory approvals and establishing and maintaining our relationships with customers and suppliers. Further, we rely on third party raw material suppliers, and, although we monitor them, such reliance may increase the risk that food-borne illnesses may affect one or many of our locations supplied by such third parties. Any concerns regarding the safety of products offered at our cinemas or the safety and quality of our supply chain could cause customers to avoid purchasing our F&B products. There can be no assurance that there will not be incidents of contaminated products or ingredients in the future which may result in product liability claims, product recall and negative publicity. Any such claims and allegations would also distract our management from their day to day management responsibilities and may therefore have a material adverse effect on our business, financial condition and results of operations.

9. Our advertisement income is dependent on maintaining or establishing relationships with advertisers along with certain factors, such as, content, number of screenings of movies and inventory.

We receive revenues from advertisers through on-screen advertisements and off-screen advertisements. In Fiscal 2018 and Fiscal 2019, advertisement income represented 12.6% and 11.3% of our total income, respectively. Further, advertisement income was 9.9% of our total income in the six months ended September 30, 2019. We generate advertisement income based on the number of on-screen advertisements played at movie screenings and off-screen advertisements displayed in cinemas. Therefore, the amount of advertisement income we generate is directly proportionate to the number of screenings of movies at our cinemas. The number of screenings in our cinemas depends on various external factors that are beyond our control, including the number of new movies released in a week, the performance of the movies at the box-office, weather conditions in different parts of India that affect our screening schedules, and specific regional regulations that restrict the number of screenings per day. Further, while there are currently no regulations governing the amount of advertising in cinemas prior to or during a movie screening, there is no assurance that this will not change in the future. The occurrence of any of these events may therefore directly impact our ability to play the advertisements at movie screenings, which in turn may affect our relationships with advertisers, which may in turn affect our ability to generate advertisement income.

Further, we have, over the years, been able to develop relationship with various advertisers from various sectors such as mobile phone manufacturers, fast moving consumer goods, financial services, e-commerce and automobile manufacturers. Any failure to continue to maintain such relationships with advertisers or to establish and capitalise on new relationships with them, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations. The competition for advertising expenditure is significant, and advertisers may not continue to do business with us if they believe our advertising platform is ineffective or overly expensive. Further, advertisers generally have predetermined budgets, a significant portion of which is dedicated to traditional platforms such as television and online and mobile media networks. A decrease in such budgets due to economic considerations, or a shift in expenditure towards new advertising platforms such as the internet and mobile applications, a decline in movie attendance, or other factors could result in lower spending on in-cinema advertising. If we are unable to remain competitive and provide value to our advertising customers, they may reduce their advertising purchases or stop engaging us for advertisements altogether, which would adversely affect our revenue and ability to generate new advertising customers. If we are unable to obtain advertising rights or maintain the advertisement income, our business, financial condition and results of operations may be adversely affected.

10. Restrictions on ticket prices imposed in certain states may affect our results of operations.

Our ability to charge a particular ticket price is significantly limited by the state legislations which control the cinema ticket prices that we charge from our customers. In particular, ticket prices are regulated in certain states including Andhra Pradesh, Telangana, Tamil Nadu and Karnataka as well as in certain cities such as Pathankot and Chandigarh. For instance, in Tamil Nadu, pursuant to the Tamil Nadu Cinemas (Regulation) Rules, 1957, specific ticket prices have been prescribed based parameters such as areas in which the theatres are located (being municipalities, town panchayats, village panchayats, etc.) and whether the theatres are air conditioned or not. Similarly, in Andhra Pradesh and Telangana, the licensing authority while granting a license to the movie theatre prescribes the maximum rates at which tickets can be priced and such rates can only be increased pursuant to an order in writing by the licensing authority permitting such increase. Further, in 2017, the Karnataka state government passed an order imposing a cap of ₹ 200 (exclusive of taxes) on movie cinemas in multiplexes across the state, however, this cap is not applicable on Saturday, Sunday and other state holidays. In North India, in the city of Pathankot, for instance, we are governed by the Punjab Cinemas (Regulation) Act, 1952 under which we must comply with ticket prices approved by the licensing authority, and such prices may be increased only with a

prior written approval of the licensing authority. Additionally, the government may if it deems it fit in public interest, alter or amend the prices and such alteration or amendment will have to be complied with by us.

As of September 30, 2019, 44 out of 170 cinemas operated or managed by us are located in these states, representing 271 out of a total of 800 screens. Thus, stringent pricing restrictions affect our ability to increase our revenue through ticket prices in the states that are governed by such legislations.

11. Our sales growth and ability to achieve profitability could be adversely affected if Comparable Cinemas sales are less than we expect.

"Comparable Cinemas" are defined as cinemas that were Fully Operational Cinemas during both the entire relevant fiscal period as well as the entire comparative previous fiscal period. For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Comparable Cinemas***" on page 155. It is a key performance indicator used within the industry and is indicative of acceptance of our initiatives as well as local economic and consumer trends. The level of Comparable Cinemas sales will affect our sales growth and will continue to be a critical factor affecting our ability to generate profits because the profit margin on Comparable Cinemas sales is generally higher than the profit margin on new cinema sales. Our ability to increase Comparable Cinemas sales depends in part on our ability to successfully implement our initiatives to build sales. It is possible such initiatives will not be successful, and that we will not achieve our target Comparable Cinemas sales growth or that the change in Comparable Cinemas sales could be negative, which may cause a decrease in sales growth and ability to achieve profitability that would materially adversely affect our business, financial condition and results of operations.

12. We depend on our relationships and agreements with distributors and production houses and any failure to maintain these relationships or if we are unable to obtain movies on competitive terms, our business, financial condition and results of operations may be adversely affected.

We rely on distributors of movies, over whom we have no control, for the movies that we exhibit. Movie distributors and production houses offer and license movies to exhibitors, including us, on a movie-by-movie and cinema-by-cinema basis. Consequently, we cannot assure ourselves of a supply of movies by entering into long-term arrangements with distributors and production houses, but must compete for our licenses on a movie-by-movie and cinema-by cinema basis. Our business depends on maintaining good relations with these distributors and production houses, as this affects our ability to obtain such licenses and negotiate commercially favourable licensing terms for movies, including the agreed production house or distributor's share in the net box office collection, payment of minimum guarantee amount, minimum number of shows per day, and the price of each ticket. These relationships are dependent on a number of factors, including the quality, effectiveness and reliability of our cinema distribution platform. Our failure to maintain our relationships and agreements with distributors and production houses, or to establish and capitalise on new relationships with these parties, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, financial condition and results of operations. In addition, our arrangements and contracts with production houses and distributors contain certain restrictions and commercial risks, including payment of non-refundable minimum guarantee to some distributors and production houses, the restriction on reducing ticket prices, restriction on cancelling shows without the permission of distributors/ production houses and requirement to pay house-full compensation for cancelled shows and no right to claim any compensation for loss in case the release of a movie is postponed or cancelled. Further, certain contracts provide the production houses/ distributors with the sole right to withdraw screening within a short notice.

In addition, the movie exhibition industry in India relies on distributors and production houses to obtain movies for exhibition. For hiring a movie, the production houses and/ or distributor's share is normally a percentage of ticket receipts (net of GST and other taxes and charges). Competitive pressures may result in increasing the cost at which we acquire the rights to exhibit movies. If we are unable to recover such increased costs through higher box office collections or other forms of revenue generation, our results of operations would be adversely affected.

Further, we also earn revenue from virtual print fees, which is the subsidy paid by a movie distributor towards the purchase of digital cinema projection equipment for use by a movie exhibitor for exhibition of movies. In Fiscal 2018 and Fiscal 2019, our income from virtual print fees was ₹ 1,724 lakhs and ₹ 2,918 lakhs, respectively. In the six months ended September 30, 2019, our income from virtual print fees was ₹ 1,472 lakhs. There can be no assurance that we will be able to continue to enter into such arrangements and accordingly, that we will be able to continue to derive income from virtual print fees in the future.

13. We may not be successful in implementing our growth strategies.

Our growth strategies include expanding our screen network, increasing premium screens, enhancing customer experience and further increasing non-box office revenue. For further information, see "***Business – Our Strategies***" on page 187. Our ability to implement our growth strategies is affected by a range of factors, including the success of new advertising opportunities, our ability to continue to attract new media agencies and advertising customers, build or acquire required technology and software, enhance our F&B offerings, attract and retain talent and qualified personnel, expand our businesses through strategic acquisitions/ amalgamations and successfully integrate such acquisitions/ amalgamations, favorably negotiate our advertising income arrangements, compete effectively with existing and new competitors in our lines of business, and adapt to changes in our regulatory environment. Many of these factors are beyond our control, and there can be no assurance that we will succeed in implementing our strategies and initiatives and if we do not succeed, our business, results of operations and financial condition could be adversely affected.

We plan to further expand our screen network across India. There are various risks associated with the implementation of these projects such as financing, development and operational risks. The cinemas that we propose to implement are capital intensive and budgeted resources for implementation of these new projects may be inadequate and may result in cost overruns, compelling further indebtedness. We may also experience delays in development, obtaining the necessary governmental and statutory approvals and delivery of equipment. Any failure in the receipt of the necessary governmental and statutory approvals, timely development, financing or operation of our new projects would likely have an adverse impact on our results of operations. Further, the success of these expansion plans is also subject to various contingencies, including identification of suitable locations for cinemas, obtaining new leases on suitable terms and conditions, obtaining adequate financing and other risks associated with commencing operations in a new market, including local competition and unfamiliar business practices and customs.

In addition, our new cinemas may not achieve the requisite levels of admissions projected by us at the project evaluation stage, which could adversely affect our results of operations and financial condition. Further, we cannot assure you that our profitability will be improved on completion of our expansion plans due to various factors including potential disruption of our ongoing business, the diversion of management's attention and other resources, the possible inability of management to maintain uniform standards, controls, procedures and policies, the risks of entering markets in which we have little or no experience, the potential impairment of relationships with employees, and the possibility that any liabilities we may incur or assume may be of greater financial burden than anticipated.

14. If we are unable to enter into or renew agreements, or maintain or establish new relationships, with our online aggregator platforms, it could have a material adverse effect on our business, prospects, financial condition and results of operations.

We sell movie tickets at our cinemas, through our physical box office counters, our website (www.pvrcinemas.com), our mobile application and online aggregator platforms. We have collaborated with online aggregator platforms such as BookMyShow and Paytm. Our online Gross Box Office Collection contribution (as a percentage of Gross Box Office Collection) has been steadily increasing and was 50.7%, 54.7%, 59.3% and 63.0% in Fiscal 2017, 2018 and 2019, and in the six months ended September 30, 2019, respectively.

We intend to continue to focus on increasing our revenues from convenience fees and to this effect, we have renewed our arrangements with Paytm and BookMyShow, for booking and selling our ticketing inventory through their digital platforms for a period of three years commencing from July 2018. However, there can be no assurance that we will continue to renew or enter into such arrangements in the future or that our current arrangements will not be terminated. In addition, any failure to maintain relationships with online aggregator platforms, or to establish and capitalise on new relationships with them, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations. Further, while there are currently no regulations governing the amount of convenience fees allowed to be charged by cinemas from admits, there is no assurance that this will not change in future. In addition, a consumer complaint has been filed before the District Consumer Forum in Hyderabad against our Company, Big Tree Entertainment Private Limited and others, claiming an amount of ₹ 30,000 on the allegation of collusion by our Company with Big Tree Entertainment for charging 14% to 18% extra for each ticket as internet handling fee and shifting operating cost on the consumers. For further details, see "***Legal Proceedings – Other Litigation – Multiplex industry related litigation involving our Company***" on page 289.

We also rely on such third party channels to provide services, such as payment options and ticket booking. Further, we also rely upon data center providers to store important and valuable data. If any of these platforms delivers unsatisfactory service, engages in fraudulent actions, or is unable or refuses to continue to provide its services to us and our users for any reason, it may materially and adversely affect our business, financial condition and results of operations. Further, we do not have any control over the actions or systems of online aggregator platforms, and any errors arising from the integration of the ticketing software maintained by them might result in loss of revenue for us, thereby impacting our business, financial condition and results of operations.

15. ***The Indian movie exhibition industry is highly regulated. We are required to obtain and maintain certain key approvals, registrations and no-objection certificates in order to operate our cinemas. Our inability to obtain and maintain these approvals, registrations and no-objection certificates, ensuring compliance with these regulations, including restrictions imposed pursuant to the competition laws may have an adverse effect on our business.***

The Indian movie exhibition industry is highly regulated by both the central and the state governments. The key regulations include the Cinematograph Act, 1952 (the "**Cinematograph Act**") pursuant to which no exhibition of a cinematograph can be made in a place otherwise than what is licensed under the Cinematograph Act. Further, under the Cinematograph Act, the licensing authority (being the relevant district magistrate, or such other authority as may be specified by the state government) grants a license, *i.e.* 'cinema operating license', subject to satisfaction, amongst other things, that adequate precautions have been taken in the place, in respect of which the licence is to be given, to provide for the safety of persons who will attend the cinema exhibitions. Further, we are also required to obtain certain health, electricity and fire related no-objection certificates from local municipal authorities under the applicable local, state level legislations from time to time. Further, for certain states, these no-objection certificates are required to be obtained prior to, and continue to operate pursuant to the cinema operating license under the Cinematograph Act. Additionally, in respect of storage and sale of articles of food at our cinema multiplexes, we are required to comply with the general principles and standards of food safety prescribed under the Food and Safety Standards Act, 2006 and are required to obtain a license thereunder. We are also required to obtain shops and establishment registrations and trade and health licenses under the relevant state and municipality level laws in the ordinary course of our business. Each of these approvals are subject to compliance with certain conditions and required to be renewed on a regular basis. We generally apply for renewal of applicable licenses and no-objection certificates before the expiry of the existing license and no-objection certificate. After the review of the application, inspection of the premises and receipt of the renewal fees, the relevant authorities renew the license and issue the no-objection certificate for the premises typically before the expiry, however, in certain cases, after the expiry, in which case we operate the cinemas based on the renewal application. Currently, certain of our material approvals, including the cinema operating license under the Cinematograph Act for few cinemas have expired and while we have made applications for renewal of such approvals which are pending with the relevant authorities, there is no assurance that such renewals will be granted in a timely manner or at all. Further, in respect of one of our cinemas we have received a notice from the Greater Hyderabad Municipal Corporation alleging that we have not obtained/ renewed our trade license for this particular cinema.

In addition, while there are currently no regulations governing the amount of advertising in cinemas prior to or during a movie screening, there is no assurance that this will not change based on future regulations. These laws have an important impact on our ability to operate cinemas and the viability of our cinemas in different states. Changes in these regulations may have an adverse effect on our business or render the same unviable by increasing compliance requirements and compliance costs.

Further, as a market leader, we are subject to stringent competition laws in India which may restrict our ability to carry out and/ or expand and diversify our business through mergers and acquisitions with other exhibitors. For instance, the Competition Commission of India ("**CCI**") pursuant to its order dated May 4, 2016 ("**CCI Order**"), approved our acquisition of the cinema exhibition business of DLF Utilities Limited (operated under the brand name of '*DT Cinemas*'), subject to certain restrictions, which included, amongst others, restriction on expansion by opening new single or multiplex screens (organically or through acquisitions) for a period of three years in the case of Noida and Gurugram and five years in the case of South Delhi, from the date of completion of acquisition of '*DT Cinemas*' (i.e. from May 31, 2016). We were also required to terminate the lease agreements entered into in respect of a multiplex in each of Garden Galleria Mall in Noida and Airia Mall in Gurugram, and are restricted from acquiring any direct or indirect ownership, interest or influence over these malls for a period of five years from such date of termination.

On January 25, 2019, our Company received a notice from the CCI, which was based on an application made to the CCI by Cinepolis India Private Limited, alleging non-compliance with the restrictions imposed on our Company in the relevant market of Gurugram under the CCI Order. While our Company has not expanded its operations by opening any new screens in Gurugram, it has been alleged that we have violated such restrictions on grounds of our Company entering into an agreement to lease with Brahma Centre Development Private Limited for the purposes of leasing a commercial and shopping complex in Gurugram. Our Company has filed a response to this notice on February 12, 2019 stating, among other things, that our Company has not violated its commitments under the CCI Order as our Company was permitted to undertake preparatory work during the five year period provided that the actual opening of the multiplex occurred after the completion of such period. While this matter has been dismissed, we cannot assure you that there will not be similar matters in the future and CCI may accordingly impose a penalty on us, which could adversely impact our business and reputation.

Our inability to expand and diversify our business in these markets during the applicable restricted periods, as well as any such restrictions imposed on us by the CCI in the context of other acquisitions in the future, could adversely impact our growth, revenues, operating results and financial condition.

16. Any disruption in the supply chain for our F&B could have an adverse impact on our business, financial condition, cash flows and results of operations.

Our F&B revenues are primarily dependent on external supply and we may not be able to ensure the availability of F&B supply chain for our operations at competitive prices and/ or in a timely manner, which could have an adverse effect on our results of operations. Our ability to procure, transport, and sell our F&B products is critical to our profitability. Any disputes with our suppliers, including disputes regarding pricing or performance, could adversely affect our ability to supply F&B products to our customers and could materially and adversely affect our product sales, financial condition, and results of operations. In addition, any damage or disruption to our supply chain, including third party production or transportation and distribution capabilities, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control or the control of our suppliers, could impair our ability to procure or sell our F&B products.

We do not enter into long-term contracts with any of our suppliers and typically place orders with them in advance on the basis of our anticipated requirements. The absence of long term contracts at fixed prices exposes us to volatility in the prices of such products and we may be unable to pass these costs onto our customers. In the event we do manage to pass on such costs to our customers, increase in price of products or other ways, it could lead to a reduction in demand for our products. Further, if all or a significant number of our suppliers for any particular product are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

Further, any non-compliance by our suppliers with the provisions of the respective agreements entered into with them, could, among other things, negatively affect our brand, demand for our F&B products and our relationships with other suppliers. In addition, we have entered into an exclusive arrangement with a carbonated soft drink manufacturing company for providing beverages and snacks at our cinemas, however, our Company is required to obtain prior consent from the carbonated soft drink manufacturing company in case we intend to associate with any of its competitor. The occurrence of any of these factors could result in a significant decrease in the sales volume of our F&B products and therefore adversely affect our business, financial condition, cash flows and results of operations.

17. If we are unable to keep pace with evolving digital projection technologies, our results of operations and ability to grow could be materially affected.

Traditionally, movies were filmed using 35 millimeter celluloid movie cameras and screened using analog film projectors. All our cinemas use digital projection technologies. However, digital cinema departs from the traditional movie-based technology and relies on emerging digital technology which may eventually replace traditional celluloid projection technologies in cinemas. Our ability to screen digital movies with comparable celluloid movie quality depends on our ability to keep pace with rapid technological changes and use projectors that cost more than the cost of celluloid movie projectors.

In order to remain competitive we may be required to make incremental capital investments in digital projectors, failing which our business and results of operations may be adversely affected. There is a risk that we may not be

able to sufficiently invest in technology or industry developments, or evolve our business with the right strategic investments, to adapt to changes in our market. Our failure to successfully adopt new technologies in a cost effective and a timely manner could increase our costs and result in being less competitive in terms of the quality of movies we screen. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations, cash flows and financial condition.

18. Piracy may reduce the number of cinema customers.

The scale of piracy has globally increased exponentially in the recent years with wide spread access to technology that can easily make copies of most digital content. In Indian movie exhibition sector, the threat of piracy mainly comes from two major sources - video recording of movies in a cinema and distributing through online platforms or other media and prior official release of international movies in other countries. Customer awareness of illegally accessed content and the consequences of piracy is lower in India and the move to digital formats has facilitated high-quality piracy in particular through the internet and cable television. Monitoring infringement is difficult and the protection of intellectual property rights in India may not be as effective as in other countries. There have been several instances where new movies have been subjected to piracy and have been made available online. On account of inadequate enforcement of anti-piracy laws in India, and on account of increasing home-viewing options, the number of cinema customers may reduce in the future, which may have a material adverse effect on our revenues and our results of operations.

19. We are subject to certain obligations and covenants in the agreements we have entered into with third parties for certain aspects of our businesses.

Our Company has entered into a series of agreements with IMAX Corporation, IMAX Theatre Services Limited, CJ 4DPlex Company Limited and Samsung India Electronics Private Limited for the supply of certain equipment and services which are core to our business activities, including sale of cinema system equipment, installation, operation and maintenance of the cinema systems, licensing of trademarks and software, technical support and format conversion services. Under the terms of certain of these agreements, we are subject to a number of obligations including, upgrading and renovating auditoriums, obtaining all necessary approvals, training personnel for installation of such equipment at our cinemas, and installation of infrastructure in compliance with the requirements set out in the agreements. Further, we are subject to certain restrictive covenants that require us to intimate/ seek prior permission from these third parties for various activities, including installing any other equipment or devices at the relevant cinemas and use of such third party trademarks in our cinemas. In the event that the counterparties refuse to grant the requisite consents, such refusal may adversely impact our business and our relationships with such parties, which may have an adverse impact on continuation of our business arrangements with these counterparties. Further, under certain of these agreements, we are also under an obligation to charge the minimum agreed upon price per ticket, share box office revenue, maintain adequate insurance of our properties, at all times, and exhibit the content provided by the counter parties for a minimum period. In addition, certain of these agreements provide the right of first offer to these third parties and impose a non-compete obligation on our Company in the event our Company desires to sell these theatre systems to a third party.

Further, our arrangements and contracts with production houses and distributors contain certain restrictions and commercial risks. For further information, see *" – **We depend on our relationships and agreements with distributors and production houses and any failure to maintain these relationships or if we are unable to obtain movies on competitive terms, our business, financial condition and results of operations may be adversely affected.***" on page 80.

Further, in the event of any breach of any covenant contained in these agreements, we may be required to indemnify these counterparties either in whole or in part, together with any related costs, for any losses incurred by them as a result of such breach. In addition, some of these arrangements are co-terminus with other agreements. We cannot assure you that the agreements will be renewed upon expiry on terms acceptable to us or at all. If such agreements are terminated or are not renewed, or if the agreements are renewed on terms which are less favourable to us, it may be onerous to obtain the necessary technology and materials to conduct our business operations or to do so profitably, which could have a material and adverse effect on our business, results of operations and financial condition.

20. Failure to maintain and enhance our brand, or any negative media coverage of our business may adversely affect our brand.

Our reputation and the 'PVR' brand are critical to the success of our business. We believe that our brand, PVR, is one of India's most recognized movie exhibition brands. We believe our large scale brand equity and cinema experience has helped becoming the preferred choice of movie exhibitor for production houses and movie distributors. Our brand also helps us in sourcing strategic locations for our cinemas. Further, we believe that we are increasingly recognized among customers for the premium cinema experience we offer. Many factors, some of which are beyond our control, are critical for maintaining and enhancing our brand, which may negatively affect our brand if not properly managed. These include:

- our ability to effectively manage the quality of our services and address customer grievances;
- our ability to successfully enter newer markets; and
- our ability to adopt new technologies or adapt our systems to user requirements or emerging industry standards.

Our brand could also be harmed if our services fail to meet the expectation of our customers, if we fail to maintain our established standards or if we become the subject of any negative media coverage. For instance, we have been subject to certain negative media coverage in relation to the prohibition on customers for carrying their own food and water inside the theatres. For further information see "***- A significant portion of our revenue is derived from the sale of our F&B in our cinemas. If we are unable to enhance our menu or if outside F&B are permitted in our cinemas pursuant to judicial proceedings or if we fail to timely respond to changes in customer tastes and preferences or if we are unable to maintain high food quality standards, our reputation, business and results of operations would be adversely affected.***" on page 78. Any imitation of our brand or infringement of our intellectual property rights such as our registered trademark could also dilute our brand equity. For further information, see "***– We may be exposed to claims by third parties for infringement of their intellectual property rights. Further, we may not be able to adequately protect our intellectual property that is material to our business.***" on page 90. Our promotion efforts may be costly and may fail to effectively enhance our brand or generate additional revenues. We also anticipate that as our business expands into new markets and as our markets become increasingly competitive, maintaining and enhancing our brand may become increasingly difficult and expensive. Our failure to develop, maintain and enhance our brand may adversely affect our relationships with distributors and production houses, which may result in decreased revenue and loss of customers, and in turn adversely affect our business, financial condition and results of operations.

21. Our business relies on the performance of our information technology systems and any interruption or security breaches or failure to migrate to more advanced systems in the future may have an adverse impact on our business operations and profitability.

The proper functioning of our financial controls, accounting, customer database, customer service and other data processing systems, including those relating to our centralised ticket booking and feedback systems, together with the communications systems linking our headquarters, theaters, and main information technology centres, is critical to our operations and to our ability to compete effectively. We use licensed software to manage our cinema operations. We also have an interactive web site (*www.pvrcinemas.com*) and mobile application that we use as a marketing and customer information portal. In addition, we are also dependent on information technology systems, which may include third party infrastructure. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these information technologies or communications systems. These failures could be caused by, among others, hardware failure, software program errors, computer virus attacks, internet failure, failure to successfully implement ongoing information technology initiatives, human errors, blackouts and unanticipated problems at our existing and future cinemas. Many of these events are wholly or partially outside of our control. Further, significant problems with our IT system, such as telephone or IT system failure or cyber security breaches, could halt or delay our ability to service our customers, hinder our ability to conduct and expand our business and require significant remediation costs. Any of these events could have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

Our ability to provide reliable service largely depends on the efficient and uninterrupted operations of our platforms (website and mobile application) and online aggregator platforms. Accordingly, any significant interruptions could severely harm our business and reputation and result in a loss of revenues. While we periodically test and update, as necessary, our internal control systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems. Given our high volume of transactions, it is possible that errors may repeat or compound before they are discovered and rectified. Our systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. We cannot be certain that any

measures we and our third party service providers have taken to prevent system failures will be successful or that we will not experience service interruptions. We may also come under additional regulatory scrutiny or be the target of enforcement actions, or suffer monetary losses or adverse reputation effects. All of these may have an adverse effect on our business, results of operations, cash flows and financial condition.

22. We have in this Placement Document included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the cinema exhibition industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other cinema exhibition companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Placement Document. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of cinema exhibition businesses, many of which provide such non-GAAP financial measures and other industry related statistical and operational information when reporting their financial results. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Placement Document.

We have in this Placement Document included information relating to certain industry measures, such as, Average Ticket Price, Spend Per Head, Occupancy percentage, return on capital employed, total gross debt, interest coverage ratio, Adjusted EBITDA, Adjusted EBIT and Comparable Cinemas, which may be different from that followed by other cinema exhibition companies. In particular, the financial and operational information relating to Comparable Cinemas included herein is based on various assumptions and estimates by our management, including those relating to the number of days that such screens and cinemas were in operation, the average number of shows in our cinemas in the immediately preceding fiscal year, as well as various factors within and beyond our control that could have an impact on the available capacity of our cinemas and its actual operation. Investors are therefore cautioned against placing undue reliance on the financial and operational information relating to Comparable Cinemas included herein and otherwise made publicly available on our website and elsewhere following the publication of our quarterly and annual financial results. The financial and operational information relating to Comparable Cinemas is a supplemental measure of the financial and operating performance of our cinemas that is neither required by, nor presented in accordance with, accounting principles generally accepted in India or elsewhere; and our calculation of such information may not be comparable to that used in preparation and presentation of comparable information reported by our competitors in India or other companies in our industry outside India. For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Comparable Cinemas***" on page 155.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other cinema exhibition companies.

23. If we are required to write down goodwill and other intangible assets including brand and beneficial lease right, our financial condition and results would be negatively affected.

We record goodwill with respect to our acquisitions in our accounting records on the basis of applicable accounting standards. As of March 31, 2019, we accounted ₹ 1,11,161 lakhs for goodwill (includes goodwill on consolidation) which represented 28.4% of our total assets as of such date. Further, as of September 30, 2019, we accounted ₹ 105,204 lakhs for goodwill (includes goodwill on consolidation) which represented 15.3% of our total assets as of such date.

In accordance with our accounting policies, goodwill that arises on a business combination is measured at cost less accumulated impairment losses. Goodwill is not amortised and is tested for impairment annually and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans, future cash flows and market valuation. For the purpose of impairment testing, goodwill

acquired in a business combination is allocated to our Company's cash generating units ("**CGU**") or groups of CGU's expected to benefit from the synergies arising from the business combination. Any such impairment, if significant, could have an adverse effect on our future financial condition.

24. Our marketing and advertising campaigns may not be successful in increasing the popularity of our brand. If our marketing initiatives are not effective, this may adversely affect our business.

The marketing of our cinemas, brand and screen formats is a key focus area for us. We undertake marketing and promotional activities for our brand and cinemas along with initiatives for certain specific movies and F&B items. For further information, see "***Business – Marketing***" on page 195. We rely to a large extent on our senior management's experience in defining our marketing and advertising programmes. We also rely on the expertise of a third party PR agency, which provides us public relations and media support services. If our senior management or service provider leads us to adopt unsuccessful marketing and advertising campaigns, we may fail to attract new customers and retain existing customers. If our marketing and advertising programmes are unsuccessful, our results of operations could be materially adversely affected.

The support of our employees is also critical for the success of our marketing programmes, such as local marketing and any new strategic initiatives we seek to undertake. While we can mandate certain strategic initiatives, we need the active support of our employees if the implementation of these initiatives is to be successful. The failure of our employees to support our marketing programmes and strategic initiatives could adversely affect our ability to implement our business strategy and harm our business, financial condition, results of operations and prospects. In addition, increased spending by our competitors on advertising and promotion or an increase in the cost of print or radio advertising, could adversely affect our results of operations and financial condition. Moreover, a material decrease in our funds earmarked for advertising or an ineffective advertising campaign relative to that of our competitors, could also adversely affect our business.

25. The Indian tax regime is currently undergoing substantial changes which could adversely affect our Company's business and the trading price of the Equity Shares. Further, there could be material amendments to the tax regime in India which could affect our business and operations.

Previously, we were subject to state entertainment tax, service tax and state value added tax. With effect from July 1, 2017, GST was implemented in India, which combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, central sales tax, entertainment tax, state value added tax, cess and surcharge and excise that were being collected by the GoI and state governments. GST is expected to have a significant impact on the results of our operations. Initially, under the GST regime, movie exhibition fell under the highest tax bracket of 28% (for tickets above ₹ 100), which was comparatively higher than countries, such as, China, Japan and France. However, with effect from January 1, 2019, the GST rate has been reduced to 12% from 18% for tickets up to ₹ 100 and 18% from 28% for tickets above ₹ 100. In addition, initially, the GST rate was 18% on F&B, however, the GST rate has now been fixed at 5% on F&B without any input tax credit, thereby limiting the ability of cinema operators to offset input credit against output tax liability, which increases costs for the cinema operators. Any increase in the GST rates could adversely affect our business and consequently affect the trading price of our Equity Shares. Accordingly, our audited financial statements for Fiscal 2017 may not be directly comparable to our audited financial statements for Fiscal 2018, Fiscal 2019 and the six months ended September 30, 2019. In addition, certain state GST authorities have sought information from our Company in relation to the rates at which various categories of cinema tickets and screen-wise movie tickets were being sold in the period before and after the effective date of reduction in the GST rate, *i.e.* January 1, 2019, under Section 171 of the Goods and Services Tax Act, 2017. Our Company has responded to the relevant authorities along with necessary documents.

Further, under the erstwhile indirect tax regime in India, the state governments were levying entertainment tax on the exhibition of films in cinemas, including multiplexes. With the implementation of GST, the entertainment tax levied by the state governments was subsumed under GST. However, certain local bodies levy local body entertainment tax, in addition to GST, within their state. For instance, in Tamil Nadu, the Greater Chennai Corporation's Revenue Department levies local body entertainment tax of 8.0% of the net ticket price for Tamil films, 15.0% of the net ticket price for Hindi and other regional films and 20.0% of the net ticket price for English films. If any other local bodies in the states we operate start implementing such entertainment tax or any subsequent increase in LBET could result in a reduction in our profitability and could materially affect our business and results of operations.

In addition, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for India companies from 34.94% to approximately 25.17%. Any such similar material amendments in the laws governing taxation in India may result in changing or modifying our policies/ standards and accordingly, our business, financial condition and results of operations could be impacted.

26. We may undertake new lines of business and these new business initiatives may not be successful. Further, we may discontinue certain of our existing lines of business that may not generate revenues as anticipated.

We may undertake new lines of business. For instance, we have launched Vkaao, a theatre-on-demand service in Fiscal 2018, a joint venture between our Company and Big Tree Entertainment Private Limited (BookMyShow). We also acquired majority stake in Zea Maize in Fiscal 2016, which sells gourmet popcorn under the brand, '4700BC Popcorn'. Such initiatives, as well as any others we may pursue, could include the offering of new products and services that may not be accepted by the market. If any new business in which we invest or attempt to develop does not progress as planned, we may be materially adversely affected by investment expenses that have not led to the anticipated results, by diverting our management's attention from our core business or by damage to our brand or reputation. In addition, we may choose to discontinue certain of our existing lines of business that may be unable to generate the revenues we anticipate or those which are not profitable. For instance, we sold our entire shareholding in PVR BluO Entertainment Limited in Fiscal 2018, which was engaged in bowling and entertainment business.

While we seek to employ the optimal structure for each business alliance, the alliance may require a high level of cooperation with and reliance on our partners and there is a possibility that we may have disagreements with our relevant partners with respect to financing, technological management, product development, management strategies or otherwise. Any such disagreement may cause the joint venture or business alliance to be terminated, which may in turn materially adversely affect our business, results of operations and financial condition.

27. We operate 'PVR IMAX' and 'PVR 4DX' cinemas as an exhibitor, and the success of these cinemas is directly related to the availability and success of IMAX and 4DX content movies for which there can be no assurance. Further, the 'IMAX', '4DX' and 'Onyx' brands may not maintain the level of customer recognition necessary for us to succeed.

An important factor affecting the growth and success of our 'PVR IMAX' and 'PVR 4DX' cinemas is the availability of movies for IMAX cinemas and 4DX cinemas and the box office performance of such movies. We rely principally on movies produced by third party producers and studios, in particular Hollywood movie features converted into our large format using IMAX technology and CJ 4DPlex Company Limited for content for 4DX movies. There is no guarantee that producers and studios will continue to release IMAX and/ or 4DX movies, or that the movies they produce will be commercially successful. Moreover, movies can be subject to delays in production or changes in release dates to the global IMAX or 4DX cinema network. While in certain situations we screen non-IMAX movies in 'PVR IMAX', any failure to produce successful IMAX and 4DX movies or effectively market such movies will adversely affect our financial performance.

Further, customer recognition and a favourable audience perception of the 'IMAX', '4DX' and 'Onyx' brands in India are essential to our success. If we are unable to expand recognition of these brands in India, our future success may be adversely affected. We cannot assure you that our marketing strategies will deliver the growth in brand recognition that we seek. If our marketing efforts are unsuccessful, the costs incurred in connection with such activities may never be recovered and we may be unable to increase our future revenues. In addition, we have no control over the way in which 'IMAX', '4DX' and 'Onyx' cinema systems and equipment are operated outside India and adverse market developments relating to the 'IMAX' or '4DX' or 'Onyx' brand name or any negative publicity affecting one or more of these cinemas located outside India could adversely affect the appeal of 'IMAX', '4DX' and 'Oynx' cinemas. Any of the foregoing could have a material and adverse effect on our business, results of operations, financial condition and prospects.

28. The risks of doing business internationally could lower our revenues, increase our costs, reduce our profits or disrupt our business.

We are in the process of setting up cinemas in Sri Lanka. We have also incorporated two wholly owned subsidiaries, P V R Lanka Limited and PVR Middle East FZ-LLC, in Sri Lanka and UAE, respectively. However,

in relation to the Middle East and North Africa region, our Company has currently decided against deploying any capital. In addition, pursuant to the resolution dated September 12, 2019 of our Board of Directors, it was decided to dissolve PVR Middle East FZ-LLC in accordance with applicable law. Further, we had incorporated PVR Pictures International in Singapore as a joint venture between one of our Subsidiaries, PVR Pictures and Cinestar Limited, on February 23, 2018, with an objective to expand our movie distribution business outside of India. However, pursuant to resolutions of the board of directors of PVR Pictures and the Board of our Company dated May 3, 2018 and May 4, 2018, respectively, it was decided and approved that the joint venture agreement dated April 10, 2018 executed between PVR Pictures and Cinestar Limited recording their rights and obligations in relation to the organisation, operation and management of PVR Pictures International, be terminated in due course of time. Subsequently, pursuant to the share purchase agreement dated May 20, 2019 between PVR Pictures and Cinestar Limited, PVR Pictures sold its entire shareholding in PVR Pictures International to Cinestar Limited.

Such expansion into international markets may subject us to certain risks, including: the ability to comply with, or impact of complying with, complex and changing laws, regulations and policies of foreign governments that may affect investments or operations, including foreign ownership restrictions, import and export controls, tariffs, embargoes, intellectual property, licensing requirements and regulations, increases in taxes paid and other changes in applicable tax laws; the difficulties involved in managing an organization doing business in many different countries; and changes in foreign currency exchange rates or currency restructurings and hyperinflation or deflation in the countries in which we choose to operate. In addition, we have limited experience in operating in international markets and our brand is not well-known in geographies outside of India.

Any or all of these factors may adversely affect the performance of our cinemas located in international markets. In particular, a potential international cinema may be located in a volatile region that is subject to certain factors that pose risk to our business operations. In addition, the economy of any region in which we are located may be adversely affected to a greater degree than that of other areas of the country or the world by certain developments affecting industries concentrated in that region or country. While these factors and the impact of these factors are difficult to predict, any one or more of them could materially lower our revenues, increase our costs, reduce our profits or disrupt our business.

29. We are dependent on our Directors, Key Managerial Personnel and Senior Management, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

We are highly dependent on our Directors, Key Managerial Personnel and Senior Management for setting our strategic business direction and managing our business. Ajay Bijli, our Chairman cum Managing Director and one of the Promoters of our Company, is the founder of our Company and has over two decades of experience in the movie exhibition industry. Sanjeev Kumar, our Joint Managing Director and one of the Promoters of our Company, also has over two decades of experience in the movie exhibition industry. Gautam Dutta, the Chief Executive Officer of our Company, has been associated with us for over 13 years, while Kamal Gianchandani, the Chief of Business Planning & Strategy of our Company and is also the chief executive officer of one of our Subsidiaries, PVR Pictures. Further, Nitin Sood, the Chief Financial Officer of our Company, has been associated with us for 17 years. For further information, see "***Board of Directors and Senior Management***" on page 202. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel, competition for senior management, commercial and finance professionals in our industry is intense. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

30. We are subject to accidents in our cinemas and other natural calamities or general disruptions affecting our operations which may lead to public liability consequences.

We store and use certain combustible materials in our cinemas and auditoriums and are therefore subject to the risk of damages arising from fires. Although we have implemented industry acceptable safety controls at our cinemas and continuously seek to upgrade them, the risk of fire cannot be completely eliminated. For instance, in July 2018, there was a fire at 'PVR Deep' in Vadodara, Gujarat. While we maintain insurance policies according to industry standards to guard against losses caused by fire and other natural calamities, our insurance coverage for damages to our properties and disruption of our business due to these events may not be sufficient to cover all of our potential losses. Further, while we maintain public liability insurance cover for our cinemas and customers, in the event of an accident, we may be exposed to civil, tort and criminal liabilities and have an adverse impact

on our reputation and brand. In addition, unanticipated mechanical and electrical failures, which may also cause disruptions in our cinemas for a significant period of time, could have a material adverse effect on our business results of operations and financial condition.

31. Our Audited Consolidated Financial Statements may not be strictly comparable on account of certain corporate restructuring undertaken by our Company in the relevant financial reporting periods.

Pursuant to the scheme of arrangement, approved by the High Court of Delhi on September 15, 2016, Bijli Holdings Private Limited was merged into our Company from the appointed date, *i.e.* January 1, 2016. In addition, pursuant to another scheme of arrangement, approved by the High Court of Delhi on January 04, 2017, PVR Leisure Limited and Lettuce Entertain You Limited, former subsidiaries of our Company, were amalgamated with our Company from the appointed date, *i.e.* April 1, 2015. Bijli Holding Private Limited was forming part of the promoter group of our Company, which was holding equity shares in the Company's paid-up equity share captial. Further, PVR Leisure Limited and Lettuce Entertain You Limited, former wholly owned subsidiaries of our Company, were engaged in the similar/ related businesses. The effect of these scheme of arrangements were taken in Fiscal 2017, however, the amalgamation of such entities did not have a material impact on our consolidated financial statements.

In addition, since SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the SPI Merger Scheme being approved by the NCLT, New Delhi through an order dated August 23, 2019, our financial statements and/ or financial results prepared prior to August 23, 2019 reflected the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas into our Company. Only our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, which were prepared subsequent to August 23, 2019, reflect the amalgamation of SPI Cinemas. As a result, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see "- ***Our standalone and consolidated financial information prepared prior and subsequent to the acquisition of SPI Cinemas and amalgamation of SPI Cinemas pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme will not be comparable to our standalone and consolidated financial statements and results subsequent to such dates.***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information - Amalgamation of SPI Cinemas***", ***Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition – Acquisitions and effect of SPI Cinemas"*** and "***Financial Information***" on pages 76, 114, 117 and 296, respectively.

Accordingly, our audited financial statements prepared subsequent such corporate restructuring, may not be comparable to our historical audited consolidated financial statements prepared prior to such corporate restructuring. Pursuant to these mergers/ amalgamations, the results of operations of such entities would be reflected in our audited consolidated financial statements only with effect from the effective date of such merger/ amalgamation and not for the entire relevant financial reporting period.

32. Our operations could be adversely affected by strikes, work stoppages or increased wage demands or any other such kind of disputes.

In the past, we have been subject to strikes at certain of our cinemas. There have been certain instances in Tamil Nadu and Madhya Pradesh where we have initiated strikes against imposition of local body entertainment taxes in addition to GST on sale of movie tickets. In addition, in 2018, a strike was initiated by the South India Film Industry against the virtual print fee charged by the digital service providers. There can be no assurance that we will not experience such disruptions in operations due to disputes or other problems with the government or our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

33. We may be exposed to claims by third parties for infringement of their intellectual property rights. Further, we may not be able to adequately protect our intellectual property that is material to our business.

As licensees and exhibitors of third party content in the cinema and movies business, we also obtain licenses to use the intellectual property rights of such third parties on the terms set out in the agreements. While we take reasonable care to ensure that necessary consents are obtained from third parties for acquiring intellectual property rights relevant for exhibition of movies, including the 'IMAX', '4DX' and 'Onyx' brands, we may be exposed to infringement claims by such third parties if we fail to comply with the terms of relevant licenses, which if determined against us, may impact our results of operations and our financial condition. We cannot be certain that we do not or will not inadvertently infringe third parties' intellectual property rights. While there are no outstanding claims made by third parties against our Company, for infringement of their intellectual property rights presently, legal proceedings involving intellectual property rights are highly uncertain, and can involve complex legal issues. Any intellectual property claim against us could result in significant liabilities to our business, and can be expensive and time consuming to defend.

Further, our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. While we have registered several of our trademarks, including "PVR Director's Cut", "PVR CINEMAS", "PVR GOLD", "P[XL]"and "PVR Superplex", and applied for registration of certain other trademarks, including "PVR CINEMAS ECX", "PVR LUXE" and "PVR TALKIES", monitoring unauthorized use of our intellectual property may be difficult and costly and we cannot be certain that the steps we take will be effective to prevent unauthorized use of our intellectual property rights. If a third party uses any of our marks or a mark similar to ours without our consent, we may face the risk of dilution of our brand equity as well as such trademarks being identified with such parties instead of us. Despite our efforts to protect our intellectual property rights, third parties may knowingly or unknowingly infringe, misappropriate or otherwise violate our intellectual property rights and we may not be able to prevent such infringement, misappropriation or violation without substantial expense to us, or the applicable laws may not adequately protect our rights which may have an adverse effect on our business, results of operations and financial condition.

34. An inability to compete effectively in the competitive movie exhibition industry could result in the loss of customers, which could have an adverse effect on our business, results of operations, financial condition, and future prospects.

We operate in the movie exhibition industry, which is highly competitive. We compete against local, regional, national and international exhibitors in the markets we operate in. Further, our competition varies by market, geographic areas and type of product. We generally compete for admits. The degree of competition for admits is dependent upon such factors as location, theatre capacity, availability of movie show times, customer service quality, ticket price, reputation of their cinemas, quality of projection and sound systems at their cinemas and ability and willingness to promote the movies they are showing. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs and improve our operating efficiencies. The key multiplex operators in the Indian movie exhibition industry include PVR Limited, INOX Leisure Limited, Carnival Films Private Limited and Cinepolis India Private Limited (*Source: CRISIL Report*). Some of our current and potential competitors include large companies that may have longer operating histories, better name recognition, greater ability to influence industry standards, access to larger customer bases and significantly greater financial, sales and marketing, distribution, technical and other resources than we have. In the event that we are unable to compete effectively, we may lose some or all of our market share in the screen network market or lose our customers to these competitors and our business, results of operations, financial condition and future prospects could be adversely affected. Further, in markets where we typically do not face severe competition from other movie exhibitors, there may be circumstances wherein our competitors may establish new cinemas in such markets which could have an adverse effect on our markets share, business, results of operations and future prospects.

In addition to the cinema exhibition industry, we also compete in the advertising industry with other forms of marketing media including television and radio, as well as advertising in shopping centers, airports, stadiums, supermarkets and public transportation, including taxis, trains and buses. Advertisers may choose alternative methods to advertise which may have an adverse effect on our results of operations and financial condition.

35. Our financial indebtedness and substantial lease obligations expose us to certain risks which might limit our ability to conduct our business and manage our financial resources. Further, we may be unable to meet our debt and lease finance obligations.

We have substantial lease and debt obligations. As of September 30, 2019, we had total borrowings (consisting of debentures, long term borrowings and short term borrowings) of ₹ 1,37,402 lakhs, of which ₹ 77,693 lakhs was

secured term loans from banks (including current maturities), ₹ 45,235 lakhs was debentures and ₹ 14,474 lakhs was short term borrowings. Further, our lease liability amounted to ₹ 3,48,149 lakhs as of September 30, 2019.

Our substantial lease and debt obligations could have several important consequences, including but not limited to, the following:

- we may be required to dedicate a portion of our cash flow towards repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future may be impaired;
- the right to appoint a nominee director on our Board could accrue to our lenders;
- fluctuations in market interest rates may adversely affect the cost of our borrowings;
- there could be a material adverse effect on our business, prospects, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial covenants of such indebtedness, which may further result in cross defaults under other facility agreements; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

All of our long term borrowings are secured against our movable property. Many of our financing agreements include various conditions and covenants restricting certain activities and certain transactions. Specifically, we may require, and may be unable to obtain, lender consents to incur additional debt, issue equity, change our capital structure, change our constitutional documents, increase or modify our capital expenditure plans, undertake any expansion, provide additional guarantees, change our management structure, merge/ amalgamate with or acquire other companies, or distribute dividends under certain circumstances, whether or not there is any failure by us to comply with the other terms of such agreements.

In the event of any breaches of conditions and covenants in our loan agreements, various remedies are available to lenders, as a consequence of these breaches, including termination of our credit facilities, acceleration of all amounts due under such facilities and trigger of cross default provisions under certain of our other financing agreements, or may lead to an enforcement of any security provided. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of our cash flow to meet working capital requirements and use for other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. If the obligations under any of our financing documents are accelerated it may also result in a decline in the trading price of the Equity Shares and potential investors may lose all or part of their investment.

36. We are exposed to pricing pressure from other cinemas and alternative content and movie distribution channels, which may compel us to reduce our price which may adversely impact our revenue from operations.

Our competitors may seek to decrease their costs and to increase their margins and follow more competitive pricing, in respect of all aspects of our business, including ticket prices, advertising price as well as F&B offerings. Such pricing pressures may also become necessary on account of availability of alternative movies distribution channels, such OTT platforms, pay-per-view, cable television, and broadcast television from domestic and globally recognized brands. In order to remain competitive, we may have to offer discounts or lower our current price and charges, which would directly reduce our revenue.

37. We make significant investments in our leased premises for renovations and refurbishments, the cost of which we may be unable to recover.

We periodically make significant, fixed capital improvements for renovations, refurbishments and upgradation to our cinemas. As such, we may be unable to recover investments we make in renovating, refurbishing or upgrading our locations at the termination of a lease. The loss of investments in such capital improvements, particularly if such losses occurred at a number of our leased locations, may have an adverse effect on our business, financial condition, results of operations and prospects.

38. We are involved in certain legal and other proceedings which, if determined against our Company, Subsidiaries, our Directors and our Promoters, could have a material adverse impact on our reputation and financial condition.

We are involved in various legal proceedings in the ordinary course of our business. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities/ other judicial authorities. Our Company is involved in various entertainment tax proceedings wherein we have prayed for the continuation of entertainment tax exemption benefits that we were entitled to, prior to the implementation of the GST Act in India. For instance, in the states of Uttar Pradesh and Punjab, our Company has filed writ petitions praying for continuation of tax exemption benefits that they were entitled to prior to the implementation of the GST Act. For further details, see "***Legal Proceedings – Outstanding Tax Proceedings***" on page 287.

Further, our Company, being a listed entity is required to comply with the requirements of the SEBI Listing Regulations and other requirements prescribed by SEBI and the Stock Exchanges from time to time. In the past, we have been issued a show cause notice dated November 22, 2016 by SEBI (the "**Show Cause Notice**") in relation to certain performance based incentives to Ajay Bijli by certain shareholders of our Company, where such incentives were linked to creation of shareholder value as reflected by the share price of our Company and involved targets of revenue and profitability of our Company. This was in relation to alleged violations committed by Ajay Bijli of Clause 49D of the erstwhile Listing Agreement and corresponding Regulation 17(5) of the SEBI Listing Regulations and alleged violations committed by our Company of Clause 36 of the erstwhile Listing Agreement and corresponding Regulation 30 of SEBI Listing Regulations for non-disclosure of such arrangements. Subsequently, such arrangements were terminated and through a settlement order dated January 24, 2018, on payment of certain penalty amount, SEBI disposed of the adjudication proceedings initiated pursuant to the Show Cause Notice. For details, see "***Legal Proceedings – Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years***" on page 294.

Although it is our policy to make provisions for probable loss, we do not make provisions or disclosures in our financial statements where our assessment in that risk is insignificant. These legal proceedings may not be decided in our favor and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities.

If any new developments arise, for example, rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation and financial condition. For further information, see "***Legal Proceedings***" on page 285.

39. Our results of operations fluctuate from quarter-to-quarter.

The most marketable movies are usually released during the summer and holiday seasons. Therefore, our business is subject to significant seasonal fluctuations, with higher attendance and revenues generally occurring during the summer months and holiday seasons. As a result of this, our quarter-to-quarter results may not be comparable or a meaningful indicator of our future performance. It is possible that in the future some of our quarterly results of operations may be below expectations of market analysts and our investors and which may adversely impact market price of our Equity Shares.

40. We depend on third party cinema equipment providers for our screening equipment, as well as for installation and maintenance services, that are essential to our business.

We depend on third party suppliers to provide us with cinema equipment, such as digital servers and digital projectors. We also rely on some of these providers for installation and maintenance services for this equipment. We have entered into equipment lease contracts for projectors with third parties. These terms of these lease contracts involve significant upfront payments and include a purchase option. In the event that these providers do not fulfil their obligations under our contracts with them, we may not be able to enforce such obligations or succeed in a claim against them for damages, which could affect our business and financial condition. In addition, we may be unable to renew these agreements on favourable terms, in a timely manner, or at all, and we may be unable to procure suitable replacement for such equipment in a timely manner, if at all. If we do not have access to quality cinema equipment or such equipment fails to meet the specifications required by our technical systems, we may not be able to expand our reach to customers or replace non-functioning cinema equipment for existing

cinemas, which could result in a damage to our reputation for service and quality. In addition, we may be unable to pass increases in cinema equipment costs on to our customers. If our cinema equipment costs increase, our business, financial condition and results of operations may be adversely affected.

41. Certain of our customers account for a significant portion of our advertisement revenues. The loss or reduction in spending by any of these customers could have an adverse effect on our revenues and results of operations.

While we seek to diversify the sources of our advertisement revenue, a significant portion of our advertisement revenue are derived from our advertising contracts with limited customers. In Fiscal 2018 and Fiscal 2019, advertisement income from our top five customers represented 39.3% and 38.4% of our total revenues in such periods, respectively. Further, in the six months ended September 30, 2019, advertisement income from our top five customers represented 38.3% of our total revenue in the same period. If we are unable to provide advertising services to any of these customers, or if we fail to renew our arrangements with these customers or attract new customers, our revenues and results of operations will be adversely affected.

42. Internal or external fraud or misconduct by our employees could adversely affect our reputation and our results of operations.

We may be subject to misconduct by employees, or mishandling of movies and projectors by our employees which could result in piracy of movies, prior to their theatrical release, by such employees. Our businesses may accordingly expose us to the risk of fraud, misappropriation or unauthorized acts by our representatives and employees responsible for dealing with our operations. In addition, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misconduct by our representatives and employees, which could adversely affect our goodwill. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

43. Industry information included in this Placement Document has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third party statistical, financial and other industry information is either complete or accurate.

We have availed the services of an independent third party research agency, CRISIL Research, a division of CRISIL Limited, to prepare an industry report titled "*Market Assessment of the film and multiplex industry in India"* dated March 2019, for purposes of inclusion of such information in this Placement Document. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from this industry report. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or the Book Running Lead Managers or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document.

44. Our employees are unionized and any union action may adversely affect our business.

Certain of our employees are members of Bhartiya Kamgar Sena in Maharashtra. Accordingly, we may in the future be affected by strikes, work stoppages or other labor disputes, incase such an union organizes any strikes. In the event of a labor dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could materially and adversely affect our business, future financial performance and results of operations. While we believe that we have a strong working relationship with our union and employees, there can be no assurance that we will continue to have such a relationship in the future, and that there will not be significant strikes or disputes with employees that could affect our operations in future.

45. Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business and revenues.

Our existing insurance may not be sufficient to cover all damages, whether foreseeable or not. Presently, for our cinemas, we have obtained an 'industrial all risk policy' which covers perils like material damage to property, loss of gross profit and machine breakdown. We have also obtained 'erection all risks insurance' for our under construction cinemas. We have taken an 'exhibitor's loss of revenue' insurance policy, which covers any loss of revenue from, amongst others, any strike, 'bandh', terrorism attack and curfew situation without any physical damage to the cinemas. In addition, we have obtained a commercial general liability policy to provide insurance cover against any third party liability claims. We have also obtained a director's and officers' liability insurance. Our Company has obtained a cyber liability insurance policy and crime insurance policy. For our human resources, we maintain an employee group mediclaim policy, which covers all employees including their dependents, and also maintain an employee group term life policy, group personal accidental policy and workmen compensation policy. For further details about our insurance coverage, see "***Business – Insurance***" on page 197. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be materially adversely affected.

Insurance against losses of this type can be expensive, and insurance premiums may increase in the near future and rising costs of insurance premiums could have a material adverse effect on our financial position and results of operations.

46. We have certain contingent liabilities that have not been accounted for in our financial statements, which if they materialize, may adversely affect our financial condition.

As of September 30, 2019, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

S.No.	Particulars	As of September 30, 2019 (₹ lakhs)
a)	Possible exposure against various appeals filed by the Group against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2015, 2014, 2013, 2012,2011, 2010, 2009, 2008, 2007 and 2006, respectively. [The Group has paid an amount of ₹ 938 lakhs (March 31, 2019: ₹ 938 lakhs)]	3,049
b)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before the Supreme Court.	334
c)	Notice from Entertainment Tax Department Tamil Nadu against short deposit of entertainment tax on regional movies.	43
d)	Notice from Commercial Tax Department, Indore against alleged collection of entertainment tax during exemption period.	823
e)	Notice from Entertainment Tax Department Maharashtra in respect of levy of entertainment tax on convenience fees.	161
f)	Show cause notices raised by Service tax commissionerate, New Delhi and levy of service tax on 3D glass charges and TM charges for Fiscal 2013 to Fiscal 2018 and activity of movie distribution for Fiscal 2012. [Our Company has already deposited under protest an amount of ₹ 267 lakhs (March 31,2019: ₹ 267 lakhs)]	5,055
g)	Demand raised with regard to service tax on food and beverages [Our Company has already deposited under protest an amount of ₹ 185 lakhs (March 31,2019: ₹ 185 lakhs)]	3,666
h)	Possible tax exposure of service tax on sale of food and beverages.	6,032
i)	Demand of sales tax under various states VAT Acts where appeal is pending before competent authority [Our Company has already deposited under protest an amount of ₹ 32 lakhs (March 31, 2019: ₹ 27 lakhs)]	720
j)	Demand of entertainment tax under Rule 22 of Punjab Entertainment Tax (Cinematographs shows) Rules, 1954 [Our Company has already deposited under protest an amount of ₹ 40 lakhs (March 31, 2019: ₹ 40 lakhs)]	144
k)	Demand of entertainment tax in Tamil Nadu on one of the subsidiary in respect of levy of entertainment tax on convenience fees	2,314
l)	Demand of entry tax in the state of Telangana for various material imported into the State [Our Company has already deposited under protest an amount of ₹ 25 lakhs (March 31, 2019: ₹ 25 lakhs)]	101

S.No.	Particulars	As of September 30, 2019 (₹ lakhs)
m)	Notice from Entertainment Tax Department Andhra Pradesh against short deposit of entertainment tax on regional movies.	99
n)	Demand under Employees Provident Fund Act, 1952 [Our Company has already deposited under protest an amount of ₹ 38 lakhs (March 31, 2019: ₹ 38 lakhs)]	106
o)	Labour cases pending *	Amount not ascertainable

** In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however, as per estimate of our management, the amount in aggregate is not material. Based on the discussions with the solicitors, our management believes that our Company has strong chances of success in the cases and hence no provision is considered necessary.*

For further information on our contingent liabilities, see "***Financial Information***" on page 296.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

47. Our Company's ability to pay dividends in the future will depend on our Company's earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our Company's financing arrangements.

In accordance with SEBI Listing Regulations, we have adopted a dividend distribution policy that sets out the broad parameters and factors that will be taken into consideration by our Directors in relation to the declaration of dividends. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, restrictive covenants contained in agreements entered into with lenders, the extent of realized profits out of the profits calculated as per Ind AS, cash flows, overall financial position, taxation and regulatory concerns, future expansion plans of our Company which could entail cash conservation, past performance and working capital management of our Company, and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders. Dividend payments will also depend on macroeconomic conditions such as the state of the economy and of the movie industry, and other factors deemed appropriate by our Directors. We may be unable to pay dividends in the near or medium-term, and our ability to distribute dividends in the future will depend on our capital requirements and financing arrangements in respect of our business, financial condition and results of operations.

48. Any increase in our employee costs may adversely affect our margins and results.

We have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs and consequently, on our margins. Although our staff costs have not significantly increased in the last three Fiscals, we may incur higher staff costs in the future as we continue to increase our staff count to prepare for future new cinemas. In Fiscal 2018 and Fiscal 2019, employee benefit expenses amounted to ₹ 25,407 lakhs and ₹ 33,726 lakhs, respectively, which accounted 11.7% and 12.0%, respectively, of our total expense in such periods. In the six months ended September 30, 2019, employee benefit expenses amounted to ₹ 21,059 lakhs, which accounted 11.9% of our total expense in the same period.

As of September 30, 2019, we had 5,352 full-time employees. In addition, we contract with third party manpower agencies for the supply of manpower at our cinemas, and as of September 30, 2019, we had over 8,500 contractual employees. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand to. For instance, in 2017, the Labour Department of the Government of National Capital Territory of Delhi, increased the minimum wages for unskilled, semi-skilled and skilled persons working in Delhi. Further, we may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase. Any of these factors could adversely affect our business, financial condition and results of operations.

49. We may be unable to attract and retain sufficient qualified and trained staff in all or any of our cinemas which may adversely affect our business.

Providing quality services at our cinemas is also one of the critical aspects for the success of our business operations. Our continued success depends in part upon our ability to attract, motivate and retain a sufficient number of qualified employees for our cinemas. As we expand our screen network, we will need experienced manpower that has knowledge of the local market and our industry to operate our cinemas. There can be no

assurance that attrition rates for our employees, particularly our sales personnel, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our cinemas in our existing markets or new markets that we are entering into. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

50. Any downgrade of our Company or India's debt rating by an independent agency may adversely affect our ability to raise financing.

Currently, our Company's credit rating is AA-/Stable for non-convertible debentures and bank loan facilities. In the past, our credit rating has been revised from A+/Positive to A+/Stable. Any adverse revisions to our Company or India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business, financial condition and the price of our Equity Shares

51. We have significant power requirements for continuous running of our business operations. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an adverse effect on our business, results of operations and financial condition.

Our cinemas have significant electricity requirements and any interruption in power supply to our cinemas may disrupt our operations. Our business and financial results may be adversely affected by any disruption of operations. Our electricity and water charges (net of recovery) was ₹ 14,908 lakhs and ₹ 18,107 lakhs in Fiscal 2018 and Fiscal 2019, respectively. In the six months ended September 30, 2019, our electricity and water charges (net of recovery) was ₹ 11,590 lakhs.

We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses, which may adversely impact our business margins. Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of our cinemas. In majority of the markets we operate in, there are limited number of electricity providers due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations. Further, in certain of our cinemas, the lessor's / licensor's responsibility to supply power is dependent on the relevant power distribution or electricity board over which we have no control. Accordingly, we may suffer a loss of revenue in the event there is a prolonged power outage at our cinemas. In addition, the Government may in order to control the pollution levels, restrict or ban the use of diesel generators in the future.

52. Grants of stock options under our employee stock option plans may result in a charge to our statement of profit and loss account and, to that extent, adversely affect our business, financial condition, results of operations and prospects.

We propose to issue stock options under the ESOS 2017. Under Ind AS, the grant of employee stock options results in a charge to our Company's statement of profit and loss account equal to the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price (which will amortize over the vesting period of these stock options). For further information on the employee stock option schemes of our Company, see "***Capital Structure – Employee Stock Option Schemes***" on page 108.

Further, we may continue to introduce such employee stock option schemes in the future, where we issue options to our employees at substantial discount to the market price of the Equity Shares, which may have a material adverse impact on our results of operations and financial condition. The holders of our Equity Shares may experience dilution of their shareholding to the extent that we issue any Equity Shares pursuant to any options issued under our employee stock option schemes.

RISKS RELATING TO INDIA

53. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

54. Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

We are incorporated in, and majority of our operations are located in, India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of the Equity Shares.

Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Equity Shares.

55. A third party could be prevented from acquiring control of us because of the anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of the takeover regulations.

56. It may not be possible for investors to enforce any judgment obtained outside India against us, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.

The enforcement of civil liabilities by overseas investors in the Equity Shares, including the ability to effect

service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that our Company is incorporated under the laws of the Republic of India and a majority of its executive officers and directors reside in India. As a result, it may be difficult to enforce the service of process upon our Company and any of these persons outside of India or to enforce outside of India, judgments obtained against our Company and these persons in courts outside of India. For details, see "***Enforcement of Civil Liabilities***" on page 15.

57. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

The annual rate of inflation, based on monthly wholesale price index was 0.33% (provisional) for the month of September, 2019 (over September, 2018) as compared to 1.08% (provisional) for the August 2019 and 5.22% during the corresponding month of the previous year. (*Source: Index Numbers of Wholesale Price in India, Review for the month of September 2019, published on October 14, 2019 by Government of India, Ministry of Commerce and Industry*) Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

58. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

59. Significant differences exist between Previous GAAP, Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.

Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Previous GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS and Previous GAAP. Accordingly, the degree to which the Ind AS and Previous GAAP financial statements, which are included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

60. Rights of shareholders under Indian laws may differ from the laws of other jurisdictions.

Our articles of association and Indian law govern our corporate affairs. Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions.

61. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Indian Rupees and subsequently converted into the relevant foreign currency for

repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years, in particular has significantly depreciated in the year 2018, and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

RISKS RELATING TO THE ISSUE AND THE EQUITY SHARES

62. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers. This price will be determined on the basis of applicable law and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

63. The trading price of our Equity Shares may be subject to volatility and you may not be able to sell the Equity Shares at or above the Issue Price.

The trading price of our Equity Shares may fluctuate after the Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, economic liberalisation, deregulation policies and procedures or programs applicable to our business, adverse media reports on our Company, volatility in the Indian and global securities market, performance of our competitors, the Indian real estate industry and the perception in the market about investments in the real estate industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding new projects, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares. If the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, may adversely affect the trading price of our Equity Shares.

64. Any future issuance of Equity Shares by our Company or sales of our Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of our Equity Shares.

Our Company may be required to finance its future growth and business requirements through additional securities offerings. Any future issuance of Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares, including sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares, and could impact our ability to raise capital through an offering of our securities. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge, or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

65. Your ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Placement Document.

No actions have been taken to permit a public offering of the Equity Shares offered in the Issue in any jurisdiction. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation

restrictions set forth in this Placement Document. For further information, see "***Selling Restrictions***" on page 244. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For further details, see "***Transfer Restrictions***" on page 255. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

66. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. The Finance Act, 2018 levies taxes on long term capital gains exceeding ₹ 1,00,000 arising from the sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of Equity Shares.

67. Foreign investors are subject to foreign investment restrictions under Indian law that limit our Company's ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares of our Company between non-residents and residents and issuances of shares to non-residents by our Company are freely permitted (subject to certain exceptions),subject to compliance with certain applicable pricing and reporting requirements. If such issuances or transfers of shares are not in compliance with such requirements or fall under any of the specified exceptions, then prior approval of the RBI will be required.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilising the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

68. The Equity Shares are subject to transfer restrictions.

The Equity Shares that are being offered are not required to be registered under the Securities Act. Therefore, the Equity Shares may be transferred or resold only in a transaction registered under or exempted from the registration requirements of the Securities Act and in compliance with any other applicable securities laws. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of the Equity Shares in the Issue, QIBs subscribing Equity Shares in the Issue may only sell their Equity Shares on BSE or NSE and may not enter into any off-market trading in respect of these Equity Shares. There is no assurance that the restriction will not have an impact on the price of the Equity Shares.

MARKET PRICE INFORMATION

As on the date of this Placement Document, 5,12,90,845 Equity Shares have been issued, subscribed and are fully paid up. The face value of our equity shares is ₹ 10 per equity share. The Equity Shares are listed and traded on BSE and NSE.

As on the date of this Placement Document, the closing price of the Equity Shares on the BSE and NSE was ₹ 1,788.30 and ₹ 1,790.30, respectively. The tables below set out, for the periods indicated, the high, low and average closing prices and the trading turnover on the NSE and the BSE for our Equity Shares.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for the Fiscals 2019, 2018 and 2017.

NSE

Year ending	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
Fiscal 2019	1,695.40	March 19, 2019	4,86,289	825.08	1,101.55	July 31, 2018	3,32,751	367.27	1,405.38	10,34,79,507	1,43,387.66
Fiscal 2018	1,613.10	April 28, 2017	6,17,192	1,008.18	1,174.60	September 27, 2017	2,03,339	243.00	1,394.11	5,38,16,984	75,326.44
Fiscal 2017	1,447.75	March 14, 2017	2,54,161	366.68	723.75	April 8, 2016	19,628	14.32	1,115.58	3,95,55,357	45,574.69

(Source: www.nseindia.com*)*

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Year ending	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in million)
Fiscal 2019	1,695.55	March 19, 2019	29,424	49.92	1,102.5	July 31, 2018	19,536	21.60	1,404.96	80,95,583	11,287.40
Fiscal 2018	1,613.90	April 28, 2017	59,220	96.79	1,172.85	September 27, 2017	26,846	31.99	1,394.03	47,68,512	6,720.29
Fiscal 2017	1,450.25	March 14, 2017	14,998	21.65	725.20	April 8, 2016	1,492	1.09	1,115.56	42,63,774	4,892.04

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

B. The following tables set out the reported high and low closing prices of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months.

NSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
September, 2019	1,884.30	September 26, 2019	6,14,555	1,151.79	1,487.25	September 4, 2019	3,80,878	562.09	1,661.20	85,55,517	14,390.61
August, 2019	1,580.15	August 28, 2019	4,02,898	632.34	1,383.20	August 16, 2019	7,99,944	1,106.06	1,479.18	1,34,83,691	19,768.77
July, 2019	1,805.65	July 24, 2019	4,70,199	843.23	1,517.30	July 31, 2019	7,71,332	1,185.28	1,702.80	1,08,49,682	18,466.29
June, 2019	1,787.05	June 3, 2019	2,,27,520	405.04	1,601.55	June 24, 2019	2,81,342	446.38	1,686.53	59,15,217	9,944.72
May, 2019	1,812.05	May 21, 2019	2,25,456	407.14	1706.55	May 27, 2019	2,19,696	377.78	1,757.32	90,80,608	15,992.02
April, 2019	1,769.45	April 30, 2019	10,94,199	1,919.08	1,640.35	April 3, 2019	1,93,714	319.28	1,692.69	77,59,311	13,198.74

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

BSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in million)
September, 2019	1,884.15	September 26, 2019	16,395	30.73	1,488.30	September 4, 2019	7,553	11.15	1,660.73	426,920	723.51
August, 2019	1,579.75	August 28, 2019	16,582	26.08	1,383.35	August 16, 2019	18,962	26.23	1,479.58	689,077	1,011.18
July, 2019	1,803.45	July 24, 2019	49,645	89.34	1,517.70	July 31, 2019	30,002	46.15	1,702.89	608,785	1,042.53
June, 2019	1,788.35	June 3, 2019	28,185	50.18	1,602.55	June 24, 2019	11,085	17.58	1,686.62	349,511	588.05
May, 2019	1,810.05	May 21, 2019	36,721	66.22	1,709.35	May 27, 2019	11,445	19.69	1756.99	4,84,474	850.60
April, 2019	1,763.95	April 30, 2019	47,842	83.87	1,638.7	April 3, 2019	13,593	22.39	1,691.49	7,29,035	1,228.04

(Source: www.bseindia.com*)*

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

C. The following table sets forth the market price of our Equity Shares on NSE and BSE on December 24, 2018, the first working day following the approval of the Board of Directors for the Issue.

NSE						BSE					
Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in million)	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in million)
1,588.00	1,609.90	1,536.10	1,543.70	9,00,014	1,406.79	1,592.00	1,607.25	1,538.05	1,544.10	46,030	71.89

(Source: www.nseindia.com *and* www.bseindia.com*)*

USE OF PROCEEDS

The gross proceeds of the Issue aggregates to ₹ 50,000 lakhs. After deducting fees, commissions and expenses of the Issue of approximately ₹ 1,000 lakhs, the net proceeds of the Issue will be approximately ₹ 49,000 lakhs ("**Net Proceeds**").

Purpose of the Issue

Our Company proposes to utilize the Net Proceeds towards repayment/ prepayment of a part of our outstanding indebtedness, funding expenditure towards implementation of our strategy on expanding our screen network, general corporate purposes and other corporate exigencies, including but not limited to, funding balance milestone based payments in relation to our acquisition of SPI Cinemas, long and short term working capital requirements, strategic investments/ acquisitions and expenditure towards refurbishment of our existing cinemas.

For details of: (a) our consolidated borrowings as of March 31, 2019, see "***Financial Information -Fiscal 2019 Ind AS Audited Consolidated Financial Statements***" on page F-40; (b) our strategy on expansion of our screen network, see "***Business – Our Strategies – Further expand our screen network***" on page 187; and (c) the aggregate outstanding payments, in terms of the SPA entered into among our Company and the shareholders of SPI, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Acquisition of SPI Cinemas***" on page 114.

The Net Proceeds are proposed to be deployed towards the purpose set out above and are not proposed to be utilized towards any specific project. Accordingly, the requirement to disclose (i) the break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project, is not applicable.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, or final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us. Pending utilisation of the Net Proceeds, our Company intends to invest the funds in creditworthy instruments, including money market, mutual funds, and deposits with banks. Such investments will be in accordance with the investment policies approved by the Board and/ or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Our Company shall disclose the utilization of funds raised through the QIP in its annual report every year until such funds are fully utilized.

Neither our Promoters nor our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds.

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CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our capitalization as of September 30, 2019 which is based on Ind AS Unaudited Interim Condensed Consolidated Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with the "***Selected Financial Information***", "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and other financial information contained in the "***Financial Information***" on pages 60, 71, 111 and 296, respectively.

(in ₹ lakhs)

Particulars	Pre-Issue (as at September 30, 2019) (on a consolidated basis)	Amount after considering the Issue (i.e. Post Issue)[#] (on a consolidated basis)
Short term borrowings		
- Secured bank overdraft	4,496	4,496
- Unsecured commercial papers (net of transaction cost)	9,978	9,978
Long term borrowings		
- Secured Rated Listed Non-Convertible Debentures(net of transaction cost)	45,235	45,235
- Secured term loans from banks	77,693	77,693
- Other loans	-	-
Total borrowings – a	**1,37,402**	**1,37,402**
Equity		
Equity share capital	4,838	5,129
Other equity	99,129	1,48,838
Equity attributable to equity holders of the Parent Company	**1,03,967**	1,53,967
Non-controlling interests	**20**	**20**
Total equity – b	**103,987**	**1,53,987**
Total capitalization a+b	**2,41,389**	**2,91,389**

[#] Without consideration of share issue expenses and for any other transactions or movements in such financial statement line items post September 30, 2019. The figures for the financial statement line items under the "Amount after considering the Issue (i.e. Post Issue) (on a consolidated basis)" column are unaudited and derived by giving effect to the issue of 29,08,583 Equity shares pursuant to the QIP, at a share premium of ₹ 1,709.05 per Equity Share through the Issue, without consideration for any other transaction or movement in such financial statement line items after September 30, 2019.

Notes:

1. *Total borrowings represent the sum of short-term borrowings, long-term borrowings and current maturities of long term borrowings.*

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Placement Document is set out below:

(In ₹, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORIZED SHARE CAPITAL**	
	12,37,00,000 equity shares of face value of ₹ 10 each	1,23,70,00,000
	5,90,000 0.001% non-cumulative convertible preference shares of ₹ 341.52 each	20,14,96,800
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	4,83,82,262 equity shares of face value of ₹ 10 each	48,38,22,620
C	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**	
	29,08,583 Equity Shares aggregating to ₹ 50,000 lakhs[(1)]	2,90,85,830
D	**PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	5,12,90,845 Equity Shares	51,29,08,450
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue[*]	72,498
	After the Issue[(2)]	1,22,207

[*] *As on September 30, 2019.*

[(1)] *The Issue has been authorized by the Board of Directors on December 21, 2018 and the Shareholders pursuant to their resolution through a postal ballot dated January 29, 2019.*

[(2)] *The securities premium account after the Issue is calculated on the basis of Gross Proceeds.*

Equity Share Capital History of our Company

The history of the equity share capital of our Company is provided in the following table:

Date of allotment / buy-back period	No. of equity shares allotted* / bought-back	Face value per equity share (₹)	Issue price per equity share (₹)	Consideration
May 17, 1995	700	10	10.00	Cash
February 15, 1996	7,50,000	10	10.00	Cash
June 15, 1996	12,49,300	10	10.00	Cash
January 20, 1997	12,50,000	10	10.00	Cash
May 31, 1997	4,00,000	10	10.00	Cash
December 21, 1999	5,00,000	10	10.00	Cash
April 16, 2001	30,00,000	10	10.00	Cash
August 1, 2001	30,00,000	10	10.00	Cash
May 19, 2003	27,36,850	10	47.50	Cash
January 28, 2004	4,25,000	10	47.50	Cash
August 30, 2004	6,30,000	10	47.50	Cash
March 9, 2005	8,39,730	10	47.50	Cash
March 22, 2005	23,15,790	10	47.50	Cash
September 22, 2005	80,000	10	20.00	Cash
December 27, 2005	57,00,000	10	225.00	Cash
January 31, 2007	38,000	10	20.00	Cash
March 31, 2007	56,500	10	20.00	Cash
March 31, 2007	42,000	10	47.50	Cash
January 1, 2010	25,57,000	10	165.00	Cash
March 19, 2010	53,460	10	88.00	Cash
April 30, 2010	7,600	10	88.00	Cash
August 31, 2010	31,600	10	88.00	Cash
September 6, 2010	14,60,112[**]	10	Nil	Amalgamation with LWPL (*as defined hereinafter*)
November 1, 2010	22,730	10	88.00	Cash
November 30, 2010	1,000	10	88.00	Cash
January 6, 2011	2,000	10	88.00	Cash
June 8, 2011	26,730	10	88.00	Cash
July 7, 2011 till August 29, 2011	(13,88,328)[#]	10	-	Cash
September 19, 2011	1,08,290	10	88.00	Cash
March 29, 2012	6,600	10	88.00	Cash
May 29, 2012	46,140	10	88.00	Cash
June 29, 2012	2,000	10	88.00	Cash

Date of allotment / buy-back period	No. of equity shares allotted* / bought-back	Face value per equity share (₹)	Issue price per equity share (₹)	Consideration
August 1, 2012	6,800	10	88.00	Cash
September 28, 2012	3,200	10	88.00	Cash
September 28, 2012	28,85,000	10	200.00	Cash
October 30, 2012	39,996	10	116.15	Cash
October 30, 2012	23,820	10	88.00	Cash
November 29, 2012	12,800	10	88.00	Cash
January 3, 2013	25,840	10	88.00	Cash
January 11, 2013	1,06,25,205	10	245.00	Cash
January 30, 2013	35,530	10	88.00	Cash
January 30, 2013	8,000	10	116.15	Cash
May 28, 2013	40,000	10	116.15	Cash
July 4, 2013	43,333	10	116.15	Cash
September 30, 2013	5,400	10	88.00	Cash
September 30, 2013	4,333	10	116.15	Cash
October 30, 2013	27,540	10	88.00	Cash
October 30, 2013	51,999	10	116.15	Cash
November 29, 2013	80,004	10	116.15	Cash
December 31, 2013	43,333	10	116.15	Cash
January 31, 2014	4,000	10	116.15	Cash
January 31, 2014	9,100	10	200.00	Cash
February 28, 2014	89,900	10	200.00	Cash
March 14, 2014	10,90,283[##]	10	Nil	Amalgamation with CIL (*as defined hereinafter*)
April 30, 2014	43,333	10	116.15	Cash
April 30, 2014	46,200	10	200.00	Cash
June 30, 2014	8,333	10	116.15	Cash
September 1, 2014	16,500	10	200.00	Cash
September 1, 2014	29,700	10	200.00	Cash
October 31, 2014	1,40,002	10	116.15	Cash
October 31, 2014	6,600	10	200.00	Cash
January 30, 2015	1,32,000	10	200.00	Cash
May 1, 2015	19,800	10	200.00	Cash
July 22, 2015	50,00,000	10	700.00	Cash
September 4, 2015	16,500	10	200.00	Cash
January 29, 2016	92,750	10	200.00	Cash
February 29, 2016	8,600	10	200.00	Cash
March 31, 2016	20,400	10	200.00	Cash
May 27, 2016	34,000	10	200.00	Cash
July 29, 2016	650	10	200.00	Cash
September 1, 2016	17,000	10	200.00	Cash
September 20, 2016	1,00,31,805[^]	10	Nil	Amalgamation with BHPL (*as defined hereinafter*)
June 6, 2019	32,000	10	1,400.00	Cash
July 31, 2019	6,500	10	1,400.00	Cash
September 3, 2019	15,99,974[^^]	10	Nil	Amalgamation with SPI Cinemas
October 3, 2019	5,200	10	1,400.00	Cash

[*] Unless otherwise indicated, the number of equity shares mentioned in the column below indicates the number of equity shares allotted.

*[**] Pursuant to an order dated August 19, 2010 passed by the High Court of Delhi for amalgamation of Leisure World Private Limited ("**LWPL**") with our Company, an aggregate of 14,60,112 Equity Shares were allotted to the shareholders of LWPL.*

[#]Buy-back of Equity Shares pursuant to a board resolution dated May 27, 2011 authorising the buy-back of up to 27,15,000 Equity Shares.

*[##] Pursuant to an amalgamation of Cinemax India Limited ("**CIL**") with our Company, an aggregate of 10,90,283 Equity Shares in the ratio of 4:7, were allotted to the shareholders of CIL pursuant to an order of amalgamation passed by the High Court of Delhi on February 12, 2014.*

*[^]Pursuant to an amalgamation of Bijli Holdings Private Limited ("**BHPL**") with our Company, an aggregate of 1,00,31,805 Equity Shares held by BHPL, one of the then shareholders of our Company, prior to the amalgamation, stood cancelled and 1,00,31,805 Equity Shares were allotted to the shareholders of BHPL, as consideration for the amalgamation, by order dated September 2, 2016 passed by the High Court of Delhi. Accordingly, there was no change in the issued and paid-up share capital of our Company.*

[^^]Pursuant to the amalgamation of SPI Cinemas with our Company, an aggregate of 15,99,974 Equity Shares against 87,959 equity shares of SPI Cinemas in the ratio of 1:18.19, were allotted to S S Theatres LLP, a shareholder of SPI Cinemas in accordance with the SPI Merger Scheme approved by the principal bench of the National Company Law Tribunal at New Delhi by its order dated August 23, 2019.

Except as stated in "***- Equity Share Capital History of our Company***" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of filing of this Placement Document.

Employee Stock Option Schemes

Our Company has instituted an employee stock option scheme, Employee Stock Option Plan, 2017 ("**ESOS 2017**"), for the purpose of attracting, retaining, rewarding and motivating our employees to contribute to our growth and profitability. Set out below are the details of ESOS 2017.

Sr. No	Particulars	Number of options
		ESOS 2017
1.	Total number of options granted	3,00,000
2.	Options vested	2,40,000
3.	Options exercised	43,700
4.	Options lapsed or forfeited	Nil
5.	Total number of options outstanding	2,56,300

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth below.

Sr. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital (%)^**
1.	Kuwait Investment Authority Fund 225	1.28
2.	Sundaram Mutual Fund A/C Sundaram Mid Cap Fund	1.11
3.	Morgan Stanley India Investment Fund, Inc.	0.57
4.	Kuwait Investment Authority Fund F239	0.52
5.	Kuwait Investment Authority Fund 223	0.47
6.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Advantage Fund	0.46
7.	Government Pension Fund Global	0.45
8.	Fidelity Funds - India Focus Fund	0.41
9.	ICICI Prudential Long Term Equity Fund Tax Savings	0.32
10.	ICICI Prudential Smallcap Fund	0.29
11.	Reliance Capital Trustee Company Limited A/C Reliance Growth Fund	0.28
12.	Edelweiss Alpha Fund Scheme I	0.28
13.	DNB Fund-Asian Small Cap	0.28
14.	ICICI Prudential Large & Mid Cap Fund	0.27
15.	Societe Generale	0.26
16.	Schroder International Selection Fund Asian Smaller Companies	0.23
17.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Midcap Fund	0.23
18.	Sundaram Mutual Fund A/C Sundaram Rural And Consumption Fund	0.22
19.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life India Gennext Fund	0.22
20.	TKP Investments Bv - Aegon Custody B.V. Re Mm Equity Small Cap Fund	0.21
21.	Sundaram India Midcap Fund	0.21
22.	BNP Paribas Mutual Fund A/C Bnp Paribas India Consumption Fund	0.20
23.	Birla Sun Life Trustee Company Private Limited A/C India Excel (Offshore) Fund	0.19
24.	BNP Paribas Mid Cap Fund	0.18
25.	ABSL Umbrella UCITS Fund PLC - India Frontline Equity Fund	0.17
26.	ICICI Prudential Multicap Fund	0.17
27.	Morgan Stanley Asia (Singapore) Pte.	0.16
28.	ICICI Prudential Midcap Fund	0.15
29.	Fidelity India Fund	0.14
30.	Aubrey Capital Management Access Fund - Aubrey Global Emerging Markets Opportunities Fund	0.13
31.	Seb Sicav 2 - Seb Asia Small Caps Ex Japan Fund	0.12
32.	New York State Common Retirement Fund	0.11
33.	FIS Group Collective Investment Trust - Quality Growth I - Emerging Markets Fund	0.11
34.	ICICI Prudential Equity Savings Fund	0.11
35.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Balanced Advantage Fund	0.09
36.	ICICI Prudential Equity & Debt Fund	0.09
37.	BNP Paribas Long Term Equity Fund	0.09
38.	Aurigin Master Fund Limited	0.08
39.	ICICI Prudential Fmcg Fund	0.07
40.	City Of New York Group Trust	0.07
41.	Avendus Absolute Return Fund	0.06
42.	Birla Sun Life Trustee Company Private Limited A/C India Advantage (Offshore) Fund	0.05

Sr. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital (%)^**
43.	Sundaram Mutual Fund A/C Sundaram Equity Fund	0.05
44.	Integrated Core Strategies Asia Pte Ltd	0.05
45.	Fidelity Korea - India Equity Investment Trust - Mother	0.04
46.	ICICI Prudential Value Fund - Series 14	0.04
47.	BNP Paribas Mutual Fund Ac Bnp Paribas Substantial Equity Hybrid Fund	0.04
48.	Bajaj Allianz Life Insurance Company Ltd.	0.04
49.	ICICI Prudential Value Fund - Series 20	0.04
50.	ICICI Prudential Bharat Consumption Fund - Series 1	0.04
51.	BNP Paribas Arbitrage	0.03
52.	City Of Los Angeles Fire And Police Pension Plan	0.02
53.	Infina Finance Private Ltd	0.02
54.	BNP Paribas Mutual Fund AC BNP Paribas Conservative Hybrid Fund	0.02
55.	Goldman Sachs Investments (Mauritius) I Ltd	0.01
56.	ICICI Prudential Bharat Consumption Fund-Series 3	0.01
57.	ICICI Prudential Growth Fund - Series 3	0.01

^ Based on beneficiary position as on October 25, 2019.

^^The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees has been disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies and FPIs (investing through different sub-accounts having common PAN across such sub-accounts) wherein their respective DP ID and Client ID has been considered.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company, is set forth below.

Sr. No.	Category	Pre-Issue (As of October 18, 2019)		Post-Issue (for institutional investors) (As of October 18, 2019 for all other categories)#	
		No. of Equity Shares held	% of share holding	No. of Equity Shares held	% of share holding
A.	**Promoters' holding****				
1.	Indian				
	Individual	94,65,305	19.56	94,65,305	18.45
	Bodies corporate	0	0	0	0
	Sub-total	94,65,305	19.56	94,65,305	18.45
2.	Foreign promoters	0	0	0	0
	Sub-total (A)	94,65,305	19.56	94,65,305	18.45
B.	**Non – Promoters' holding**				
1.	Institutional Investors	2,58,61,515	53.45	2,87,70,098	56.09
2.	Non-Institutional Investors				
	Private Corporate Bodies	1,01,16,870	20.91	1,01,16,870	19.72
	Directors and relatives (other than promoters)	1,250	0.00	1,250	0.00
	Indian public	20,72,526	4.28	20,72,526	4.04
	Others including Non-resident Indians (NRIs)	8,64,796	1.79	8,64,796	1.69
	Sub-total (B)	3,89,16,957	80.44	4,18,25,540	81.55
	Grand Total (A+B)	**4,83,82,262**	**100.00**	5,12,90,845	**100.00**

^^This includes shareholding of the members of the Promoter Group.

#The table for the post-Issue shareholding pattern of the Company reflects the shareholding of the Institutional Investors category on basis of the allocation made in the Issue, and reflects the shareholding of all other categories of shareholders as of October 18, 2019.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on February 3, 2017 in terms of Regulation 43A of the SEBI Listing Regulations. For further information, see "***Description of the Equity Shares***" on page 260.

The following table details the dividend proposed by our Company on the Equity Shares in respect of Fiscals 2019, 2018 and 2017:

Particulars	Fiscal 2019[(1)]	Fiscal 2018[(2)]	Fiscal 2017[(3)]
Face value of Equity Shares (₹ per Equity Share)	10.00	10.00	10.00
Dividend per share (₹ per Equity Share)	2.00	2.00	2.00
Dividend Rate (%)[*]	20%	20%	20%
Dividend Distribution Tax (in ₹ lakhs)	192.00	192.00	190.00
Final Dividend on Equity Shares (in ₹ lakhs)[**]	935.00	935.00	935.00
Total Dividend on Equity Shares (in ₹ lakhs) [**]	935.00	935.00	935.00

(1) Based on the Fiscal 2019 Ind AS Audited Consolidated Financial Statements
(2) Based on the Fiscal 2018 Ind AS Audited Consolidated Financial Statements
(3) Based on the Fiscal 2017 Ind AS Audited Consolidated Financial Statements
[*] Dividend rate = Dividend per Equity share / face value per Equity Share x 100

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, restrictive covenants contained in agreements entered into with lenders, the extent of realized profits out of the profits calculated as per Ind AS, cash flows, overall financial position, taxation and regulatory concerns, future expansion plans of our Company which could entail cash conservation, political and economic conditions in India which have an impact on the business of our Company, past performance and working capital management of our Company, and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Company's shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the Fiscal in which they have been allotted.

Also see "***Taxation***" and "***Risk Factors***" on pages 266 and 71, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*This Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Placement Document. For further information, see "**Forward-Looking Statements**" on page 14.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" on page 296. In this section, unless the context otherwise requires, a reference to "our Company" is a reference to PVR Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to PVR Limited on a consolidated basis.*

*Our Company completed the acquisition of SPI Cinemas with effect from August 17, 2018, and subsequently, SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme. Accordingly, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see "**- Presentation of Financial Information – Amalgamation of SPI Cinemas**" and "**- Significant Factors Affecting our Results of Operations and Financial Condition – Acquisition and effect of SPI Cinemas**" and "**Financial Information**" on pages 114, 117 and 296, respectively.*

*In addition, 'Indian Accounting Standard (Ind AS) 116 – Leases' ("**Ind AS 116**") became applicable to us from the accounting period commencing April 1, 2019. Our (i) Audited Consolidated Financial Statements, and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results. For further information, see "**- Presentation of Financial Information – Adoption of Ind AS 116**" "**- Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116**", and "**Financial Information**" below.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market assessment of the film and multiplex industry in India" dated March 2019 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

OVERVIEW

We are the market leader in terms of screen count in India, as of January 2019, with a market share of 28% in total multiplexes based on the number of screens in India (*Source: CRISIL Report*). We are the leader among the multiplex operators in India in terms of admissions and operating revenues as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We are the leader in terms of screens in seven out of eight key cities in India, which include Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune (*Source: CRISIL Report*). Further, we are the market leader in three out of the four regions in India, *i.e.* north, south and west regions of India, in terms of screens among the multiplex operators in India (*Source: CRISIL Report*). In Fiscal 2018, we were the leader in terms of Bollywood domestic box office revenues in India (*Source:*

CRISIL Report). Our market share of Bollywood and Hollywood (including Hollywood dubbed) domestic box office collections in India was 22% and 29%, respectively, in Fiscal 2018 (*Source: CRISIL Report*).

Over the years, we have consistently added screens, both organically and inorganically, through strategic investments and acquisitions. As a result of our acquisition and amalgamation of SPI Cinemas with effect from August 17, 2018, we added 76 screens to our screen network. Further, consequent to our acquisition and amalgamation of SPI Cinemas, we became the leader in terms of properties and screens in Chennai and further consolidated our leadership position in terms of screens in Bengaluru and Hyderabad (*Source: CRISIL Report*). As of September 30, 2019 and October 17, 2019, we had 800 screens in 170 cinemas in 69 cities across 21 States and Union Territories in India with an aggregate seating capacity of approximately 1.8 lakhs seats.

We had the highest revenue per screen (₹ 37.8 million per screen) and EBITDA per screen (₹ 6.9 million per screen) among the top three multiplex operators in India, as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We have a diversified revenue stream and generate revenues primarily from box office (income from sale of movie tickets) and non-box office (Sale of Food and Beverages, advertisement income, convenience fees, virtual print fees, income from movie production/ distribution, food court rental income, gaming income and management fees). In Fiscal 2018, we had the highest average ticket price and spend per head among the top four multiplex operators in India and the highest share of advertising income to total operating income among the multiplex operators in India (*Source: CRISIL Report*).

We offer a diversified cinema viewing experience through our formats, including 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR LUXE', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. We had the highest number of premium screens among multiplex operators in India, as of March 31, 2018 (*Source: CRISIL Report*). Premium screen formats include IMAX, 4DX, Playhouse, Gold, P[XL], Onyx and Director's Cut, and serve different customer segments. We exhibit diversified content to serve different regional customer segments across India, with Hindi, English and regional movies accounting for 59.6%, 16.0% and 24.4%, respectively, of our Gross Box Office Collections in Fiscal 2019, while such movies accounted for 53.1%, 23.2% and 23.7%, respectively, of our Gross Box Office Collections in the six months ended September 30, 2019. We are present in 60% of the 20 largest operational malls, in terms of property size, in India, as of March 2019 (*Source: CRISIL Report*) and are typically the anchor tenant in various malls across India where our cinemas are located. We have, over the years, established relationships with various mall developers.

We have maintained a consistent track record of financial performance with our revenue from operations increasing from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 3,08,556 lakhs in Fiscal 2019. Our revenue from operations was ₹ 1,85,357 lakhs in the six months ended September 30, 2019. Our Adjusted EBITDA increased from ₹ 37,587 lakhs in Fiscal 2017 to ₹ 61,947 lakhs in Fiscal 2019. Our Adjusted EBITDA was ₹ 60,965 lakhs in the six months ended September 30, 2019. For reconciliation of Adjusted EBITDA, see "***– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*", "*– Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*" *and* "*– Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136, 142 and 147, respectively. Our profit for the year was ₹ 9,584 lakhs in Fiscal 2017, while our net profit after tax was ₹ 18,937 lakhs in Fiscal 2019. Our net profit after tax was ₹ 6,520 lakhs in the six months ended September 30, 2019.

The following tables provides details of certain operational key performance indicators of our business:

Particulars	**As of and for the financial year ended March 31,**			**As of and for the six months ended September 30, 2019**
	2017	**2018**	**2019**	
Number of cinemas	126	134	164	170
Number of screens	579	625	763	800
Number of seats (in approximate lakhs)	1.3	1.4	1.7	1.8
Number of admits (in lakhs)	752	761	993	563
Occupancy percentage (1)	32.9%	31.3%	36.2%	37.5%
Average Ticket Price (₹) (2)	196	210	207	202
Spend Per Head (₹) (3)	81	89	91	100

Notes:

(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

PRESENTATION OF FINANCIAL INFORMATION

Our Company was required to prepare standalone and consolidated financial statements in accordance with Ind AS from Fiscal 2017 under applicable regulations. Our historical standalone and consolidated financial statements for Fiscal 2016 and any period prior to Fiscal 2016 were originally prepared in accordance with Previous GAAP. Ind AS varies in many respects from Previous GAAP, and accordingly our Ind AS financial statements for Fiscal 2017, Fiscal 2018, Fiscal 2019 and the six months ended September 30, 2019 are not directly comparable with our historical Previous GAAP financial statements. See "***Financial Information***" on page 296.

In this Placement Document we have included: (i) the Ind AS audited consolidated financial statements for Fiscal 2017 comprising the consolidated balance sheet as at March 31, 2017 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2017 read along with the notes thereto (the "**Fiscal 2017 Ind AS Audited Consolidated Financial Statements**")**;** (ii) the Ind AS audited consolidated financial statements for Fiscal 2018 comprising the consolidated balance sheet as at March 31, 2018 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2018 read along with the notes thereto (the "**Fiscal 2018 Ind AS Audited Consolidated Financial Statements**")**;** (iii) the Ind AS audited consolidated financial statements for Fiscal 2019 comprising the consolidated balance sheet as at March 31, 2019 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2019 read along with the notes thereto (the "**Fiscal 2019 Ind AS Audited Consolidated Financial Statements"** and collectively with Fiscal 2017 Ind AS Audited Consolidated Financial Statements and Fiscal 2018 Ind AS Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); (iv) the Ind AS unaudited interim condensed consolidated financial statements for the six months ended September 30, 2019, comprising the interim condensed consolidated balance sheet as at September 30, 2019, the interim condensed consolidated statement of profit and loss (including other comprehensive income), the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows (including the comparative financial information with respect to the six months ended September 30, 2018), read along with the notes and the limited review report issued thereto (the "**Ind AS Unaudited Interim Condensed Consolidated Financial Statements**"); and (v) pursuant to the meeting of our Board of Directors on October 17, 2019, we have adopted and filed with the Stock Exchanges on October 17, 2019, the Ind AS unaudited interim standalone and consolidated financial results for the quarter and six months ended September 30, 2019, comprising the balance sheet as of September 30, 2019, the statement of profit and loss (including other comprehensive income) and the statement of cash flows (including the comparative financial information with respect to the quarter and six months ended September 30, 2018 and other financial information with respect to historical fiscal year/ periods as required under applicable law) read along with the notes and the limited review report issued thereto (the "**Statement of Unaudited Financial Results**").

Further, with respect to the Ind AS Unaudited Interim Condensed Consolidated Financial Statements, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied therein. In addition, with respect to the Statement of Unaudited Financial Results, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial results. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied therein.

In this section, we have included (i) a comparison of our Ind AS audited consolidated financial statements for Fiscal 2018 with that for Fiscal 2017; and (ii) a comparison of our Ind AS audited consolidated financial statements for Fiscal 2019 with that for Fiscal 2018. Our management's discussion and analysis for Fiscal 2019 is based on the Fiscal 2019 Ind AS Audited Consolidated Financial Statements, which reflects the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas, which was only completed pursuant to order dated August 23, 2019 by the NCLT, New Delhi, approving the SPI Merger Scheme with effect

from August 17, 2018. For further information, see *"**Amalgamation of SPI Cinemas***" below, "- ***Significant Factors Affecting our Results of Operations and Financial Condition – Acquisitions and effect of SPI Cinemas***" and "***Financial Information***" on pages 117 and 296, respectively. In addition, we have also included herein management's discussion and analysis on our Ind AS unaudited interim condensed consolidated financial statements for the six months ended September 30, 2019.

Our Fiscal 2017 Ind AS Audited Consolidated Financial Statements were audited by S.R. Batliboi & Co. LLP, Chartered Accountants, our Prior Period Statutory Auditors. Our Fiscal 2018 Ind AS Consolidated Financial Statements and Fiscal 2019 Ind AS Consolidated Financial Statements and the effectiveness of internal control over financial reporting as of March 31, 2019, were audited by, and our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, were reviewed by, B S R & Co. LLP, Chartered Accountants, our current Statutory Auditors, and further, as stated in their reports appearing herein, which includes an *Other Matter* paragraph that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors.

Amalgamation of SPI Cinemas

Pursuant to a share purchase agreement dated August 12, 2018 entered into between our Company, SPI Cinemas and shareholders of SPI Cinemas ("**SPA**"), our Company acquired 71.69% of the equity shareholding in SPI Cinemas with effect from August 17, 2018 and the remaining 28.31% of the equity shareholding in SPI Cinemas was proposed to be acquired through issue of Company's Equity Shares pursuant to a scheme of amalgamation between our Company and SPI Cinemas (the "**SPI Merger Scheme**"). In accordance with the SPA, a part of the consideration amounting to ₹ 10,000 lakhs shall be paid by our Company, on a deferred basis on fulfilment of certain milestones as agreed upon in the SPA. Subsequently, pursuant to an order dated August 23, 2019 by the NCLT, New Delhi, the SPI Merger Scheme was approved and SPI Cinemas was amalgamated with our Company with effect from the appointed date, *i.e.* August 17, 2018. Accordingly, with effect from August 17, 2018 and upon the SPI Merger Scheme becoming effective, the entire business of SPI Cinemas, including its assets, properties, rights, benefits, interests and liabilities were transferred to and vested in our Company, as a going concern. For further information, see "***Capital Structure – Equity Share Capital History of our Company***" and "***Financial Information***" on pages 106 and 296, respectively.

Our Company has given effect to the accounting treatment in the books of accounts as per the acquisition method stated in Ind AS 103 - "Business Combinations", as prescribed by Section 133 of the Companies Act. Accordingly, since SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the SPI Merger Scheme being approved by the NCLT, New Delhi through an order dated August 23, 2019, our financial statements and/ or financial results prepared prior to August 23, 2019 reflected only the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas into our Company. Only our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, which were prepared subsequent to August 23, 2019, reflect the amalgamation of SPI Cinemas. As a result, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation.

Further, our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, include certain financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, which have been represented taking into account the amalgamation of SPI Cinemas. Accordingly, the financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, included in our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, and are not directly comparable with the previously published financial statements and/ or financial results for such fiscal years/ periods, which reflected the acquisition of 71.69% equity shareholding of SPI Cinemas. In addition, our future standalone and consolidated financial statements and/ or financial results (and any comparative historical standalone and consolidated financial information (for periods commencing August 18, 2018) that may be included in any such future financial statements and/ or financial results prepared on the basis of the amalgamation of SPI Cinemas will not be directly comparable with any historical financial statements and/ or financial results relating to such periods published prior to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme, which would only reflect the acquisition of 71.69% equity shareholding of SPI Cinemas, and not the amalgamation of SPI Cinemas.

In this Placement Document, we have not included any proforma statement of profit and loss or other proforma financial information, prepared in accordance with the laws and regulations of the United States, India or any other jurisdiction, which would have shown the effect of the acquisition and/ or amalgamation of SPI Cinemas on our audited consolidated financial statements for any period prior to August 17, 2018. However, for the convenience of potential investors, we have included in this Placement Document, the Ind AS audited standalone financial statements of SPI Cinemas for Fiscal 2019 comprising the balance sheet as at March 31, 2019 and the statement of profit and loss (including other comprehensive income), statement of cash flow and the statement of changes in equity for Fiscal 2019 (together with the comparative Ind AS standalone financial statements for Fiscal 2018 with the reconciliation of SPI Cinemas' Fiscal 2018 Previous GAAP audited standalone financial statements) read along with the notes thereto ("**Fiscal 2019 SPI Audited Standalone Financial Statements**"). The Fiscal 2019 SPI Audited Standalone Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, Chartered Accountants, our current Statutory Auditors, as stated in their report appearing herein, which includes an *Other Matter* paragraph that states that the report, as it relates to the previous years prior to the transition to Ind AS, is based upon reports issued by other auditors. Potential investors should therefore rely on a comprehensive examination of the Audited Consolidated Financial Statements for Fiscal 2018 and Fiscal 2019, Ind AS Unaudited Interim Condensed Consolidated Financial Statements, Statement of Unaudited Financial Results and Fiscal 2019 SPI Audited Standalone Financial Statements as included in this Placement Document, in connection with any investment decision. For further information on the impact of the acquisition, see "***Risk Factors – Our standalone and consolidated financial information prepared prior and subsequent to the acquisition of SPI Cinemas and amalgamation of SPI Cinemas pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme will not be comparable to our standalone and consolidated financial statements and results subsequent to such dates.***" and "***Financial Information***" on pages 76 and 296, respectively.

Adoption of Ind AS 116

The Ministry of Corporate Affairs ("**MCA**") has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we were required to adopt Ind AS 116 from April 1, 2019. Therefore, our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2019 have been prepared using Ind AS 116. We have applied Ind AS 116 on April 1, 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116, is recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. Accordingly, we were not required to restate the comparative information for the year and quarter ended March 31, 2019, and the quarter and six months ended September 30, 2018. Therefore, the financial statements/ financial information that we prepare in accordance with Ind AS 116 in the future will not be comparable with our historical financial statements/ financial information. Our (i) Audited Consolidated Financial Statements; and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results.

For further information, see "***- Results of Operations – Six Months Ended September 30, 2019 - First Time Adoption of Ind AS 116***" and "***Financial Information***" on pages 128 and 296, respectively. Also, see "***Risk Factors - Our Company adopted Ind AS 116 that became applicable to our Company with effect from April 1, 2019, and the adoption of Ind AS 116 had a material impact on our financial information and financial presentation. Accordingly, information with respect to our financial performance prior to the adoption of Ind AS 116 may not be comparable***" on page 75.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Box office performance

Our business and results of operations are dependent on the overall success, particularly the box office performance of movies, of the cinema industry in India. Our ability to operate successfully depends upon the availability, diversity and appeal of movies, our ability to license movies and the performance of such movies in our markets. Our revenues are also dependent upon the timing and popularity of movie releases by production studios and distributors. We license movies, the success of which has increasingly depended on the marketing efforts of the major production houses and distributors. Poor performance of, or any disruption in the production of these movies or a reduction in the marketing efforts of the major production houses and distributors, could adversely affect our business and results of operations. Conversely, the successful performance of movies, particularly the sustained success of any one movie, or an increase in effective marketing efforts of the major production houses and distributors, may generate positive results for our business and operations in a specific quarter or year that may not necessarily be indicative of, or comparable to, future results of operations. In addition, a change in the content of movies offered by production houses and distributors may adversely affect the demographic base of our customers, as result of which our results of operations may be adversely affected.

Our box office revenue depends on the number of customers that visit our cinemas and the ticket price that we charge our customers. Our income from sale of movie tickets increased from ₹ 1,12,488 lakhs in Fiscal 2017 to ₹ 1,63,543 lakhs in Fiscal 2019. Further, our income from sale of movie tickets was ₹ 94,843 lakhs in the six months ended September 30, 2019. In addition, box office performance also affects the sale of F&B and advertisement income. Our revenue from Sale of Food and Beverages has increased from ₹ 57,942 lakhs in Fiscal 2017 to ₹ 85,839 lakhs in Fiscal 2019. Further, our revenue from Sale of Food and Beverages was ₹ 53,615 lakhs in the six months ended September 30, 2019. Any mismatch between our planning, introduction of new F&B offering and the actual demand by our customers could impact us adversely, leading to loss of existing customers or lower footfalls. Advertisement income has also increased from ₹ 25,176 lakhs in Fiscal 2017 to ₹ 35,352 lakhs in Fiscal 2019. Further, our advertisement income was ₹ 18,539 lakhs in the six months ended September 30, 2019.

Expansion of screen network

We plan to further expand our screen network across India. For our expansion plans, we aim to continue to work with the commercial real estate developers, and focus on premium screen formats. We also intend to expand our screen network through strategic investments, amalgamations and acquisitions and have in the past made certain acquisitions/ amalgamations, such as, Cinemax Cinemas in November 2012, DT Cinemas in May 2016 and SPI Cinemas in August 2018, which added 138 screens, 32 screens and 76 screens, respectively, to our screen network. In 2017, among key international countries (such as United States and Canada, United Kingdom and Ireland, South Korea, China, Japan and India), India remains an under-penetrated country with a significantly lower movie screens per capita (*Source: CRISIL Report*) which presents a significant opportunity for expansion across India including in the key cities in India. Further, the share of single screens in India in terms of overall screen count is expected to reduce from 74% as of March 31, 2018 to 60% as of March 31, 2023 (*Source: CRISIL Report*), which also provides considerable expansion scope for multiplex operators.

Our results of operations are dependent on the number, size and location of, and sales from, our screen network. The expansion of our screen network has been a significant factor in the growth in our overall sales volume. Investments in additional screens have also contributed to year-on-year increases in depreciation expenses as our depreciable asset base has grown and has also resulted in an increased need for inventory, manpower, rent, common area maintenance and other direct expenses which has increased our costs. There are various risks associated with the implementation of these projects such as inadequate budgeted resources, cost overruns, delays in construction, delays in obtaining regulatory approvals and delay in delivery of equipment. Further, the extent of increase in the average ticket price will depend on the change in property mix resulting from expansion in Tier II and Tier III cities (*Source: CRISIL Report*). In addition, the success of our cinemas depends on our ability to identify and adapt to the trends in the movie industry and to expand in the most attractive and profitable screen format.

The success of our expansion plans is also subject to various factors, including identification of suitable locations for cinemas, obtaining new leases on suitable terms and conditions and other risks associated with commencing operations in a new market, including local competition and unfamiliar business practices and customs. Some of our lease agreements contain provisions permitting termination of these arrangements on account of non-compliance with their terms and failure to cure such non-compliance within specified time frames, by us. Accordingly, our results of operations are dependent on the continued operations of our cinemas, including non-termination and renewal of our cinema leases.

Any failure in the timely development, financing or operation of our new projects would likely have an adverse impact on our results of operations. Our new cinemas may not achieve the requisite levels of admissions projected by us at the project evaluation stage, which could adversely affect our results of operations and financial condition. New cinemas generally record lower sales compared to more established cinemas, and these new cinemas will only contribute to sales for part of the fiscal period in which they are opened. Our future results of operations will therefore also depend on the timing of opening of these new cinemas and how quickly each cinema is able to increase sales to a level that enables such cinema to become profitable.

Government regulations and taxation

Restriction on ticket prices

Our ability to charge a particular ticket price is significantly limited by the state legislations which control the cinema ticket prices that we charge from our customers. In particular, ticket prices are regulated in certain states including Andhra Pradesh, Telangana, Tamil Nadu and Karnataka as well as in certain cities such as Pathankot and Chandigarh. For further information, see "***Risk Factors - Restrictions on ticket prices imposed in certain states may affect our results of operations.***" on page 79. In addition, the government may if it deems it fit in public interest, alter or amend the prices and such alteration or amendment will have to be complied with by the Company. As of September 30, 2019, 44 out of 170 cinemas operated or managed by us are located in these states, representing 271 out of a total of 800 screens. Thus, stringent pricing restrictions affect our ability to increase our revenue through ticket prices in the states that are governed by such legislations.

*Impact of Goods and Services Tax ("**GST**") and Local Body Entertainment Tax ("**LBET**")*

Our results of operations are also significantly impacted by GST. Initially, under the GST regime, movie exhibition fell under the highest tax bracket of 28% (for tickets above ₹ 100), which was comparatively higher than countries, such as, China, Japan and France. However, with effect from January 1, 2019, the GST rate has been reduced to 12% from 18% for tickets up to ₹ 100 and 18% from 28% for tickets above ₹ 100. In addition, previously, the GST rate was 18% on F&B, however, the GST rate has now been fixed at 5% on F&B without any input tax credit, thereby limiting the ability of cinema operators to offset input credit against output tax liability which increases costs for the cinema operators. This reduction in the GST rate is expected to have a positive impact on the admits and consequently the cinema exhibition industry (*Source: CRISIL Report*). Any subsequent increase in the GST rates could adversely affect our business and results of operations.

Further, under the erstwhile indirect tax regime in India, the state governments were levying entertainment tax on the exhibition of films in cinemas, including multiplexes. With the implementation of GST, the entertainment tax levied by the state governments was subsumed under GST. However, certain local bodies levy local body entertainment tax, in addition to GST, within their state. For instance, in Tamil Nadu, the Greater Chennai Corporation's Revenue Department levies local body entertainment tax of 8.0% of the net ticket price for Tamil films, 15.0% of the net ticket price for Hindi and other regional films and 20.0% of the net ticket price for English films. If any other local bodies in the states we operate in, start implementing such entertainment tax or if there is any subsequent increase in LBET, it could result in a reduction in our profitability and could materially affect our business and results of operations.

Acquisitions and effect of SPI Cinemas

We intend to grow our business through strategic investments, amalgamations and acquisitions of businesses, which we believe in the movie exhibition industry, may act as an enabler for growing our businesses. We intend to continue our strategic expansion plans through inorganic growth opportunities in markets and geographies that complement our existing operations. Through strategic acquisitions/ amalgamations, we intend to increase our market share, enable access to new customers, enter high-growth geographies, obtain synergies and increase our economies of scale. We believe that the increase in our consolidated net worth as a result of our growth will enable us to obtain better credit ratings and lower cost of financing. We also believe that acquisitions/ amalgamations have growth potential and the integration of such acquisitions/ amalgamations into our businesses will enable us to increase our profitability. However, such acquisitions/ amalgamations also expose us to potential risks, including risks associated with the integration of new cinemas in different states, operations, services and personnel, unforeseen or hidden liabilities, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions/ amalgamations, and potential loss of, or harm to, relationships with employees and customers, any of which could significantly disrupt our ability to manage our business.

We also believe that the effect of our acquisitions/ amalgamations and the consolidation of the acquired entity's financial results in our consolidated financial statements will strengthen our financial performance. For instance, following our acquisition and amalgamation of SPI Cinemas with effect from August 17, 2018, our consolidated revenue from operations increased by 32.2% from ₹ 2,33,411 lakhs in Fiscal 2018 to ₹ 3,08,556 lakhs in Fiscal 2019. Further, in the six months ended September 30, 2019, our consolidated revenue from operations was ₹ 1,85,357 lakhs. SPI Cinemas' revenue from operations was ₹ 29,710 lakhs from August 18, 2018 to March 31, 2019. While, in the six months ended September 30, 2019, SPI Cinemas' revenue from operations was ₹ 22,969 lakhs. Further, in the six months ended September 30, 2019, our Adjusted EBITDA was ₹ 60,965 lakhs. The adjusted EBITDA of SPI Cinemas was ₹ 5,256 lakhs in the six months ended September 30, 2019. In addition, SPI Cinemas' Adjusted EBITDA was ₹ 6,168 lakhs from August 18, 2018 to March 31, 2019. For reconciliation of our Company's Adjusted EBITDA and SPI Cinemas' Adjusted EBITDA, see "***- Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" and "***- Results of Operations – Fiscal 2019 compared to Fiscal 2018 - Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136 and 142, respectively.

Also, see ***"- Presentation of Financial Information – Amalgamation of SPI Cinemas***" on page 114.

Impact of Ind AS 116

The MCA has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we were required to adopt Ind AS 116 from April 1, 2019. Therefore, our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2019 have been prepared using Ind AS 116 by applying the modified retrospective approach.

We adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application, *i.e.* April 1, 2019. Accordingly, we were not required to restate the comparative information for the six months ended September 30, 2018. On transition, we recognized right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. We recognized a lease liability measured at present value of the remaining lease payments. The right of use asset was recognized at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. The right of use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate of initial application.

We assess whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. As at the date of commencement of the lease, we recognise a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short-term leases). For these short term leases, we recognise the lease payments as an operating expense on a straight line basis over the period of lease. Further, certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right of use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use assets are depreciated from the commencement date on a straight line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Accordingly, the lease liability and right of use asset have been separately presented in the interim condensed consolidated balance sheet and lease payments have been classified as financing cash flows in interim condensed consolidated statement of cash flows.

The adoption of Ind AS 116, had a material impact on our financial statements. The major impact on the consolidated financial statements for the quarter and six months ended September 30, 2019 were on assets,

liabilities, finance costs, depreciation and amortisation expenses, rent expenses and profit before tax, profit after tax, earnings per share, Adjusted EBITDA and other financial ratios. Therefore, the financial statements/ financial information that we prepare in accordance with Ind AS 116 in the future will not be comparable with our historical financial statements.

Further, as a result of initially applying Ind AS 116, in relation to the leases that were previously classified as operating leases, on April 1, 2019, we recognised, a lease liability amounting to ₹ 3,27,453 lakhs measured at the present value of the remaining lease payments and right of use asset amounting to ₹ 2,49,262 at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. This has resulted in an adjustment to the opening balance of retained earnings amounting to ₹ 50,868 lakhs (net of deferred taxes amounting to ₹ 27,323 lakhs). Also, in relation to those leases under Ind AS 116, we recognised depreciation and finance cost, instead of operating lease expense. During the six months ended September 30, 2019, we recognised ₹ 15,064 lakhs of depreciation charges and ₹ 16,208 of finance costs from these leases.

For further information, see "***- Results of Operations – Six Months Ended September 30, 2019 - First Time Adoption of Ind AS 116***", "***- Presentation of Financial Information – Adoption of Ind AS 116***" and "***Financial Information***" on pages 128, 115 and 296, respectively. Also, for information in relation to our cinema leases, see "***Business – Business Operations – Cinema Leases"*** and "***Risk Factors – We have entered into arrangement with various third parties for use of the premises on which our cinemas are operated. In the event of termination or non-renewal of such arrangements, our business, financial condition and results of operations would be materially adversely affected.***" on pages 192 and 77, respectively.

Competition

We operate in the movie exhibition industry in India, which is highly competitive. Our competition varies by market, geographic areas and type of product. Movie exhibitors generally compete on the basis of the ability to secure films with favourable licensing terms, location and reputation of their cinemas, quality of projection and sound systems at their cinemas and ability and willingness to promote the films they are showing. The key multiplex operators in the Indian movie exhibition industry include PVR Limited, INOX Leisure Limited, Carnival Films Private Limited and Cinepolis India Private Limited (*Source: CRISIL Report*). We also compete with other movie distribution channels and these technologies, such as, video on demand and online streaming, could also have an adverse effect on our business and results of operations. In addition, we compete for the public's leisure time and disposable income with other forms of entertainment, including sporting events, concerts, live theatre and restaurants. Some of our current and potential competitors include large companies that may have longer operating histories, better name recognition, greater ability to influence industry standards, access to larger customer bases and significantly greater financial, sales and marketing, distribution, technical and other resources than we have. In the event that we are unable to compete effectively, we may lose some or all of our market share in the screen network market or lose our customers to these competitors and our business, results of operations, financial condition and future prospects could be adversely affected.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The following table sets forth certain information in relation to the Subsidiaries, which are considered in the consolidation and our Company's holdings, therein:

S. No.	Subsidiary Company	Country of Incorporation	Parent Company	Percentage of ownership as on September 30, 2019
1	PVR Pictures Limited	India	PVR Limited	100%
2	Zea Maize Private Limited	India	PVR Limited	70% (85.4% through convertible preference shares)
3	SPI Entertainment Projects (Tirupati) Private Limited	India	PVR Limited	100%
4	P V R Lanka Limited	Sri Lanka	PVR Limited	100%

S. No.	Subsidiary Company	Country of Incorporation	Parent Company	Percentage of ownership as on September 30, 2019
5	PVR Middle East FZ-LLC (w.e.f November 15, 2018)	UAE	PVR Limited	100%

The following table sets forth certain information in relation to the joint venture which are considered in the consolidation and our Company's holdings therein:

S. No.	Joint Venture	Country of Incorporation	Shareholder	Percentage of ownership as on September 30, 2019
1	Vkaao Entertainment Private Limited	India	PVR Pictures Limited	50%
2	PVR Pictures International Pte. Limited (till September 17, 2019)	Singapore	PVR Pictures Limited	0%

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and its Subsidiaries (collectively, the "Group"), and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and services tax, sales tax and entertainment tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments.

GST has been implemented with effect from July 01, 2017 which replaces entertainment tax, service tax and other indirect taxes like sales tax and value added taxes. As per the requirement of Ind AS 18, revenue is reported net of applicable taxes.

Effective April 1, 2018, the Group has adopted Ind AS 115 (Revenue from contracts with customers) which establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Ind AS 115 – 'Revenue from contracts with customers' replaces Ind AS 18- 'Revenue recognition and related interpretations'. The Group has adopted Ind AS 115 – 'Revenue from contracts with customers' using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application (*i.e.* April 1, 2018). Under this transition method, the comparative information is not restated, *i.e.*, the comparative information continues to be reported under Ind AS 18 – 'Revenue recognition and related interpretations'. The adoption of the standard did not have any material impact on the consolidated financial statements of the Group.

For further information, see "***Financial Information – Fiscal 2019 Ind AS Audited Consolidated Financial Statements - Note 2.3 – Summary of Significant Accounting Policies***" on page F-46.

i Income from sale of movie tickets (Box office revenue)

Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii Sale of food and beverages

Revenue from sale of food and beverages is recognised upon passage of title to customers, which coincides with their delivery to the customer.

iii Revenue from Gift vouchers

Non-refundable gift cards and vouchers are sold to customers, that give customers the right to receive goods or services in the future. The prepayment amount received from the customer is recognised as unearned revenue liability. If a customer does not exercise their right, this amount is recognised as breakage revenue in proportion

to the pattern of rights exercised by the customer as there is an expectation that the Group will be entitled to breakage revenue and that it is considered highly probably a significant reversal will not occur in the future.

iv Advertisement revenue

Advertisement revenue is recognised as and when advertisements are displayed at the cinema halls and in accordance with the term of the agreement.

v Income from movie production and distribution

Revenues from film produced, co –produced/co -owned are accounted for based on the terms of the agreement.

vi Convenience Fee

Convenience fee is recognised as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognised on accrual basis in accordance with the terms of the agreement.

vii Virtual Print fees (VPF)

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

viii Gaming Income

Revenue from bowling games is recognised as and when the games are played by patrons.

ix Management fee

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

x Rental and food court income

Rental Income is recognised on accrual basis for the period the space in cinema and food court is let out under the operating lease arrangement.

xi Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

xii Dividend income

Dividend Income is recognised when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

xiii Loyalty

The Group operates a loyalty program "PVR PRIVILIGE" where a customer earn points as and when the customer transacts with the Group, these points can be redeemed in the future for goods and services. Under Ind AS 115, the loyalty program gives rise to a separate performance obligation as it provides a material right to the customer. The Group allocates a portion of transaction price to the loyalty program based on relative standalone selling price, instead of allocating using the fair value of points issued.

Cost Recognition

Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Group are broadly categorised in movie exhibition, distribution cost, consumption of food and beverages, Employee benefit expenses, depreciation and amortisation expenses, finance cost and other operating expenses. Other operating expense mainly includes, rent, common area maintenance, electricity, legal and professional fees, travel expenses, repair and maintenance and other expenses. Other expenses are an aggregation of costs which are individually not material.

Leases

Transition

With effect from April 1, 2019, the Group adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (April 1, 2019). Accordingly, the Group is not required to restate the comparative information for the six months ended September 30, 2018.

On transition, the Group recognized right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The Group recognized a lease liability measured at present value of the remaining lease payments. The right of use asset is recognized at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate of initial application.

The Group as a lessee

The Group assesses whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As at the date of commencement of the lease, the Group recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short term leases). For these short term leases, the Group recognises the lease payments as an operating expense on a straight line basis over the period of lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right of Use ('ROU') assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use assets are depreciated from the commencement date on a straight line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the interim condensed consolidated balance sheet and lease payments have been classified as financing cash flows in interim condensed consolidated statement of cash flows.

Property, plant and equipment (PPE)

(i) Recognition and Measurement:

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

Expenditures directly relating to construction activities are capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work in progress respectively.

(ii) Subsequent expenditure:

Subsequent expenditure on additions and betterment of operational properties are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and expenditures for maintenance and repairs are charged to statement of profit & loss as incurred.

Depreciation on Property, plant and equipment

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives using straight-line method. Estimated useful life of the assets are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule II (in years)	Management estimate of Useful life (in years)
Concession equipment's	15	8
Gaming equipment's	15	13.33
Projectors	13	10
Furniture and fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

The Company has estimated the residual value at 5% of original cost for all assets except for sound and projections equipment's which are taken at 10% of original cost based on technical assessment done by management.

Leasehold improvements are amortised on a straight-line basis over estimated lease period including renewals or unexpired period of lease, whichever is shorter.

Assets under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Parent Company will obtain ownership by the end of lease term.

Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (up to) the date on which assets is ready for use (disposed of). Further, depreciation includes accelerated depreciation of ₹ 620 Lakhs (March 31,

2018: ₹ 520) lakhs on account of change in estimate of useful lives of property, plant and equipment resulting from cinema closure earlier than planned or due to renovation.

Intangible assets

(i) Recognition and Measurement:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(ii) Subsequent Expenditure:

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

(iii) The useful life and the basis of amortisation and impairment losses are as under:

a. Software

Cost relating to purchased software and software licenses are capitalised and amortised on a straight-line basis over their estimated useful lives of six years.

b. Goodwill

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

c. Trademarks and copyrights

Trademark and copyrights for the brand name acquired and registered by the Group are capitalised and are amortised over an estimated life of five years.

d. Film Rights

The intellectual property rights acquired/ created in relation to films are capitalised as film rights. The amortisation policy is as below:

(a) In respect of films which have been co-produced /co owned/acquired and in which the Group holds rights for a period of five years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

  In case these rights are not exploited along with or prior to their first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.

- Balance 40% to 20% is amortised over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

(b) In respect of films, where the Group holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortised on first theatrical release of the movie. The said

amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first theatrical release, whichever occurs earlier.

(c) In one of the subsidiary Company, PVR Pictures Limited, the film right cost (primarily for foreign films) is amortised over the period of useful lives, writing off more in year one which recognises initial income flows and then the balance over a period of nine years, or the remaining life of the content rights, whichever is less. The amortisation policy followed by the subsidiary Company, PVR Pictures Limited is as below:

- 25% to 75% of the cost of film rights on first domestic theatrical release of the film based on the management estimates if the agreement is silent on allocation of rights. The said amortisation relates to Theatrical rights.

- In case these theatrical rights are not exploited proportionate cost of such right is written off as and when the management decides to commercially not exploit such right.

- Balance 75% to 25% is amortised over the remaining license period based on an estimate of future revenue potential if the agreement is silent on allocation of rights subject to a maximum period of 10 years.

e. Brands and Beneficial Lease Rights

Intangible assets resulting from acquisition of SPI Cinemas comprise of 'Beneficial Lease Rights' are amortised on straight-line basis over remaining lease period and 'Brands' are amortised on straight-line basis over a period of 20 years and tested for impairment annually.

Inventories

Inventories are valued as follows:

(a) Food and beverages

Lower of cost and net realisable value. Cost is determined on weighted average basis.

(b) Stores and spares

Lower of cost and net realisable value. Cost is determined on First In First Out (FIFO) basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition;

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, where the grant relates to an asset, it is recognised as deferred income and released to income in equal installments over the expected useful life of the related assets.

Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date;
- Assets (or disposal Group's) that are classified as held for sale in accordance with Ind AS 105 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other Comprehensive Income ("**OCI**"), as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

As a result from business combination the Group as whole has gained synergies relating to increase in revenue, decrease of certain operational cost and effective vendor negotiation. The Group as a whole is considered as a CGU, and there are no other CGU's identifiable to which Goodwill from business combinations is allocated.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as 'unallocated revenues/ expenses/ assets/ liabilities', as the case may be.

Financial instruments

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18;

The Company impairs its trade receivables basis past experience and trend. Other financial asset, are impaired on case to case basis.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Revenue

Our revenue comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) income from sale of movie tickets, (ii) sale of food and beverages, (iii) advertisement income, (iv) income from movie production and distribution, (v) convenience fees (vi) virtual print fees, and (viii) other operating revenue.

Other Income

Other income includes (i) government grant; (ii) net gain on redemption of mutual fund investments; (iii) interest earned on bank deposits, NSC's investments, interest income from financial assets at amortised cost and others; (iv) other non-operating income (net) includes excess liability written back.

Expenses

Our expenses comprise (i) movie exhibition cost, (ii) consumption of food and beverages, (iii) employee benefit expense, (iv) lease rent, (v) common area maintenance, (vi) finance costs, (vii) depreciation and amortization expenses, and (viii) other operating expenses.

Movie Exhibition Cost

Movie exhibition cost represents the cost associated with the revenue share agreements entered with the film distributors and production houses.

Consumption of Food and Beverages

Consumption of food and beverages represents the material cost of raw material, and semi-finished and finished products used in supply of food and beverages to our customers.

Employee Benefit Expense

Employee benefits expense comprises (i) salaries, wages, allowances and bonus; (ii) contribution to provident and other funds; (iii) employee stock option scheme, (iv) gratuity expense and (v) staff welfare expenses.

Lease Rent

Lease rent represents the cost incurred in exchange for use of property.

Common area maintenance

Common area maintenance represents the cost incurred in relation to maintenance of the common areas of the mall where the multiplex is operated.

Finance Costs

Finance costs comprise interest on debentures, term loans and banks, and other financial charges.

Depreciation and Amortization Expenses

Depreciation and amortization expenses comprises (i) depreciation on tangible assets; and (ii) amortization on intangible assets.

Other Operating Expenses

Other operating expenses includes, amongst others (i) electricity and water charges (net of recovery); (ii) repairs and maintenance; (iii) movie production, distribution and print charges; (iv) marketing expenses; (v) rates and taxes; (vi) security service charges; (vii) travelling and conveyance and (viii) legal and professional fees.

RESULTS OF OPERATIONS

SIX MONTHS ENDED SEPTEMBER 30, 2019

First Time Adoption of Ind AS 116

The MCA on March 30, 2019 notified 'Ind AS 116 - Leases' and Ind AS 116 was effective from accounting period beginning on or after April 1, 2019. The major impact of Ind AS 116 on the consolidated financial statements for the quarter and six months ended September 30, 2019 were on assets, liabilities, finance costs, depreciation and amortisation expenses, rent expenses and profit before tax, profit after tax, earnings per share, Adjusted EBITDA and other financial ratios.

The following table highlights the major impact of adopting Ind AS 116 on our consolidated financial information as of and for the six months ended September 30, 2019:

<u>*Statement of profit and loss*</u>

Particulars	Six months ended September 30, 2019 (without adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Six months ended September 30, 2019 as reported (with adoption of Ind AS 116)
	(₹ lakhs)		
Finance costs	8,048	16,208	24,256
Depreciation and amortisation expenses	11,475	15,063	26,538

Particulars	Six months ended September 30, 2019 (without adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Six months ended September 30, 2019 as reported (with adoption of Ind AS 116)
	(₹ lakhs)		
Other expenses (rent)	74,838	(24,355)	50,483
Profit before tax	**17,061**	**(6,916)**	**10,145**

Balance sheet

Particulars	Six months ended September 30, 2019 (without adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Six months ended September 30, 2019 as reported (with adoption of Ind AS 116)
	(₹ lakhs)		
Right of use asset	-	274,161	274,161
Lease liabilities	-	348,149	348,149
Other non-current assets	13,069	(13,069)	-

Reconciliation of Lease liability :	(₹ lakhs)
Lease liability recognised as on April 1, 2019	3,29,731
Add: Lease liability addition for new leases entered during the period	26,169
Add: Finance cost charged on lease liability during the period	16,208
Less: Actual rent paid during the period	(23,959)
Lease liability recognised as on September 30, 2019	**3,48,149**

For further information, see "***Financial Information – Ind AS Unaudited Interim Condensed Consolidated Financial Statements – Note 21 – 'Adoption of Ind AS 116 – Leases***" on page F-32.

The following table highlights the impact of adopting Ind AS 116 on our consolidated financial statements for the quarter and six months ended September 30, 2019:

Particulars	Six months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Six months ended September 30, 2019 as reported (without adoption of Ind AS 116)	Three months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Three months ended September 30, 2019 as reported (without adoption of Ind AS 116)
	(₹ lakhs, unless otherwise specified)					
Total income	1,86,656	-	1,86,656	97,940	-	97,940
Expenses excluding depreciation and amortization, and finance costs(1)	1,25,691	(24,355)	1,50,046	65,510	(12,366)	77,876
Adjusted EBITDA	**60,965***	**24,355**	**36,610**	**32,430***	**12,366**	**20,064**
Adjusted EBITDA Margin (%)	**32.7%***	**-**	**19.6%**	**33.1%***	**-**	**20.5%**
Depreciation and amortization expense	26,538	15,063	11,475	13,952	7,970	5,982
Adjusted EBIT	**34,427***	**9,292**	**25,135**	**18,478***	**4,396**	**14,082**
Finance costs	24,256	16,208	8,048	11,113	7,209	3,904

Particulars	Six months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Six months ended September 30, 2019 as reported (without adoption of Ind AS 116)	Three months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Three months ended September 30, 2019 as reported (without adoption of Ind AS 116)
	(₹ lakhs, unless otherwise specified)					
Share of profit/ (loss) of equity accounted investees (net of tax)	(26)	-	(26)	(16)	-	(16)
Profit before tax	**10,145**	**(6,916)**	**17,061**	**7,349**	**(2,814)**	**10,162**
Tax expense	3,625	(2,417)	6,042	2,582	(983)	3,565
Net profit after tax	**6,520**	**(4,499)**	**11,019**	**4,767**	**(1,830)**	**6,597**
Net profit after tax margin (%)	**3.5%**	**-**	**5.9%**	**4.9%**	**-**	**6.7%**
EPS – Basic (₹)	13.93	9.60	23.53	10.17	3.90	14.07
EPS – Diluted (₹)	13.45	9.29	22.74	9.84	3.78	13.62

** For reconciliation of Adjusted EBITDA and Adjusted EBIT, see "**– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin**" and "**– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest and Tax (Adjusted EBIT)**" each on page 136.*

(1) Expenses excluding depreciation and amortization, and finance costs represents total expenses (comprising movie exhibition cost, consumption of food and beverages, employee benefits expense, finance costs, depreciation and amortization expenses, and other operating expenses) less finance costs and depreciation and amortization expenses.

The following table highlights the impact of adopting Ind AS 116 on our standalone financial statements for the quarter and six months ended September 30, 2019:

Particulars	Six months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Six months ended September 30, 2019 as reported (without adoption of Ind AS 116)	Three months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Three months ended September 30, 2019 as reported (without adoption of Ind AS 116)
	(₹ lakhs, unless otherwise specified)					
Total income	1,79,767	-	1,79,767	92,357	-	92,357
Expenses excluding depreciation and amortization, and finance costs(1)	1,19,260	(24,341)	1,43,601	60,150	(12,358)	72,508
Adjusted EBITDA	**60,507***	**24,341**	**36,166**	**32,207***	**12,358**	**19,849**
Adjusted EBITDA Margin	**33.7%***	**-**	**20.1%**	**34.9%***	**-**	**21.5%**
Depreciation and amortization expense	26,091	15,051	11,040	13,710	7,964	5,746
Adjusted EBIT	**34,416***	**9,290**	**25,126**	**18,497***	**4,394**	**14,103**
Finance costs	24,238	16,207	8,031	11,104	7,209	3,895

Particulars	Six months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Six months ended September 30, 2019 as reported (without adoption of Ind AS 116)	Three months ended September 30, 2019 (with adoption of Ind AS 116)	Changes due to adoption of Ind AS 116 [(Increase) /decrease]	Three months ended September 30, 2019 as reported (without adoption of Ind AS 116)
	(₹ lakhs, unless otherwise specified)					
Profit before tax	**10,178**	**(6,917)**	**17,095**	**7,393**	**(2,814)**	**10,207**
Tax expense	3,550	(2,417)	5,967	2,531	(983)	3,514
Net profit after tax	**6,628**	**(4,500)**	**11,128**	**4,862**	**(1,832)**	**6,694**
EPS – Basic (₹)	14.10	9.57	23.67	10.32	3.89	14.21
EPS – Diluted (₹)	13.63	9.25	22.88	10.00	3.76	13.76

** For reconciliation of Adjusted EBITDA and Adjusted EBIT, see "**– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin**" and "**– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest and Tax (Adjusted EBIT)**" each on page 136.*

(1) Expenses excluding depreciation and amortization, and finance costs represents total expenses (comprising movie exhibition cost, consumption of food and beverages, employee benefits expense, finance costs, depreciation and amortization expenses, and other operating expenses) less finance costs and depreciation and amortization expenses.

Therefore, the financial statements/ financial information that we prepare in accordance with Ind AS 116 in the future is not comparable with our historical financial statements. Our (i) Audited Consolidated Financial Statements; and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results.

For further information, see "***- Presentation of Financial Information - Adoption of Ind AS 116***", "***- Significant Factors Affecting our Results of Operations and Financial Condition – Impact of Ind AS 116***", and "***Financial Information***" on pages 115, 118 and 296, respectively.

Results of Operations

- The MCA has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we were required to adopt Ind AS 116 from April 1, 2019. Therefore, our Ind AS Unaudited Interim Condensed Consolidated Financial Statements for the quarter and six months ended September 30, 2019 have been prepared using Ind AS 116. We have applied Ind AS 116 on April 1, 2019, using the modified retrospective approach. For further information, see "***- Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116***", "***- Presentation of Financial Information – Adoption of Ind AS 116***" and "***Financial Information***" on pages 118, 115 and 296, respectively.
- Pursuant to an order dated August 23, 2019 by the NCLT, New Delhi, the SPI Merger Scheme was approved and SPI Cinemas was amalgamated with our Company with effect from the appointed date, *i.e.* August 17, 2018. For further information, see *"**- Presentation of Financial Information – Amalgamation of SPI Cinemas***", "***- Significant Factors Affecting our Results of Operations and Financial Condition – Acquisitions and effect of SPI Cinemas***" and "***Financial Information***" on pages 114, 117 and 296, respectively.

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the six months ended September 30, 2019:

Particulars	Six months ended September 30, 2019	
	(₹ lakhs)	Percentage of total income
Income		

Particulars	Six months ended September 30, 2019	
	(₹ lakhs)	Percentage of total income
Revenue from operations	185,357	99.3%
Other income	1,299	0.7%
Total Income	**186,656**	**100.0%**
Expenses		
Movie exhibition cost	39,713	21.3%
Consumption of food and beverages	14,436	7.7%
Employee benefits expense	21,059	11.3%
Finance costs	24,256	13.0%
Depreciation and amortisation expense	26,538	14.2%
Other operating expenses	50,483	27.1%
Total expenses	**176,485**	**94.6%**
Profit before share of profit/ (loss) of equity accounted investees, exceptional item and tax	**10,171**	**5.5%**
Share of profit/(loss) of equity accounted investees (net of tax)	(26)	(0.0)%
Profit before tax	**10,145**	5.4%
Tax expense		
- Current tax	4,577	2.5%
- Deferred tax (including MAT credit entitlement)	(952)	(0.5)%
Total tax expense	**3,625**	**1.9%**
Net profit after tax	**6,520**	**3.5%**
Non-controlling interests	25	0.0%
Net profit after tax and after adjustment of non-controlling interests	**6,545**	**3.5%**
Other comprehensive income		
Items that will not be reclassified to profit or loss in subsequent period	(820)	(0.4)%
Items that will be reclassified to profit or loss in subsequent period	(25)	(0.0)%
Other comprehensive income for the period (net of tax)	**(845)**	**(0.5)%**
Total comprehensive income for the period (comprising profit and other comprehensive income)	**5,700**	**3.1%**

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the six months ended September 30, 2018:

Particulars	Six months ended September 30, 2018	
	(₹ lakhs)	Percentage of total income
Income		
Revenue from operations	140,482	99.3%
Other income	1,036	0.7%
Total Income	**141,518**	**100.0%**
Expenses		
Movie exhibition cost	33,134	23.4%
Consumption of food and beverages	10,510	7.4%
Employee benefits expense	15,116	10.7%
Finance costs	5,063	3.6%
Depreciation and amortisation expense	8,491	6.0%
Other operating expenses	55,600	39.3%
Total expenses	**127,914**	**90.4%**
Profit before share of profit/ (loss) of equity accounted investees, exceptional item and tax	**13,604**	**9.6%**
Share in profit/(loss) of equity accounted investees (net of tax)	(33)	(0.0)%
Profit before tax	**13,571**	**9.6%**
Tax expense		
- Current tax	3,067	2.2%
- Deferred tax (including MAT credit entitlement)	1,761	1.2%
Total tax expense	**4,828**	**3.4%**
Net profit after tax	**8,743**	**6.2%**

Particulars	Six months ended September 30, 2018	
	(₹ lakhs)	Percentage of total income
Non-controlling interests	19	0.0%
Net profit after tax and after adjustment of non-controlling interests	**8,762**	**6.2%**
Other comprehensive income		
Items that will not be reclassified to profit or loss in subsequent period	(856)	(0.6)%
Items that will be reclassified to profit or loss in subsequent period	2	0.0%
Other comprehensive income for the period (net of tax)	**(854)**	**(0.6)%**
Total comprehensive income for the period(comprising profit and other comprehensive income)	**7,908**	**5.6%**

Income

Total income was ₹ 186,656 lakhs in the six months ended September 30, 2019 primarily comprising income from sale of movie tickets and sale of foods and beverages. Total income was ₹ 97,940 lakhs in the three months ended September 30, 2019.

Our Company's total income, on a standalone basis, was ₹ 92,357 lakhs and ₹ 1,79,767 lakhs in the three months ended September 30, 2019 and six months ended September 30, 2019, respectively. SPI Cinemas' total income was ₹ 11,357 lakhs in the three months ended September 30, 2019 and ₹ 23,113 lakhs in the six months ended September 30, 2019.

Revenue from Operations

Revenues from operations were ₹ 185,357 lakhs in the six months ended September 30, 2019, comprising sale of services amounting to ₹ 130,830 lakhs in the six months ended September 30, 2019, which primarily consisted of income from sale of movie tickets, Sale of Food and Beverages and advertisement income.

Income from sale of movie tickets was ₹ 94,843 lakhs in the six months ended September 30, 2019. Admits were 563 lakhs in the six months ended September 30, 2019. Average Ticket Price was ₹ 202 in the six months ended September 30, 2019. Sale of Food and Beverages was ₹ 53,615 lakhs in the six months ended September 30, 2019. Spend Per Head was ₹ 100 in the six months ended September 30, 2019, respectively.

Advertisement income was ₹ 18,539 lakhs in the six months ended September 30, 2019. Convenience fees amounted to ₹ 8,627 lakhs in the six months ended September 30, 2019.

The following table sets forth certain information relating to our Company's revenue from operations, on a standalone basis, for the periods indicated:

Particulars	Six months ended September 30, 2019	Three Months ended September 30, 2019
	(₹ lakhs)	
Income from sale of movie tickets	94,877	49,206
Sale of Food and Beverages[#]	52,964	26,970
Advertisement income	18,538	9,382
Convenience fees	8,627	4,566
Virtual print fees	1,573	894
Income from film production and distribution	857	122
Food court income	572	306
Gaming income	311	136
Management fees	29	15
Revenue from operations	**1,78,348**	**91,597**

[#] *Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.*

The following table sets forth certain information relating to SPI Cinemas' revenue from operations for the periods indicated:

Particulars	Three months ended September 30, 2019	Six months ended September 30, 2019
	(₹ lakhs)	
Income from sale of movie tickets	5,107	10,075
Sale of Food and Beverages#	3,754	7,639
Advertisement income	910	1,814
Convenience fees	954	1,920
Other revenue from operations*	566	1,522
Revenue from operations	**11,290**	**22,969**

 # Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.
Other revenue from operations represents virtual print fees, income from movie production/ distribution, food court income, gaming income and management fee.

Other Income

Other income was ₹ 1,299 lakhs in the six months ended September 30, 2019, comprising interest earned on interest income from financial assets at amortised cost which amounted to ₹ 654 lakhs in the six months ended September 30, 2019. Other non-operating income (net) (includes excess liability written back ₹ 3 lakhs (September 30, 2018: ₹ 2 lakhs) and government grant amounted to ₹ 305 lakhs and ₹ 148 lakhs, respectively, in the six months ended September 30, 2019. Other income was ₹ 622 lakhs in the three months ended September 30, 2019

Our Company's other income, on a standalone basis, was ₹ 760 lakhs and ₹ 1,419 lakhs in the three months ended September 30, 2019 and six months ended September 30, 2019, respectively. SPI Cinemas' other income was ₹ 144 lakhs and ₹ 67 lakhs in the six months ended September 30, 2019 and three months ended September 30, 2019, respectively.

Expenses

Total expenses was ₹ 90,575 lakhs and ₹ 176,485 lakhs in the three months ended September 30, 2019 and the six months ended September 30, 2019, respectively.

Movie Exhibition Cost

Movie exhibition cost was ₹ 39,713 lakhs in the six months ended September 30, 2019.

Movie exhibition cost as a percentage of income from sale of movie tickets was 41.9% and 40.3% in the six months ended September 30, 2019 and the three months ended September 30, 2019, respectively.

Further, movie exhibition cost as a percentage of income from sale of movie tickets, on a standalone basis, was 44.3% and 44.4% in the six months ended September 30, 2019 and the three months ended September 30, 2019, respectively.

Consumption of Food and Beverages

Consumption of food and beverages was ₹ 14,436 lakhs in the six months ended September 30, 2019.

Consumption of food and beverages as a percentage of Sale of Food and Beverages was 26.9% and 26.7% in the six months ended September 30, 2019 and the three months ended September 30, 2019, respectively.

Further, consumption of food and beverages as a percentage of Sale of Food and Beverages, on a standalone basis, was 26.9% and 26.6% in the six months ended September 30, 2019 and the three months ended September 30, 2019, respectively.

Employee Benefit Expenses

Employee benefit expense was ₹ 21,059 lakhs in the six months ended September 30, 2019.

Finance Costs

Finance costs was ₹ 24,256 lakhs in the six months ended September 30, 2019, which primarily comprised other interest on lease liability amounting to ₹ 16,329 lakhs in the six months ended September 30, 2019. Interest on

debentures and term loans amounted to ₹ 2,219 lakhs and ₹ 2,946 lakhs, respectively, in the six months ended September 30, 2019.

Depreciation and Amortization Expense

Depreciation and amortisation expense was ₹ 26,538 lakhs in the six months ended September 30, 2019, which primarily comprised amortization on 'right of use' assets amounting to ₹ 15,064 lakhs in the six months ended September 30, 2019. Depreciation on tangible assets amounted to ₹ 10,186 lakhs in the six months ended September 30, 2019

Other Operating Expenses

Other operating expenses was ₹ 50,483 lakhs in the six months ended September 30, 2019, which primarily consisted of electricity and water charges (net of recovery) of ₹ 11,590 lakhs, common area maintenance (net of recovery) of ₹ 7,615 lakhs. Movie production, distribution and print charges, and repairs and maintenance were ₹ 7,713 lakhs and ₹ 6,538 lakhs, respectively, in the six months ended September 30, 2019. Further, net rent expenses (net of rental income from sub-lessees) amounted to ₹ 4,784 lakhs in the six months ended September 30, 2019 on account of adoption of Ind AS 116. SPI Cinemas' rent expense was ₹ 560 lakhs and ₹ 258 lakhs in the six months ended September 30, 2019 and the three months ended September 30, 2019, respectively.

The following table sets forth certain information relating to our Company's expenses, on a standalone basis, for the periods indicated:

Particulars	Six months ended September 30, 2019	Three Months ended September 30, 2019
	(₹ lakhs)	
Employee benefit expense	20,492	10,193
Adjusted rent expenses#	29,070	14,805
Common Area Maintenance (net of recovery)	7,614	3,877
Electricity and water charges (net of recovery)	11,555	5,691
Other expenditure*	18,543	8,917
Total	**87,274**	**43,483**

 # Adjusted rent expenses represents net rent expenses plus impact of Ind AS 116 adjustment in other expenses.
**Other expenditure represents total expenses less movie exhibition cost, consumption of food and beverages, employee benefit expenses, rent, common area maintenance, electricity and water charges, depreciation and amortization expense and finance costs.*

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 10,145 lakhs in the six months ended September 30, 2019. The share in loss of equity accounted investees (net of tax) was ₹ 26 lakhs in the six months ended September 30, 2019. Profit before tax was ₹ 7,349 lakhs in the three months ended September 30, 2019.

Tax Expense

Current tax expenses were ₹ 4,577 lakhs in the six months ended September 30, 2019. Deferred tax credit (including MAT credit entitlement) were ₹ 952 lakhs in the six months ended September 30, 2019. Further, current tax expenses were ₹ 3,681 lakhs in the three months ended September 30, 2019 and deferred tax credit was ₹ 1,099 lakhs in the three months ended September 30, 2019.

Net Profit after Tax

For the various reasons discussed above, and following adjustments of non-controlling interests, we recorded a net profit after tax of ₹ 6,545 lakhs in the six months ended September 30, 2019. Net profit after tax after adjustments of non-controlling interests was ₹ 4,788 lakhs in the three months ended September 30, 2019.

Net profit after tax margin (percentage of profit after tax (before adjustment of non-controlling interests) divided total income for the relevant period) was 3.5% in the six months ended September 30, 2019. Net profit after tax margin (percentage of profit after tax (before adjustment of non-controlling interests) divided total income for the relevant period) was 4.9% in the three months ended September 30, 2019.

Total Comprehensive Income for the Year

Total comprehensive income for the year (comprising profit and other comprehensive income) was ₹ 5,700 lakhs in the six months ended September 30, 2019.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin

The following tables provides the reconciliation of Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

Particulars	For the six months ended at September 30, 2019	For the three months ended at September 30, 2019
	(₹ lakhs, except percentages)	
Net profit after tax	**6,520**	**4,767**
Add: Total tax expense	3,625	2,582
Profit before tax [A]	**10,145**	**7,349**
Add: Share of profit/ (loss) of equity accounted investees (net of tax)	(26)	(16)
Add: Finance costs	24,256	11,113
Add: Depreciation and amortisation expense	26,538	13,952
Total Adjustments [B]	**50,820**	**25,081**
Adjusted EBITDA [A+B]	**60,965**	**32,430**
Total Income	1,86,656	97,940
Adjusted EBITDA margin (Adjusted EBITDA/Total income in %)	**32.7%**	**33.1%**

The following table provides the reconciliation of Adjusted EBITDA (Standalone) and Adjusted EBITDA margin (Standalone), on a standalone basis, for the periods indicated:

Particulars	For the six months ended at September 30, 2019	For the three months ended September 30, 2019
	(₹ lakhs, except percentages)	
Profit for the year	**6,628**	**4,862**
Add: Total tax expense	3,550	2,531
Profit before tax [A]	**10,178**	**7,393**
Add: Finance costs	24,238	11,104
Add: Depreciation and amortisation expense	26,091	13,710
Total Adjustments [B]	**50,329**	**24,814**
Adjusted EBITDA (Standalone) [A+B]	**60,507**	**32,207**
Total Income (Standalone)	1,79,767	92,357
Adjusted EBITDA margin (Standalone) (Adjusted EBITDA (Standalone)/ Total income in %)	**33.7%**	**34.9%**

SPI Cinemas' adjusted EBITDA (Standalone) was ₹ 2,411 lakhs in the three months ended September 30, 2019, while adjusted EBITDA margin (Standalone) was 21.2% in the three months ended September 30, 2019. Further, SPI Cinemas' adjusted EBITDA (Standalone) was ₹ 5,256 lakhs in the six months ended September 30, 2019, while adjusted EBITDA margin (Standalone) was 22.7% in the six months ended September 30, 2019.

See ***"- Non-GAAP Measures - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings before Interest and Tax ("Adjusted EBIT")"*** on page 152.

Adjusted Earnings before Interest and Tax (Adjusted EBIT)

The following table provides the reconciliation of Adjusted EBIT for the periods indicated:

Particulars	For the six months ended at September 30, 2019	For the three months ended September 30, 2019
	(₹ lakhs, except percentages)	
Adjusted EBITDA	**60,965**	**32,430**

Particulars	For the six months ended at September 30, 2019	For the three months ended September 30, 2019
	(₹ lakhs, except percentages)	
Less: Depreciation and amortisation expense	26,538	13,952
Adjusted EBIT	**34,427**	**18,478**

The following table provides the reconciliation of Adjusted EBIT, on a standalone basis, for the periods indicated:

Particulars	For the six months ended at September 30, 2019	For the three months ended September 30, 2019
	(₹ lakhs, except percentages)	
Adjusted EBITDA (Standalone)	**60,507**	**32,207**
Less: Depreciation and amortisation expense	26,091	13,710
Adjusted EBIT (Standalone)	**34,416**	**18,497**

See **"- *Non-GAAP Measures - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings Before Interest and Tax ("Adjusted EBIT")"*** on page 152.

Key Operational Information

The following table sets forth certain key operational information relating to our operations for the periods indicated:

Particulars	As of and for the six months ended September 30,		As of and for the three months ended September 30,	
	2018	2019	2018	2019
Number of properties	153	170	153	170
Number of screens	711	800	711	800
Number of seats (lakhs)	1.6	1.8	1.6	1.8
Number of admits (lakhs)	461	563	234	293
Occupancy rate (%)(1)	35.2%	37.5%	34.6%	37.5%
Average Ticket Price (₹) (2)	211	202	206	201
Spend Per Head (₹) (3)	91	100	88	100

(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

The following table sets forth certain key operational information relating to SPI Cinemas for the periods indicated:

Particulars	As of and for the six months ended September 30,		As of and for the three months ended September 30,	
	2018*	2019	2018*	2019
Number of properties	15	16	15	16
Number of screens	68	75	68	75
Number of seats	18,129	19,146	18,129	19,146
Number of admits (lakhs)	20	79	20	40
Occupancy rate (%)(1)	54.7%	51.6%	54.7%	50.7%
Average Ticket Price(2)	154	163	154	162
Spend Per Head(3)	89	99	89	97

** Our Company acquired SPI Cinemas with effect from August 17, 2018 and accordingly, the key operational information reflected above for SPI cinemas is for the period from August 18, 2018 to September 30, 2018.*
(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

FISCAL 2019 COMPARED TO FISCAL 2018

- Pursuant to the SPA, our Company acquired 71.69% of the equity shareholding in SPI Cinemas with effect from August 17, 2018. As a result, our Fiscal 2019 Ind AS Audited Consolidated Financial Statements reflect the acquisition (of 71.69% equity shareholding of SPI Cinemas) for the period from August 18, 2018 to March 31, 2019. Accordingly, our financial statements for Fiscal 2019 are not comparable with our financial statements for Fiscal 2018. Subsequently, pursuant to an order dated August 23, 2019 by the NCLT, New Delhi, the SPI Merger Scheme was approved and SPI Cinemas was amalgamated with our Company with effect from the appointed date, *i.e.* August 17, 2018. Accordingly, with effect from August 17, 2018 and upon the SPI Merger Scheme becoming effective, the entire business of SPI Cinemas, including its assets, properties, rights, benefits, interests and liabilities were transferred to and vested in our Company, as a going concern. As a result, our financial statements and/ or financial results prepared prior to August 23, 2019 reflected only the acquisition of 71.69% equity shareholding of SPI Cinemas, and not the amalgamation of SPI Cinemas into our Company. Only our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results, which were prepared subsequent to August 23, 2019, reflect the amalgamation of SPI Cinemas.

  Our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see *"-* ***Presentation of Financial Information – Amalgamation of SPI Cinemas***", "- ***Significant Factors Affecting our Results of Operations and Financial Condition – Acquisitions and effect of SPI Cinemas***" and "***Financial Information***" on pages 114, 117 and 296, respectively.

- Further, our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, include certain financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, which have been represented taking into account the amalgamation of SPI Cinemas. Accordingly, the financial information for the fiscal year ended March 31, 2019, quarter ended June 30, 2019, and the quarter and six months ended September 30, 2018, included in our Statement of Unaudited Financial Results and Ind AS Unaudited Interim Condensed Consolidated Financial Statements, as applicable, and are not directly comparable with the previously published financial statements and/ or financial results for such fiscal years/ periods, which reflected the acquisition of 71.69% equity shareholding of SPI Cinemas. Our management's discussion and analysis for Fiscal 2019 is based on the Fiscal 2019 Ind AS Audited Consolidated Financial Statements, which reflects the acquisition of 71.69% equity shareholding of SPI Cinemas and not the amalgamation of SPI Cinemas, which was only completed pursuant to order dated August 23, 2019 by the NCLT, New Delhi, approving the SPI Merger Scheme with effect from August 17, 2018.

- The MCA introduced a new standard for revenue recognition under Ind AS 115 for accounting periods beginning on or after April 1, 2018. Our Company has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognized at the date of initial application (*i.e.* April 1, 2018). Under this transition method, the comparative information is not restated - *i.e.* the comparative information continues to be reported under Ind AS 18. Although, the adoption of Ind AS 115 did not have any material impact, our Fiscal 2019 Ind AS Audited Consolidated Financial Statements or the financial statements/ financial information that we prepare in accordance with Ind AS 115 in the future, may not be comparable to our historical financial statements. For further information, see "***Financial Information***" on page 296.

- In Fiscal 2019, our Company renewed arrangements with Paytm and BookMyShow, for booking and selling our ticketing inventory through their digital platform for a period of three years.

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2018 and 2019:

Particulars	Fiscal 2018		Fiscal 2019	
	(₹ lakhs)	Percentage of total income	(₹ lakhs)	Percentage of total income
Income				
Revenue from operations	2,33,411	98.7%	3,08,556	98.9%

Particulars	Fiscal 2018		Fiscal 2019	
	(₹ lakhs)	Percentage of total income	(₹ lakhs)	Percentage of total income
Other income	3,134	1.3%	3,314	1.1%
Total Income	**2,36,545**	**100.0%**	**3,11,870**	**100.0%**
Expenses				
Movie exhibition cost	53,766	22.7%	70,193	22.5%
Consumption of food and beverages	15,907	6.7%	23,874	7.7%
Employee benefits expense	25,407	10.7%	33,726	10.8%
Finance costs	8,371	3.5%	12,801	4.1%
Depreciation and amortisation expense	15,369	6.5%	19,128	6.1%
Other operating expenses	98,147	41.5%	1,22,130	39.2%
Total expenses	**2,16,967**	**91.7%**	**2,81,852**	**90.4%**
Profit before share of profit of equity accounted investees, exceptional item and tax	**19,578**	**8.3%**	**30,018**	**9.6%**
Share in profit/(loss) of equity accounted investees (net of tax)	(73)	(0.0)%	(115)	(0.0)%
Profit before exceptional items, and tax	**19,505**	**8.2%**	**29,903**	**9.6%**
Exceptional items	59	0.0%	-	-
Profit before tax	**19,446**	**8.2%**	**29,903**	**9.6%**
Tax expense				
- Current tax	4,889	2.1%	10,010	3.2%
- Adjustment of tax relating to earlier periods	-	-	162	0.1%
- Deferred tax (including MAT credit entitlement)	2,155	0.9%	794	0.3%
Total tax expense	**7,044**	**3.0%**	**10,966**	**3.5%**
Net profit after tax	**12,402**	**5.2%**	**18,937**	**6.1%**
Non-controlling interests	68	0.0%	(574)	(0.2)%
Net profit after tax and after adjustment of non-controlling interests	**12,470**	**5.3%**	**18,363**	**5.9%**
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period	(987)	(0.4)%	(1,277)	(0.4)%
Items that will be reclassified to profit or loss in subsequent period	-	-	(22)	(0.0)%
Total comprehensive income for the year (comprising profit and other comprehensive income)	**11,483**	**4.9%**	**17,064**	**5.5%**

Income

Total income increased by 31.8% from ₹ 2,36,545 lakhs in Fiscal 2018 to ₹ 3,11,870 lakhs in Fiscal 2019 primarily due to an increase in income from sale of movie tickets and sale of foods and beverages.

Our Company's total income, on a standalone basis, increased by 22.0% from ₹ 2,27,565 lakhs in Fiscal 2018 to ₹ 2,77,684 lakhs in Fiscal 2019. SPI Cinemas' total income was ₹ 29,884 lakhs from August 18, 2018 to March 31, 2019.

Revenue from Operations

Revenues from operations increased by 32.2% from ₹ 2,33,411 lakhs in Fiscal 2018 to ₹ 3,08,556 lakhs in Fiscal 2019, primarily due to an increase in sale of services by 31.3% from ₹ 1,68,311 lakhs in Fiscal 2018 to ₹ 2,21,040 lakhs in Fiscal 2019 on account of increase in income from sale of movie tickets, and an increase in Sale of Food and Beverages.

Income from sale of movie tickets increased by 31.1% from ₹ 1,24,707 lakhs in Fiscal 2018 to ₹ 1,63,543 lakhs in Fiscal 2019 on account of increase in admits. Admits increased by 30.6% from 761 lakhs in Fiscal 2018 to 993 lakhs in Fiscal 2019. However, Average Ticket Price decreased by 1.3% from ₹ 210 in Fiscal 2018 to ₹ 207 in Fiscal 2019 on account of the benefit of reduction in GST rates on movie tickets being passed on to the customers by reducing the movie ticket prices. The GST rates on ticket prices were reduced, with effect from January 1, 2019, to 12% from 18% for tickets up to ₹ 100 and 18% from 28% for tickets above ₹ 100. Sale of Food and Beverages increased by 37.4% from ₹ 62,495 lakhs in Fiscal 2018 to ₹ 85,839 lakhs in Fiscal 2019 on account of increase in admits and increase in spend per head. Spend Per Head increased by 1.7% from ₹ 89 in Fiscal 2018 to ₹ 91 in Fiscal 2019.

Advertisement income increased by 19.1% from ₹ 29,693 lakhs in Fiscal 2018 to ₹ 35,352 lakhs in Fiscal 2019. Convenience fees increased from ₹ 5,971 lakhs in Fiscal 2018 to ₹ 13,035 lakhs in Fiscal 2019 on account of renewal of agreements with online aggregator platforms, Paytm and BookMyShow.

The following table sets forth certain information relating to our Company's revenue from operations, on a standalone basis, for the periods indicated:

Particulars	Year ended March 31,	
	2018	2019
	(₹ lakhs)	
Income from sale of movie tickets	1,24,806	1,50,881
Sale of Food and Beverages#	60,766	75,702
Advertisement income	29,486	32,902
Convenience fees	5,971	10,603
Virtual print fees	1,724	2,792
Income from film production	275	159
Food court income	1,102	1,142
Gaming income	444	441
Management fees	38	47
Revenue from operations	**2,24,612**	**2,74,669**

 # Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.

The following table sets forth certain information relating to SPI Cinemas' revenue from operations for the period indicated:

Particulars	August 18, 2018 to March 31, 2019
	(₹ lakhs)
Income from sale of movie tickets	12,684
Sale of Food and Beverages#	8,966
Advertisement income	2,450
Convenience fees	2,432
Other revenue from operations*	3,178
Revenue from operations	**29,710**

 # Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.
Other revenue from operations represents virtual print fees, income from movie production/ distribution, food court income, gaming income and management fee.

Other Income

Other income increased by 5.7% from ₹ 3,134 lakhs in Fiscal 2018 to ₹ 3,314 lakhs in Fiscal 2019, primarily due to an increase in other non-operating income (net) (includes excess liability written back ₹ 119 lakhs (March 31, 2018: ₹ 239 lakhs)) from ₹ 569 lakhs in Fiscal 2018 to ₹ 802 lakhs in Fiscal 2019 on account of payment received towards early termination of our lease agreement for 'PVR Red Carpet Mall' in Ahmedabad, Gujarat and insurance claim received towards non-exhibition of a particular movie on account of a protest against such movie. The increase was offset by a decrease in government grant by 32.8% from ₹ 1,367 lakhs in Fiscal 2018 to ₹ 918 lakhs in Fiscal 2019 on account of implementation of GST which resulted in uncertainty with respect to government grants in the states of Chhattisgarh, Madhya Pradesh, Punjab, Uttarakhand and West Bengal.

Our Company's other income, on a standalone basis, increased by 2.1% from ₹ 2,953 lakhs in Fiscal 2018 to ₹ 3,015 lakhs in Fiscal 2019. SPI Cinemas' other income was ₹ 174 lakhs from August 18, 2018 to March 31, 2019.

Expenses
Total expenses increased by 29.9% from ₹ 2,16,967 lakhs in Fiscal 2018 to ₹ 2,81,852 lakhs in Fiscal 2019, primarily due to an increase in the number of screens from 625 screens, as of March 31, 2018 to 763 screens, as of March 31, 2019.

Movie Exhibition Cost

Movie exhibition cost increased by 30.6% from ₹ 53,766 lakhs in Fiscal 2018 to ₹ 70,193 lakhs in Fiscal 2019.

Movie exhibition cost as a percentage of income from sale of movie tickets reduced from 43.1% in Fiscal 2018 to 42.9% in Fiscal 2019.

Consumption of Food and Beverages
Consumption of food and beverages significantly increased by 50.1% from ₹ 15,907 lakhs in Fiscal 2018 to ₹ 23,874 lakhs in Fiscal 2019.

Consumption of food and beverages as a percentage of Sale of Food and Beverages increased from 25.5% in Fiscal 2018 to 27.8% in Fiscal 2019 on account of disallowance of input tax credit from November 15, 2017 and the acquisition of SPI Cinemas, which had relatively higher consumption costs.

Employee Benefit Expenses

Employee benefit expense increased by 32.7% from ₹ 25,407 lakhs in Fiscal 2018 to ₹ 33,726 lakhs in Fiscal 2019, primarily due to an increase in manpower due to the increase in the number of new cinemas from 134 cinemas, as of March 31, 2018 to 164 cinemas as of March 31, 2019, increase in salaries, minimum wages, allowances and bonus on account of annual incentives, increments and increase in commission paid to the Managing Director (which was offset by a reduction in remuneration paid to the Joint Managing Director).

Finance Costs

Finance costs significantly increased by 52.9% from ₹ 8,371 lakhs in Fiscal 2018 to ₹ 12,801 lakhs in Fiscal 2019 primarily due to an increase in interest on term loans from ₹ 1,485 lakhs in Fiscal 2018 to ₹ 3,009 lakhs in Fiscal 2019 on account of increase in debt on account of acquisition of SPI Cinemas and other financial charges from ₹ 791 lakhs in Fiscal 2018 to ₹ 3,593 lakhs due to accounting adjustment amounting to ₹ 2,776 lakhs made pursuant to Ind AS 115 for income received in advance with respect to long-term agreement signed by our Company and SPI Cinemas with online aggregator platforms.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 24.5% from ₹ 15,369 lakhs in Fiscal 2018 to ₹ 19,128 lakhs in Fiscal 2019, primarily due to an increase in depreciation on tangible assets by 23.4% from ₹ 13,651 lakhs in Fiscal 2018 to ₹ 16,843 lakhs in Fiscal 2019 on account of increase in the number of screens from 625 screens, as of March 31, 2018 to 763 screens, as of March 31, 2019.

Other Expenses

Other expenses increased by 24.4% from ₹ 98,147 lakhs in Fiscal 2018 to ₹ 1,22,130 lakhs in Fiscal 2019, primarily due to an increase in net rent expenses (net of rental income from sub-lessees) by 23.1% from ₹ 41,114 lakhs in Fiscal 2018 to ₹ 50,591 lakhs in Fiscal 2019 and legal and professional fees from ₹ 2,591 lakhs in Fiscal 2018 to ₹ 6,006 lakhs in Fiscal 2019. Electricity and water charges (net of recovery) also increased by 21.5% from ₹ 14,908 lakhs in Fiscal 2018 to ₹ 18,107 lakhs in Fiscal 2019. SPI Cinemas' rent expense was ₹ 3,468 lakhs from August 18, 2018 to March 31, 2019.

The following table sets forth certain information relating to our Company's expenses, on a standalone basis, for the periods indicated:

Particulars	Year ended March 31,	
	2018	2019
	(₹ lakhs)	
Employee Benefit Expense	24,198	28,639
Net Rent Expenses	40,535	46,974
Common Area Maintenance (net of recovery)	10,949	12,398
Electricity and water charges (net of recovery)	14,682	16,288
Repairs and maintenance	9,219	11,092
Other expenditure*	15,420	21,460
Total	**1,15,003**	**1,36,851**

**Other expenditure represents total expenses less movie exhibition cost, consumption of food and beverages, employee benefit expenses, rent, common area maintenance, finance costs, depreciation and amortization, electricity and water charges and repairs and maintenance.*

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 19,446 lakhs in Fiscal 2018 compared to ₹ 29,903 lakhs in Fiscal 2019. The share in loss of Joint Venture was ₹ 115 lakhs in Fiscal 2019 compared to ₹ 73 lakhs in the Fiscal 2018. The exceptional item amounted to ₹ 59 lakhs in Fiscal 2018 on account of net loss incurred on sale of investment in PVR BluO Entertainment Limited.

Our Company's profit before tax, on a standalone basis, was ₹ 18,998 lakhs in Fiscal 2018 compared to ₹ 27,240 lakhs in Fiscal 2019.

Tax Expense

Current tax expenses increased from ₹ 4,889 lakhs in Fiscal 2018 to ₹ 10,010 lakhs in Fiscal 2019. In Fiscal 2019, there was an adjustment of tax relating to earlier periods of ₹ 162 lakhs. Deferred tax (including MAT credit entitlement) decreased from ₹ 2,155 lakhs in Fiscal 2018 to ₹ 794 lakhs in Fiscal 2019.

Our Company's current tax expenses, on a standalone basis, increased from ₹ 4,598 lakhs in Fiscal 2018 to ₹ 8,866 lakhs in Fiscal 2019 while our Company's deferred tax (including MAT credit entitlement), on a standalone basis, decreased from ₹ 2,258 lakhs in Fiscal 2018 to ₹ 937 lakhs in Fiscal 2019.

Net Profit after Tax

For the various reasons discussed above, and following adjustments of non-controlling interests, we recorded a net profit after tax of ₹ 18,363 lakhs in Fiscal 2019 compared to ₹ 12,470 lakhs in Fiscal 2018.

Net profit after tax margin (percentage of profit after tax (before adjustment of non-controlling interests) divided total income for the relevant period) was 6.1% in Fiscal 2019 compared to 5.2% in Fiscal 2018.

Our Company's net profit after tax, on a standalone basis, was ₹ 17,275 lakhs in Fiscal 2019 compared to ₹ 12,142 lakhs in Fiscal 2018.

Total Comprehensive Income for the Year

Total comprehensive income for the year (comprising profit and other comprehensive income) was ₹ 17,064 lakhs in Fiscal 2019 compared to ₹ 11,483 lakhs in Fiscal 2018.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin

The following tables provides the reconciliation of Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

Particulars	For the year ended at March 31, 2018	For the year ended at March 31, 2019
	(₹ lakhs, except percentages)	
Net profit after tax	12,402	18,937
Add: Total tax expense	7,044	10,966

Particulars	For the year ended at March 31, 2018	For the year ended at March 31, 2019
	(₹ lakhs, except percentages)	
Profit before tax [A]	19,446	29,903
Add: Exceptional item	59	-
Add: Share of profit/ (loss) of equity accounted investees (net of tax)	(73)	(115)
Add: Finance costs	8,371	12,801
Add: Depreciation and amortisation expense	15,369	19,128
Total Adjustments [B]	**23,872**	**32,044**
Adjusted EBITDA [A+B]	**43,318**	**61,947**
Total Income	2,36,545	3,11,870
Adjusted EBITDA margin (Adjusted EBITDA/Total income in %)	**18.3%**	**19.9%**

The following table provides the reconciliation of Adjusted EBITDA, on a standalone basis, for the periods indicated:

Particulars	For the year ended at March 31, 2018	For the year ended at March 31, 2019
	(₹ lakhs, except percentages)	
Profit for the year	**12,142**	**17,275**
Add: Total tax expense	6,856	9,965
Profit before tax [A]	**18,998**	**27,240**
Add: Exceptional item	59	-
Add: Finance costs	8,335	11,217
Add: Depreciation and amortisation expense	14,119	16,164
Total Adjustments [B]	**22,513**	**27,381**
Adjusted EBITDA (Standalone) [A+B]	**41,511**	**54,621**
Total Income (Standalone)	2,27,565	2,77,684
Adjusted EBITDA margin (Standalone) (Adjusted EBITDA / Total income in %)	**18.2%**	**19.7%**

The following tables provides the reconciliation of SPI Cinemas' Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

Particulars	August 18, 2018 to March 31, 2019
	(₹ lakhs, except percentages)
Net profit after tax	2,301
Add: Total tax expense	1,178
Profit before tax [A]	3,479
Add: Finance costs	1,578
Add: Depreciation and amortisation expense	1,111
Total Adjustments [B]	**2,689**
Adjusted EBITDA [A+B]	**6,168**
Total Income	29,884
Adjusted EBITDA margin (Adjusted EBITDA/Total income in %)	**20.6%**

See **"- *Non-GAAP Measures - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings Before Interest and Tax ("Adjusted EBIT")"*** on page 152.

Adjusted Earnings before Interest and Tax (Adjusted EBIT)

The following table provides the reconciliation of Adjusted EBIT for the periods indicated:

Particulars	For the year ended at March 31, 2018	For the year ended at March 31, 2019
	(₹ lakhs)	
Adjusted EBITDA	**43,318**	**61,947**
Less: Depreciation and amortisation expense	15,369	19,128
Adjusted EBIT	**27,949**	**42,819**

The following table provides the reconciliation of Adjusted EBIT, on a standalone basis, for the periods indicated:

Particulars	For the year ended at March 31, 2018	For the year ended at March 31, 2019
	(₹ lakhs)	
Adjusted EBITDA (Standalone)	**41,511**	**54,621**
Less: Depreciation and amortisation expense	14,119	16,164
Adjusted EBIT (Standalone)	**27,392**	**38,457**

See **"- *Non-GAAP Measures - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings before Interest and Tax ("Adjusted EBIT")"*** on page 152.

Key Operational Information

The following table sets forth certain key operational information relating to SPI Cinemas for the period indicated:

Particulars	August 18, 2018 to March 31, 2019
Number of properties	16
Number of screens	72
Number of seats	18,825
Number of admits (lakhs)	102
Occupancy rate (%)(1)	54.2%
Average Ticket Price(2)	164
Spend Per Head(3)	89

(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

FISCAL 2018 COMPARED TO FISCAL 2017

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2017 and 2018:

Particulars	Fiscal 2017		Fiscal 2018	
	(₹ lakhs)	Percentage of total income	(₹ lakhs)	Percentage of total income
Income				
Revenue from operations	2,11,943	97.1%	2,33,411	98.7%
Other income	6,225	2.9%	3,134	1.3%
Total Income	**2,18,168**	100.0%	**2,36,545**	100.0%
Expenses				
Movie exhibition cost	46,516	21.3%	53,766	22.7%
Consumption of food and beverages	14,010	6.4%	15,907	6.7%
Employee benefits expense	22,051	10.1%	25,407	10.7%
Finance costs	8,058	3.7%	8,371	3.5%
Depreciation and amortisation expense	13,838	6.3%	15,369	6.5%
Other operating expenses	98,004	44.9%	98,147	41.5%
Total expenses	**2,02,477**	92.8%	**2,16,967**	91.7%
Profit before share of profit of equity accounted investees, exceptional item and tax	**15,691**	7.2%	**19,578**	8.3%
Share of profit/ (loss) of equity accounted investees (net of tax)	-	-	(73)	(0.0)%
Profit before exceptional items and tax	**15,691**	7.2%	**19,505**	8.2%
Exceptional items	407	0.2%	59	0.0%
Profit before tax	**15,284**	7.0%	**19,446**	8.2%

Particulars	Fiscal 2017		Fiscal 2018	
	(₹ lakhs)	Percentage of total income	(₹ lakhs)	Percentage of total income
Tax expense				
- Current tax	3,292	1.5%	4,889	2.1%
- Adjustment of tax relating to earlier periods	38	0.0%	-	-
- Deferred tax (including MAT credit entitlement)	2,370	1.1%	2,155	0.9%
Total tax expense	**5,700**	2.6%	**7,044**	3.0%
Net profit after tax/ Profit for the year	**9,584**	4.4%	**12,402**	5.2%
Non-controlling interests	(5)	(0.0)%	68	0.0%
Net profit after tax and after adjustment of non-controlling interests	**9,579**	4.4%	**12,470**	5.3%
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period (net of tax)	(148)	(0.1)%	(987)	(0.4)%
Items that will be reclassified to profit or loss in subsequent period	-	-	-	-
Other comprehensive income for the year (net of tax)	(148)	(0.1)%	(987)	(0.4)%
Total comprehensive income for the year (comprising profit and other comprehensive income)/ Total comprehensive income for the year attributable to equity holders of the parent	**9,431**	**4.3%**	**11,483**	4.9%

- Our Company sold its entire shareholding in PVR BluO Entertainment Limited for a total consideration of ₹ 8,600 lakhs on August 31, 2017. Our Company's share for 51% stake out of the total consideration was ₹ 4,386 lakhs.

Income

Total income increased by 8.4% from ₹ 2,18,168 lakhs in Fiscal 2017 to ₹ 2,36,545 lakhs in Fiscal 2018 primarily due to an increase in income from sale of movie tickets, sale of foods and beverages and advertisement income. This was marginally offset by the sale of our entire shareholding in PVR BluO Entertainment Limited.

Revenue from Operations

Revenues from operations increased by 10.1% from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 2,33,411 lakhs in Fiscal 2018, primarily due to an increase in sale of services (comprising income from sale of movie tickets, advertisement income, income from movie production and distribution, convenience fee and virtual print fee) by 11.9% from ₹ 1,50,382 lakhs in Fiscal 2017 to ₹ 1,68,311 lakhs in Fiscal 2018 on account of increase in income from sale of movie tickets and advertisement income.

Income from sale of movie tickets increased by 10.9% from ₹ 1,12,488 lakhs in Fiscal 2017 to ₹ 1,24,707 lakhs in Fiscal 2018 on account of increase in admits and average ticket price. Admits increased by 1.2% from 752 lakhs in Fiscal 2017 to 761 lakhs in Fiscal 2018 and Average Ticket Price increased by 7.2% from ₹ 196 in Fiscal 2017 to ₹ 210 in Fiscal 2018. Advertisement income increased by 17.9% from ₹ 25,176 lakhs in Fiscal 2017 to ₹ 29,693 lakhs in Fiscal 2018 on account of increase in the value and volume of advertisements. In addition, Sale of Food and Beverages also increased by 7.9% from ₹ 57,942 lakhs in Fiscal 2017 to ₹ 62,495 lakhs in Fiscal 2018 on account of increase in admits and increase in spend per head. Spend Per Head increased by 9.9% from ₹ 81 in Fiscal 2017 to ₹ 89 in Fiscal 2018. This increase was marginally offset by a decrease in other operating revenue (comprising food court income, gaming income and management fees) by 28.0% from ₹ 3,619 lakhs in Fiscal 2017 to ₹ 2,605 lakhs in Fiscal 2018 on account of decrease in gaming income by 43.6% from ₹ 2,596 lakhs in Fiscal 2017 to ₹ 1,465 lakhs in Fiscal 2018 primarily due to sale of our entire shareholding in PVR BluO Entertainment Limited in August 2017.

Other Income

Other income significantly decreased by 49.7% from ₹ 6,225 lakhs in Fiscal 2017 to ₹ 3,134 lakhs in Fiscal 2018, primarily due to a decrease in government grant by 63.3% from ₹ 3,721 lakhs in Fiscal 2017 to ₹ 1,367 lakhs in Fiscal 2018 on account of the uncertainty regarding the refund mechanism available for the tax exemptions under GST regime in the states of Uttar Pradesh, Punjab, Uttarakhand, West Bengal, Chhattisgarh, Rajasthan and Madhya Pradesh, and net gain on redemption of mutual fund investments from ₹ 541 lakhs in Fiscal 2017 to ₹ 141 lakhs in Fiscal 2018. The decrease was marginally offset by a profit on sale of movie on demand (Vkaao) platform under slump sale of ₹ 114 lakhs in Fiscal 2018. In Fiscal 2018, PVR Pictures Limited sold 'theatre–on-demand' platform, Vkaao, to Vkaao Entertainment Private Limited, a joint venture between our Company and Big Tree Entertainment Private Limited.

Expenses

Total expenses increased by 7.2% from ₹ 2,02,477 lakhs in Fiscal 2017 to ₹ 2,16,967 lakhs in Fiscal 2018, primarily due to an increase in the number of screens from 579 screens as of March 31, 2017 to 625 screens as of March 31, 2018.

Movie Exhibition Cost

Movie exhibition cost increased by 15.6% from ₹ 46,516 lakhs in Fiscal 2017 to ₹ 53,766 lakhs in Fiscal 2018.

Movie Exhibition Cost as a percentage of income from sale of movie tickets increased from 41.4% in Fiscal 2017 to 43.1% in Fiscal 2018 primarily due to the discontinuation of tax holidays under various state exemption schemes.

Consumption of Food and Beverages

Consumption of food and beverages increased by 13.5% from ₹ 14,010 lakhs in Fiscal 2017 to ₹ 15,907 lakhs in Fiscal 2018.

Consumption of food and beverages as a percentage of Sale of Food and Beverages increased from 24.2% in Fiscal 2017 to 25.5% in Fiscal 2018 primarily on account of lower net revenue arising from implementation of GST, which provided for a 18% tax rate on food and beverages, however, the GST rate was subsequently reduced to 5% with no input tax credit with effect from November 1, 2017.

Employee Benefit Expenses

Employee benefit expense increased by 15.2% from ₹ 22,051 lakhs in Fiscal 2017 to ₹ 25,407 lakhs in Fiscal 2018, primarily due to an increase in salaries, wages, allowances and bonus by 14.1% from ₹ 19,744 lakhs in Fiscal 2017 to ₹ 22,528 lakhs in Fiscal 2018 on account of annual incentives, increments and increase in manpower due to the increase in the number of new cinemas.

Finance Costs

Finance costs marginally increased by 3.9% from ₹ 8,058 lakhs in Fiscal 2017 to ₹ 8,371 lakhs in Fiscal 2018 primarily due to an increase in interest on debentures by 20.6% from ₹ 4,252 lakhs in Fiscal 2017 to ₹ 5,128 lakhs in Fiscal 2018. This increase was offset by a decrease in the interest on term loans by 42.8% from ₹ 2,595 lakhs in Fiscal 2017 to ₹ 1,485 lakhs in Fiscal 2018.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 11.1% from ₹ 13,838 lakhs in Fiscal 2017 to ₹ 15,369 lakhs in Fiscal 2018, primarily due to an increase in depreciation on tangible assets by 9.4% from ₹ 12,477 lakhs in Fiscal 2017 to ₹ 13,651 lakhs in Fiscal 2018 on account of increase in the number of screens from 579 screens as of March 31, 2017 to 625 screens as of March 31, 2018.

Other Expenses

Other expenses marginally increased by 0.1% from ₹ 98,004 lakhs in Fiscal 2017 to ₹ 98,147 lakhs in Fiscal 2018, primarily due to an increase in net rent expenses (net of rental income from sub-lessees) by 5.4% from ₹ 39,015 lakhs in Fiscal 2017 to ₹ 41,114 lakhs in Fiscal 2018 and electricity and water charges (net of recovery) by 6.3% from ₹ 14,031 lakhs in Fiscal 2017 to ₹ 14,908 lakhs in Fiscal 2018. The increase was offset by a decrease in movie production, distribution and print charges by 21.2% from ₹ 6,237 lakhs in Fiscal 2017 to ₹ 4,916 lakhs in Fiscal 2018 and rates and taxes by 48.2% from ₹ 3,133 lakhs in Fiscal 2017 to ₹ 1,624 lakhs in Fiscal 2018.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 19,446 lakhs in Fiscal 2018 compared to ₹ 15,284 lakhs in Fiscal 2017. The share of loss of equity accounted investees (net of tax) was ₹ 73 lakhs in Fiscal 2018. The exceptional item amounted to ₹ 59 lakhs in Fiscal 2018 on account of net loss incurred on sale of investment in PVR BluO Entertainment Limited compared to exceptional items of ₹ 407 lakhs in Fiscal 2017 on account of assets written off and business acquisition related cost due to the acquisition of DT Cinemas.

Tax Expense

Current tax (including adjustment of tax relating to earlier periods) was ₹ 3,330 lakhs in Fiscal 2017, while current tax was ₹ 4,889 lakhs in Fiscal 2018. Deferred tax (including MAT credit entitlement) decreased from ₹ 2,370 lakhs in Fiscal 2017 to ₹ 2,155 lakhs in Fiscal 2018.

Net Profit after Tax/ Profit for the year

For the various reasons discussed above, we recorded a net profit after tax of ₹ 12,402 lakhs in Fiscal 2018, while our profit for the year was ₹ 9,584 lakhs in Fiscal 2017.

Total Comprehensive Income for the Year

Total comprehensive income for the year (comprising profit and other comprehensive income) was ₹ 11,483 lakhs in Fiscal 2018, while total comprehensive income for the year attributable to equity holders of the parent as compared to ₹ 9,431 lakhs in Fiscal 2017.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin

The following table provides the reconciliation of Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated:

Particulars	For the year ended at March 31, 2017	For the year ended at March 31, 2018
	(₹ lakhs, except percentages)	
Net profit after tax	**9,584**	**12,402**
Add: Total tax expense	5,700	7,044
Profit before tax [A]	**15,284**	**19,446**
Add: Exceptional item	407	59
Add: Share of profit/ (loss) of equity accounted investees (net of tax)	-	(73)
Add: Finance costs	8,058	8,371
Add: Depreciation and amortisation expense	13,838	15,369
Total Adjustments [B]	**22,303**	**23,872**
Adjusted EBITDA [A+B]	**37,587**	**43,318**
Total Income	2,18,168	2,36,545
Adjusted EBITDA margin (Adjusted EBITDA/ Total income in %)	**17.2%**	**18.3%**

See **"- *Non-GAAP Measures - Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings before Interest and Tax ("Adjusted EBIT")"*** on page 152.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through equity infusion, debt financing and funds generated from our operations.

CASH FLOWS

'Indian Accounting Standard (Ind AS) 116 – Leases' ("Ind AS 116") became applicable to us from the accounting period commencing April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results. For further information, see "***- Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116***", "***- Presentation of Financial Information – Adoption of Ind AS 116***" and "***Financial Information***" on pages 118, 115 and 296, respectively.

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal		
	2017	2018	2019
	(₹ lakhs)		
Net cash flow from/ (used in) operating activities	31,961	44,626	82,964
Net cash flow from/ (used in) investing activities	(63,209)	(40,539)	(1,01,544)
Net cash flow from/ (used in) financing activities	6,015	(6,595)	14,243
Net (decrease)/ increase in cash and cash equivalents	(25,233)	(2,508)	(4,337)
Cash and cash equivalents at the beginning of the year	26,136	903	2,676
Add: cash acquired on acquisition of SPI Cinemas	-	-	918
Add: cash and cash equivalents received on sale of investment in PVR BluO Entertainment Limited	-	4,281	-
Cash and cash equivalents at the end of the year	903	2,676	(743)

Particulars	Six months ended September 30, 2019
	(₹ lakhs)
Net cash flow from/ (used in) operating activities	46,741
Net cash flow from/ (used in) investing activities	(23,044)
Net cash flow from/ (used in) financing activities	(19,868)
Net (decrease)/ increase in cash and cash equivalents	3,829
Cash and cash equivalents at the beginning of the year	(743)
Add: cash acquired on acquisition of subsidiary	-
Cash and cash equivalents at the end of the year	3,086

Operating Activities

Six Months Ended September 30, 2019

In the six months ended September 30, 2019, net cash flow from operating activities was ₹ 46,741 lakhs. Profit before tax was ₹ 10,145 lakhs in the six months ended September 30, 2019 and adjustments to reconcile profit before tax to net cash flows primarily consisted of finance costs of ₹ 23,669 lakhs, depreciation on property, plant and equipment of ₹ 10,186 lakhs and amortization of 'right of use' assets of ₹ 15,064 lakhs. The main working capital adjustments in the six months ended September 30, 2019, included increase in loans and advances and other assets of ₹ 9,308 lakhs, decrease in trade and other payables of ₹ 2,662 lakhs and increase in trade receivables of ₹ 2,157 lakhs. Direct taxes paid (net of refunds) amounted to ₹ 1,913 lakhs in the six months ended September 30, 2019.

Fiscal 2019

In Fiscal 2019, net cash flow from operating activities was ₹ 82,964 lakhs. Profit before tax was ₹ 29,903 lakhs in Fiscal 2019 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation on property, plant and equipment of ₹ 16,843 lakhs, finance cost of ₹ 11,983 lakhs and amortization of intangible assets of ₹ 2,285 lakhs. The main working capital adjustments in Fiscal 2019, included increase in trade and other

payables of ₹ 37,109 lakhs, increase in loans and advances and other assets of ₹ 4,416 lakhs and increase in trade receivables of ₹ 2,159 lakhs. Direct taxes paid (net of refunds) amounted to ₹ 8,339 lakhs.

Fiscal 2018

In Fiscal 2018, net cash flow from operating activities was ₹ 44,626 lakhs. Profit before tax was ₹ 19,446 lakhs in Fiscal 2018 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation on property, plant and equipment of ₹ 13,651 lakhs, finance cost of ₹ 7,579 lakhs and amortization of intangible assets of ₹ 1,718 lakhs. The main working capital adjustments in Fiscal 2018 included increase in trade and other payables of ₹ 8,834 lakhs, increase in trade receivables of ₹ 5,747 lakhs and decrease in loans and advances and other assets of ₹ 2,622 lakhs. Direct taxes paid (net of refunds) amounted to ₹ 4,165 lakhs.

Fiscal 2017

In Fiscal 2017, net cash flow from operating activities was ₹ 31,961 lakhs. Profit before tax was ₹ 15,284 lakhs in Fiscal 2017 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation on tangible assets of ₹ 12,477 lakhs, interest expense (interest on debentures, term loans, banks and others) of ₹ 7,298 lakhs and amortization of intangible assets of ₹ 1,361 lakhs. The main working capital adjustments in Fiscal 2017 included an increase in loans and advances and other assets of ₹ 3,168 lakhs, increase in trade and other payables of ₹ 2,493 lakhs and increase in trade receivables of ₹ 1,624 lakhs. Direct taxes paid (net of refunds) amounted to ₹ 3,309 lakhs.

Investing Activities

Six Months Ended September 30, 2019

Net cash used in investing activities was ₹ 23,044 lakhs in the six months ended September 30, 2019, primarily on account of purchase of property, plant and equipment, intangible assets, capital work-in progress and capital advance of ₹ 21,672 lakhs, security deposits given to mall developers of ₹ 852 lakhs and fixed deposits with banks amounting to ₹ 750 lakhs.

Fiscal 2019

Net cash used in investing activities was ₹ 1,01,544 lakhs in Fiscal 2019, primarily on account of payment of acquisition of SPI Cinemas, amounting to ₹ 53,560 lakhs, purchase of property, plant and equipment, intangible assets, capital work-in progress and capital advance of ₹ 43,619 lakhs and security deposits given to mall developers of ₹ 4,686 lakhs.

Fiscal 2018

Net cash used in investing activities was ₹ 40,539 lakhs in Fiscal 2018, primarily on account of purchase of property, plant and equipment, intangible assets, capital work-in progress and capital advance of ₹ 34,002 lakhs which included the balance payment of ₹ 5,000 lakhs made to DLF Utilities Limited on account of the acquisition of DT Cinemas, security deposits given to mall developers of ₹ 4,011 lakhs and investment in iPic Entertainment Inc. of ₹ 2,581 lakhs.

Fiscal 2017

Net cash used in investing activities was ₹ 63,209 lakhs in Fiscal 2017, primarily on account of purchase of property, plant and equipment, intangible assets, capital work-in progress and capital advance of ₹ 63,305 lakhs which included the balance payment of ₹ 38,250 lakhs made to DLF Utilities Limited on account of the acquisition of DT Cinemas and security deposits to developers of ₹ 5,246 lakhs. This was offset by fixed deposits with banks (which includes escrow account deposit) of ₹ 5,003 lakhs, which was on account of completion of the acquisition of DT Cinemas.

Financing Activities

Six Months Ended September 30, 2019

Net cash used in financing activities was ₹ 19,868 lakhs in the six months ended September 30, 2019, primarily on account of repayment from short term borrowings of ₹ 25,000 lakhs, repayment of lease liabilities of ₹ 23,633 lakhs and repayment of long term borrowings of ₹ 10,973 lakhs. This was offset by proceeds of short-term borrowings of ₹ 30,000 lakhs and proceeds of long-term borrowings of ₹ 16,419 lakhs.

Fiscal 2019

Net cash from financing activities was ₹ 14,243 lakhs in Fiscal 2019, primarily on account of proceeds from long term borrowings of ₹ 64,413 lakhs and proceeds from short-term borrowings of ₹ 40,000 lakhs. This was offset by repayment of short-term borrowings of ₹ 45,550 lakhs, repayment of long-term borrowings of ₹ 33,165 lakhs and interest paid on borrowings of ₹ 10,328 lakhs.

Fiscal 2018

Net cash used in financing activities was ₹ 6,595 lakhs in Fiscal 2018, primarily on account of repayment of short-term borrowings of ₹ 38,506 lakhs, repayment of long-term borrowings of ₹ 8,946 lakhs and interest paid on borrowings of ₹ 8,016 lakhs. This was offset by proceeds from short-term borrowings of ₹ 37,500 lakhs, proceeds from long-term borrowings of ₹ 12,500 lakhs and payment of dividend and tax thereon of ₹ 1,127 lakhs.

Fiscal 2017

Net cash flow from financing activities was ₹ 6,015 lakhs in Fiscal 2017, primarily on account of proceeds from short-term borrowings of ₹ 20,936 lakhs and proceeds from long-term borrowings of ₹ 15,085 lakhs. This was offset by repayment of long-term borrowings of ₹ 11,636 lakhs, repayment of short-term borrowings of ₹ 10,000 lakhs and interest paid on borrowings of ₹ 7,304 lakhs.

INDEBTEDNESS

As of September 30, 2019, we had total borrowings (consisting of debentures, long term borrowings and short term borrowings) of ₹ 1,37,402 lakhs, of which ₹ 77,693 lakhs was secured term loans from banks (including current maturities), ₹ 45,235 lakhs was debentures and ₹ 14,474 lakhs was short term borrowings. For further information on our indebtedness, see "***Financial Information***" on page 296.

The following table sets forth certain information relating to our outstanding indebtedness as of September 30, 2019, and our repayment obligations in the periods indicated:

Particulars	**As of September 30, 2019**			
	Payment due by period			
	(₹ lakhs)			
	Total	**Not later than 1 year**	**1-5 years**	**More than 5 years**
Long Term Borrowings				
Non-Convertible Debentures	45,235	9,300	35,935	-
Term loans (secured)	77,693	5,549	52,961	19,183
Total long term borrowings (including current maturities)	**1,22,928**	**14,849**	**88,896**	**19,183**
Short Term Borrowings				
Secured	4,496	4,496	-	-
Unsecured	9,978	9,978	-	-
Total Short Term Borrowings	**14,474**	**14,474**	**-**	**-**
Total Borrowings	**1,37,402**	**29,323**	**88,896**	**19,183**

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of September 30, 2019, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

S.No.	Particulars	As of September 30, 2019 (₹ lakhs)
a)	Possible exposure against various appeals filed by the Group against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2015, 2014, 2013, 2012,2011, 2010, 2009, 2008, 2007 and 2006, respectively. [The Group has paid an amount of ₹ 938 lakhs (March 31, 2019: ₹ 938 lakhs)]	3,049
b)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before the Supreme Court.	334
c)	Notice from Entertainment Tax Department Tamil Nadu against short deposit of entertainment tax on regional movies.	43
d)	Notice from Commercial Tax Department, Indore against alleged collection of entertainment tax during exemption period.	823
e)	Notice from Entertainment Tax Department Maharashtra in respect of levy of entertainment tax on convenience fees.	161
f)	Show cause notices raised by Service tax commissionerate, New Delhi and levy of service tax on 3D glass charges and TM charges for Fiscal 2013 to Fiscal 2018 and activity of movie distribution for Fiscal 2012. [Our Company has already deposited under protest an amount of ₹ 267 lakhs (March 31,2019: ₹ 267 lakhs)]	5,055
g)	Demand raised with regard to service tax on food and beverages [Our Company has already deposited under protest an amount of ₹ 185 lakhs (March 31,2019: ₹ 185 lakhs)]	3,666
h)	Possible tax exposure of service tax on sale of food and beverages.	6,032
i)	Demand of sales tax under various states VAT Acts where appeal is pending before competent authority [Our Company has already deposited under protest an amount of ₹ 32 lakhs (March 31, 2019: ₹ 27 lakhs)]	720
j)	Demand of entertainment tax under Rule 22 of Punjab Entertainment Tax (Cinematographs shows) Rules, 1954 [Our Company has already deposited under protest an amount of ₹ 40 lakhs (March 31, 2019: ₹ 40 lakhs)]	144
k)	Demand of entertainment tax in Tamil Nadu on one of the subsidiary in respect of levy of entertainment tax on convenience fees	2,314
l)	Demand of entry tax in the state of Telangana for various material imported into the State [Our Company has already deposited under protest an amount of ₹ 25 lakhs (March 31, 2019: ₹ 25 lakhs)]	101
m)	Notice from Entertainment Tax Department Andhra Pradesh against short deposit of entertainment tax on regional movies.	99
n)	Demand under Employees Provident Fund Act, 1952 [Our Company has already deposited under protest an amount of ₹ 38 lakhs (March 31, 2019: ₹ 38 lakhs)]	106
o)	Labour cases pending *	Amount not ascertainable

** In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however, as per estimate of our management, the amount in aggregate is not material. Based on the discussions with the solicitors, our management believes that our Company has strong chances of success in the cases and hence no provision is considered necessary.*

For further information on our contingent liabilities, see "***Financial Information***" on page 296.

Except as disclosed in the Financial Statements or elsewhere in this Placement Document, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of September 30, 2019, aggregated by type of contractual obligation:

Particulars	As of September 30, 2019				
	Payment due by period				
	Total	Less than 1 year*	1-3 years	3-5 years	More than 5 years
	(₹ lakhs)				
Estimated amount of contracts remaining to be executed on capital	9,330	9,330	-	-	-

Particulars	As of September 30, 2019				
	Payment due by period				
	Total	Less than 1 year*	1-3 years	3-5 years	More than 5 years
	(₹ lakhs)				
account and not provided for (net of capital advance)					
Total	9,330	9,330	-	-	-

** Based on our Company's management estimate that such payment will be made within a period of one year.*

Further, in accordance with the SPA, a part of the consideration amounting to ₹ 10,000 lakhs shall be paid by our Company, on a deferred basis on fulfilment of certain milestones as agreed upon in the SPA. Subsequently, pursuant to letter dated August 1, 2019 between our Company, SPI Cinemas and shareholders of SPI Cinemas, an aggregate net amount of ₹ 310 lakhs has been adjusted with the above-mentioned consideration.

For further information on our capital and other commitments, see "***Financial Information***" on page 296.

CAPITAL EXPENDITURES

In Fiscal 2017, 2018 and 2019, our consolidated capital spent towards additions to fixed assets (purchase of property, plant and equipment, intangible assets, capital work in progress and capital advances) were ₹ 63,305 lakhs, ₹ 34,002 lakhs and ₹ 43,619 lakhs, respectively. Further, in the six months ended September 30, 2019, our consolidated capital expenditure towards additions to fixed assets (purchase of property, plant and equipment, intangible assets, capital work in progress and capital advances) was ₹ 21,672 lakhs.

For further information, see "***Financial Information***" on page 296.

NON-GAAP MEASURES

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("Adjusted EBITDA")/ Adjusted Earnings before Interest and Tax ("Adjusted EBIT")

Adjusted EBITDA and Adjusted EBIT presented in this Placement Document is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Previous GAAP, IFRS or US GAAP. Further, Adjusted EBITDA and Adjusted EBIT is not a measurement of our financial performance or liquidity under Ind AS, Previous GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Previous GAAP, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, Adjusted EBITDA and Adjusted EBIT is not a standardised term, hence a direct comparison of Adjusted EBITDA and Adjusted EBIT between companies may not be possible. Other companies may calculate Adjusted EBITDA and Adjusted EBIT differently from us, limiting its usefulness as a comparative measure. Also, see "***Risk Factors - We have in this Placement Document included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the cinema exhibition industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other cinema exhibition companies.***" on page 86.

Adjusted EBITDA, on a consolidated basis, is calculated as net profit after tax plus total tax expense, exceptional item, share of profit/(loss) of equity accounted investees (net of tax), finance costs and depreciation and amortization expense (all calculated on a consolidated basis), while Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by total income (consolidated). Adjusted EBITDA (Standalone), on a standalone basis, is calculated as profit for the year plus total tax expense, exceptional item, finance costs and depreciation and amortization expense (all calculated on a standalone basis), while Adjusted EBITDA Margin (Standalone) is the percentage of Adjusted EBITDA (Standalone) divided by total income (standalone). Further, Adjusted EBIT is calculated as Adjusted EBITDA less depreciation and amortization expense (all calculated on a consolidated/ standalone basis, as applicable). For reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EBIT, see "***– Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***", "***– Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*** *and* "***– Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted***

Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin" on pages 136 and 142, respectively.

Interest Coverage Ratio

Interest coverage ratio is a non-GAAP measure that is calculated as the (A) sum of (i) profit before tax, (ii) depreciation and amortization expenses, (iii) finance costs, (iv) exceptional items and (v) share of loss equity accounted investees (net of tax) divided by the (B) sum of (i) interest costs as per financial statements (includes interest on debentures, term loans and banks and others) and (ii) total amount of borrowing cost included in capital work in progress during the year. Our interest coverage ratio for Fiscal 2017, Fiscal 2018 and Fiscal 2019 was 5.0, 5.4 and 5.8, respectively.

The following table sets forth the reconciliation of our interest coverage ratio for the periods indicated:

Reconciliation of Interest Coverage Ratio

Particulars	Six Months ended September 30, 2019
	(₹ lakhs)
Profit before tax	10,145
Add: Expenses charged to statement of profit and loss	
Depreciation and amortisation expense	26,538
Finance costs	24,256
Exceptional items	-
Share of profit/ (loss) of equity accounted investees (net of tax)	(26)
Adjusted EBITDA* (A)	**60,965**
Interest costs as per financial statement (includes interest on debentures, term loans and banks and others)	5,810
Total amount of borrowing cost included in capital work in progress during the year	369
Total interest costs (B)	**6,179**
Interest Coverage Ratio (A)/ (B)	**9.9**

Particulars	Fiscal 2017	Fiscal 2018	Fiscal 2019
	(₹ lakhs)		
Profit before tax	15,284	19,446	29,903
Add: Expenses charged to statement of profit and loss			
Depreciation and amortisation expense	13,838	15,369	19,128
Finance costs	8,058	8,371	12,801
Exceptional items	407	59	-
Share of profit/ (loss) of equity accounted investees (net of tax)	-	(73)	(115)
Adjusted EBITDA* (A)	**37,587**	**43,318**	**61,947**
Interest costs as per financial statement (includes interest on debentures, term loans and banks and others)	7,298	7,580	9,208
Total amount of borrowing cost included in capital work in progress during the year	256	429	1,501
Total interest costs (B)	**7,554**	**8,009**	**10,709**
Interest Coverage Ratio (A)/ (B)	**5.0**	**5.4**	**5.8**

***** *For reconciliation of Adjusted EBITDA, see "**– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin**", "**– Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin**" and "**– Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin**" on pages 136 and 142, respectively.*

Total Gross Debt

Our Total Gross Debt to equity ratio was 0.86 and 1.32 as of March 31, 2019 and September 30, 2019, respectively. The following table sets forth certain information relating to our Total Gross Debt in the periods indicated:

Particulars	As of September 30, 2019
	(₹ lakhs)
Total Gross Debt#	1,37,402
Cash and Cash-like items*	9,151
Net Debt	**1,28,251**

 # Total Gross Debt represents long term borrowings including current maturities and short term borrowings.
**Cash and cash-like items represent investments (current), cash and cash equivalents (current) and other bank balances.*

Particulars	As of March 31, 2019
	(₹ lakhs)
Total Gross Debt#	1,28,239
Cash and Cash-like items*	3,522
Net Debt	**1,24,717**

 # Total Gross Debt represents long term borrowings including current maturities and short term borrowings.
**Cash and cash-like items represent investments (current), cash and cash equivalents (current) and other bank balances.*

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see "***Related Party Transactions***" on page 70.

CHANGES IN ACCOUNTING POLICIES

Except as disclosed in this Placement Document, there have been no changes in our accounting policies in the last three fiscals.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate on account of changes in market interest rates. Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a certain extent by borrowings and increases in interest expense may have an adverse effect on our results of operations and financial condition. Our exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates. We manage our interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Foreign Exchange Risk

Changes in currency exchange rates influence our results of operations. Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to the change in foreign currency exchange rates. A significant portion of our revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. We do not hedge our foreign exchange risk and accordingly, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other relevant foreign currencies.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss We are subject to the risk that our counterparties under various financial or customer agreements will not meet their obligations. Our credit risk exposure relates to our operating activities and our financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. In Fiscal 2018, Fiscal 2019, our trade receivables were ₹ 15,561 lakhs and ₹ 18,386 lakhs, respectively. In the six months ended September 30, 2019, our trade receivables were ₹ 15,902 lakhs.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. We aim to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

Inflation

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT IN WHICH THE COMPANY OPERATED

We are primarily engaged in the movie exhibition business and others allied activities including, amongst others, movie production, distribution and gaming. For further information, see "***Industry Overview***" and "***Financial Information***" on pages 158 and 296, respectively.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2019 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed in this Placement Document, to our knowledge no circumstances have arisen since September 30, 2019, that could materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

COMPARABLE CINEMAS

The financial and operational information relating to Comparable Cinemas included herein is based on various assumptions and estimates by our management, including those relating to the number of days that such screens and cinemas were in operation, the average number of shows in our cinemas in the immediately preceding fiscal year, as well as various factors within and beyond our control that could have an impact on the available capacity of our cinemas and its actual operation. Investors are therefore cautioned again placing undue reliance on the financial and operational information relating to Comparable Cinemas included herein and otherwise made publicly available on our website and elsewhere following the publication of our quarterly and annual financial results.

The financial and operational information relating to Comparable Cinemas is a supplemental measure of the financial and operating performance of our cinemas that is neither required by, nor presented in accordance with, accounting principles generally accepted in India or elsewhere; and our calculation of such information may not be comparable to that used in preparation and presentation of comparable information reported by our competitors in India or other companies in our industry outside India. We provide such supplemental information as we believe such information is used by securities analysts, investors and other interested parties to evaluate performance of our companies in our industry, and we use such supplemental information internally as a benchmark to compare our performance to that of our competitors. Such supplemental financial and operational information relating to Comparable Cinemas is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited and reviewed financial statements as reported under applicable accounting standards disclosed elsewhere in this Placement Document. See "Risk Factors - We have in this Placement Document included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the cinema exhibition industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other cinema exhibition companies." and "Risk Factors – Our sales growth and ability to achieve profitability could be adversely affected if Comparable Cinemas sales are less than we expect." on pages 86 and 80, respectively.

"Comparable Cinemas" are defined as cinemas that were Fully Operational Cinemas during both the entire relevant fiscal period as well as the entire comparative previous fiscal period. Accordingly, the Comparable Cinemas information herein below is in relation to our Company and does not include information pertaining to SPI Cinemas.

"Fully Operational Cinemas" are defined as cinemas that: (i) did not undergo any renovation resulting in the addition or removal of any operational screen to such cinema in the relevant fiscal period; and (ii) did not experience any disruption in operations (either resulting from any repair/renovation work undertaken by the Company, or due to any industry-wide issue, or as a result of any incident or circumstances beyond the Company's control) that resulted in less than 90.00% of the Full Capacity of the relevant cinema being available during the relevant fiscal period.

"Full Capacity" of any cinema is calculated as the aggregate number of seats across all screens at such cinema, multiplied by (i) the number of days in the relevant fiscal period; and (ii) the Average Number of Shows for such cinema.

"Average Number of Shows" for the Company's cinemas is calculated as the aggregate number of shows screened across all the Company's Fully Operational Cinemas in the immediately preceding fiscal year divided by the total number of screens at the end of such fiscal period. Average Number of Shows in the six months ended September 30, 2019 was 5.0.

The following table sets forth certain information relating to Comparable Cinemas' revenue from operations for the periods indicated:

Particulars	**Comparable Cinemas**	
	Six Months ended September 30, 2019	**Three Months ended September 30, 2019**
	(₹ lakhs)	
Income from sale of movie tickets	68,896	36,483
Sale of Food and Beverages#	36,574	19,108
Advertisement income	14,051	7,320
Convenience fees	6,040	3,291
Other revenue from operations*	1,923	1,054
Revenue from operations	**1,27,484**	**67,256**

 # Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.
**Other revenue from operation represents virtual print fees, income from movie production/ distribution, food court income, gaming income and management fee.*

Particulars	**Comparable Cinemas**	
	Six Months ended September 30, 2018	**Three Months ended September 30, 2018**
	(₹ lakhs)	
Income from sale of movie tickets	64,967	31,746
Sale of Food and Beverages#	33,803	16,210
Advertisement income	13,150	6,977
Convenience fees	3,633	2,689
Other revenue from operations*	2,000	1,151
Revenue from operations	**1,17,533**	**58,773**

 # Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.
**Other revenue from operation represents virtual print fees, income from movie production/ distribution, food court income, gaming income and management fee.*

The following table sets forth certain information relating to Comparable Cinemas' expenses for the periods indicated:

Particulars	**Comparable Cinemas**	
	Six Months ended September 30, 2019	**Three Months ended September 30, 2019**
	(₹ lakhs)	
Employee benefit expense	14,659	7,372
Adjusted rent expenses#	20,822	10,685
Common area maintenance (net of recovery)	5,740	2,998
Electricity and water charges (net of recovery)	7,760	3,901
Other expenditure*	13,989	7,051
Total	**62,970**	**32,007**

 # Adjusted rent expenses represents net rent expenses plus impact of Ind AS 116 adjustment in other expenses.

**Other expenditure represents total expenses less movie exhibition cost, consumption of food and beverages, employee benefit expenses, rent, common area maintenance, electricity and water charges, depreciation and amortization expense and finance costs.*

Particulars	Comparable Cinemas	
	Six Months ended September 30, 2018	Three Months ended September 30, 2018
	(₹ lakhs)	
Employee benefit expense	12,676	6,257
Rent expenses	19,518	9,844
Common area maintenance (net of recovery)	5,367	2,810
Electricity and water charges (net of recovery)	7,506	3,841
Other expenditure*	13,120	7,151
Total	**58,187**	**29,903**

**Other expenditure represents total expenses less movie exhibition cost, consumption of food and beverages, employee benefit expenses, rent, common area maintenance, electricity and water charges, depreciation and amortization expense and finance costs.*

The following table sets forth certain key operational information relating Comparable Cinemas for the periods indicated:

Particulars	Comparable Cinemas	
	Six Months ended September 30, 2019	Three Months ended September 30, 2019
Number of admits (lakhs)	378	204
Occupancy rate (%)(1)	36.1%	36.4%
Average Ticket Price(2) (₹)	215	212
Spend Per Head(3) (₹)	103	101

(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

Particulars	Comparable Cinemas	
	Six Months ended September 30, 2018	Three Months ended September 30, 2018
Number of admits (lakhs)	382	191
Occupancy rate (%)(1)	35.2%	33.6%
Average Ticket Price(2) (₹)	217	213
Spend Per Head(3) (₹)	93	90

(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from "Market Assessment of the film and multiplex industry in India" dated March 2019 (the "**CRISIL Report**") prepared and issued by CRISIL Research, a division of CRISIL Limited, on our request. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

MACRO-ECONOMIC OVERVIEW OF INDIA

Review and outlook of India's Gross Domestic Growth ("GDP") growth

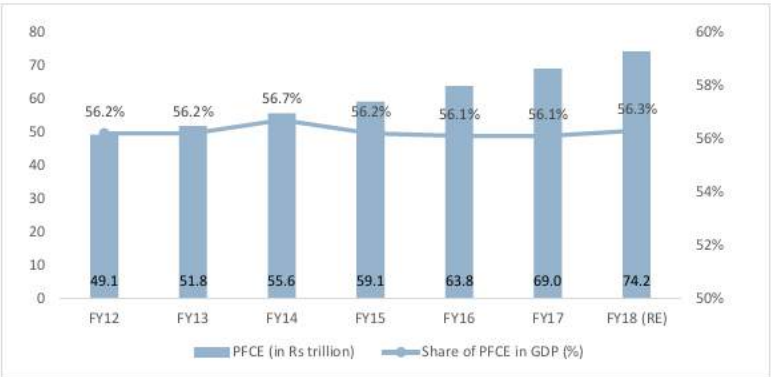
GDP has grown at a CAGR of 7.1% over the past six years. India's GDP has increased at a CAGR of 7.1% from ₹ 87.4 trillion in Fiscal 2012 to ₹ 131.8 trillion in Fiscal 2018. As per the Central Statistics Office ("**CSO**"), India's GDP growth increased in the second half of Fiscal 2018 and was 7.2% in Fiscal 2018.

GDP growth is expected to be 7.3% in Fiscal 2020. As per CSO estimates, GDP growth for Fiscal 2019 is decelerating to 7% and is attributed to a downward revision in government consumption and investment, while private consumption growth has improved from 6.4% to 8.4%. In Fiscal 2020, GDP is expected to increase by 7.3%. The key drivers are expected to be private consumption and investment. Private consumption growth is expected to find support from lower interest rates and improvement in farm realisations, as food inflation increases in the next Fiscal.

Review of Private Final Consumption Growth ("PFCE")

PFCE continues to maintain significant share in GDP. PFCE at constant prices has increased at a CAGR of 7.1% from Fiscal 2012 to Fiscal 2018. Factors contributing to this growth include favourable monsoons, wage revisions due to implementation of the pay commissions, liberal interest rates and low inflation levels. PFCE continues to maintain a share of approximately 56% in the GDP. According to CSO estimates, PFCE is estimated at ₹ 80.3 trillion (57% of GDP) for Fiscal 2019.

Trend in private final consumption expenditure (at constant prices)

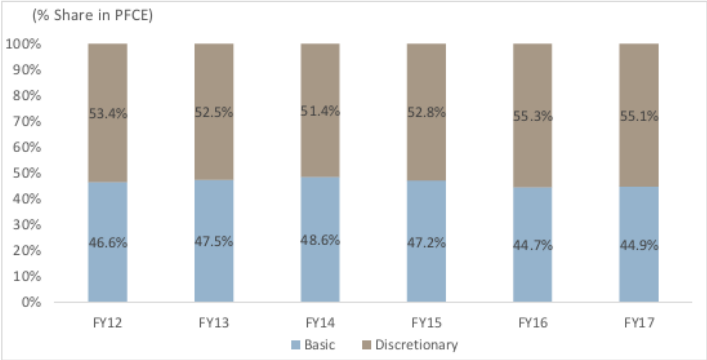


Note: RE: Revised estimates

Consumption expenditure to be driven by discretionary items

The share of discretionary items in consumption have increased from 53.4% in Fiscal 2012 to 55.1% in Fiscal 2017. As household disposable income increases, there will be a change in the consumer's consumption pattern and an increase in the spending on discretionary items.

Broad split of consumption into basic and discretionary items



Note: Basic items includes food, clothing, and housing. Discretionary items includes education, health care, electricity, water supply, footwear, personal care products, processed foods, alcoholic and non-alcoholic beverages, tobacco, narcotics, fuel & gas, furnishing and household equipments, vehicle and personal transportation, spending on recreation and culture, communication, restaurants and hotels, financial insurance and other financial services, and other items not elsewhere classified (n.e.c.)

Expenses on food and non-alcoholic beverages as a segment has grown annually by 12% during Fiscal 2012 and Fiscal 2017, in comparison with the overall private final consumption expenditure, which increased at a CAGR of 13% during the same period. Food and non-alcoholic beverages expenses are expected to increase annually by 12% to reach ₹ 33,879 billion in Fiscal 2019.

Trend and outlook on food and non-alcoholic beverages in PFCE

Particulars (at current prices)	FY12	FY17	FY18E	FY19P	CAGR FY12-17
Total private final consumption expenditure (in Rs bn)	56,512	90,546	1,01,872	1,14,614	13%
Food and non-alcoholic beverages (in Rs bn)	17,509	27,188	30,349	33,879	12%

Note: E: estimate; P: projected

Recreation and culture expenses have grown at 6% CAGR during Fiscal 2012 and Fiscal 2017. As income levels improve and discretionary spending increases, recreation and culture expenses are expected to increase at an annual rate of 6% to reach ₹ 789 billion in Fiscal 2019.

Trend and outlook on recreation and culture in PFCE

Particulars (at current prices)	FY12	FY17	FY18E	FY19P	CAGR FY12-17
Total private final consumption expenditure (in Rs bn)	56,512	90,546	1,01,872	1,14,614	13%
Recreation and culture (in Rs bn)	545	698	742	789	6%

Note: E: estimate; P: projected

India's discretionary spend is lower in comparison with advanced economies such as United States and United Kingdom and is expected to increase with the rise in per capita income. In 2012, discretionary items formed approximately 75% share of spending for the United States and United Kingdom, whereas for India the share of discretionary items was lower at approximately 53%. In 2017, the share of discretionary, increased to approximately 76%, 77%, and 55% for the United States, United Kingdom and India, respectively. As the Indian economy advances and household disposable income rises, the share of discretionary items in spending expenditure is expected to increase and drive growth in overall consumption expenditure. This is expected to indicate growth for sectors such as media and entertainment, which rely primarily on discretionary spending for their growth.

Review of per capita income growth

Per capita income registered a CAGR of 5.5% from Fiscal 2012 to Fiscal 2018. India's per capita income has registered a CAGR of 5% to 6% over the past six years. Growth in per capita income levels have been led by the

factors similar to the growth of the overall GDP. Further, the population growth has remained fairly stable, with India's population registering a CAGR of 1% from 2011 to 2017 to reach approximately 1.3 billion people. According to CSO, the per capita income in Fiscal 2019 is estimated to grow at approximately 5.8% over Fiscal 2018.

Trend in per capita net national income (NNI) at constant prices (in Rs. and USD)

	FY12	FY13	FY14	FY15	FY16	FY17	FY18 (RE)
Per capita NNI (Rs)	63,462	65,538	68,572	72,805	77,659	82,931	87,623
y-o-y growth	2.1%	3.3%	4.6%	6.2%	6.7%	6.8%	5.7%
Per capita NNI (USD)	1,325	1,205	1,133	1,192	1,186	1,236	1,358
Rs. / USD	47.9	54.4	60.5	61.1	65.5	67.1	64.5

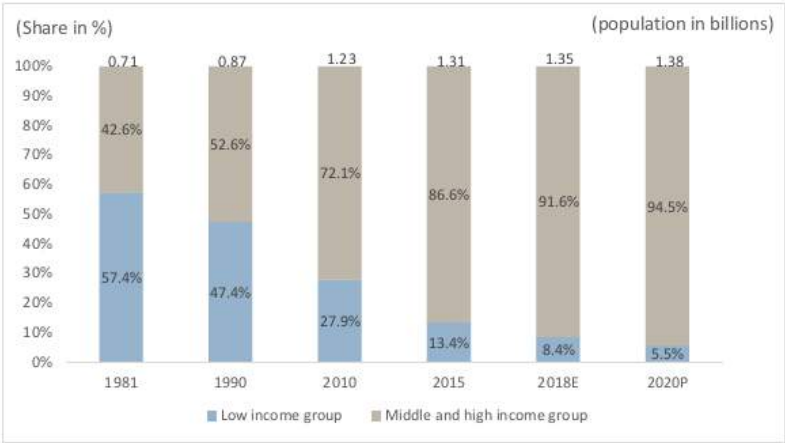
Note: RE: Revised estimates;

Decline in poverty levels indicate rise in middle and higher income groups in India

According to the report '*Global Economic Prospects*' dated January 2019, the World Bank estimated that the number of poor population (defined as people living on or below the international poverty line of purchasing power parity ("**PPP**") USD 1.90 per day) in India has declined significantly from 405 people million in 1981 to 175 million people in 2015. In percentage terms, the share of the poor population in India's total population has declined from 57.4% in 1981 to approximately 13.4% in 2015 and is estimated to decline to 8.4% in 2018. The fall in poverty has been attributed to improvement in macro-economic parameters such as the GDP growth, employment rate and income equality along with the adoption of employment and other public welfare schemes by the Government. According to the World Bank, the absolute number of poor population in India is estimated to further reduce from 175 million people in 2015 to approximately 77 million people in 2020, resulting in the percentage share (share of the poor population in the total population) to approximately 5.5% in 2020.

This decline in poor population indicates that the middle and high income groups in India have grown at a fast from 42.6% in 1981 to 86.6% in 2015 and is expected to reach 94.5% by 2020. A positive macro-economic outlook along with growth across key employment generating sectors such as real estate, infrastructure and automobiles, is expected to have an effect on the overall per capita income levels of the population in the medium to long term. As a result, this is expected to drive consumption expenditure and discretionary spending.

Broad split of population into income groups



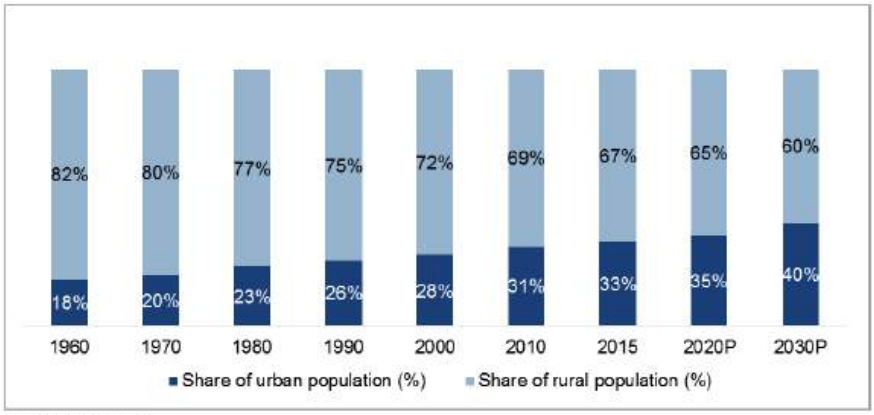
Note: E: Estimated P: Projected
Values above bar columns indicate the total population in billions for respective years as per UN population estimates.
World Bank defines poor as those living on or below the international poverty line of PPP (purchasing power parity) USD 1.90 per day. Data 2018 are estimates and data for 2020 are projections and calculated using data from World Bank (2018l)

Review of key socio-economic indicators

By 2030, India's population is projected to reach 1.5 billion with urbanisation estimated to reach 40% of the total population. According to 2011 Census, India's total population was approximately 1.2 billion and comprised approximately 246 million households. From 2001 to 2011, population growth has registered a CAGR of 1.8%. According to the '*World Urbanization Prospects: The 2018 Revision*', it is projected that India's population will register a CAGR of 1.0% to reach 1.5 billion people by 2030, resulting in India becoming the world's most populous country, exceeding China, with 1.4 billion people by 2030,.

The share of India's urban population, in relation to its total population, has been rising over the years, and was approximately 31% in 2010. People from rural areas move to cities in search of, amongst others, better job opportunities, education and quality of life. According to the "*World Urbanization Prospects: The 2018 Revision*", the United Nations expects approximately 40% of India's population to live in urban areas by 2030.

Trend in India's urban v/s rural population (in %)

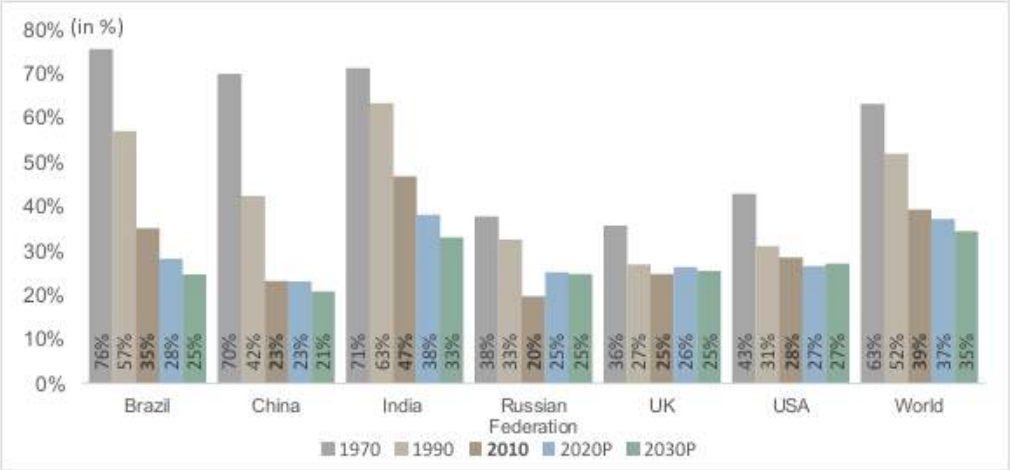


Note: P: Projected

India's youth is projected to account for approximately 40% of India's population by 2030

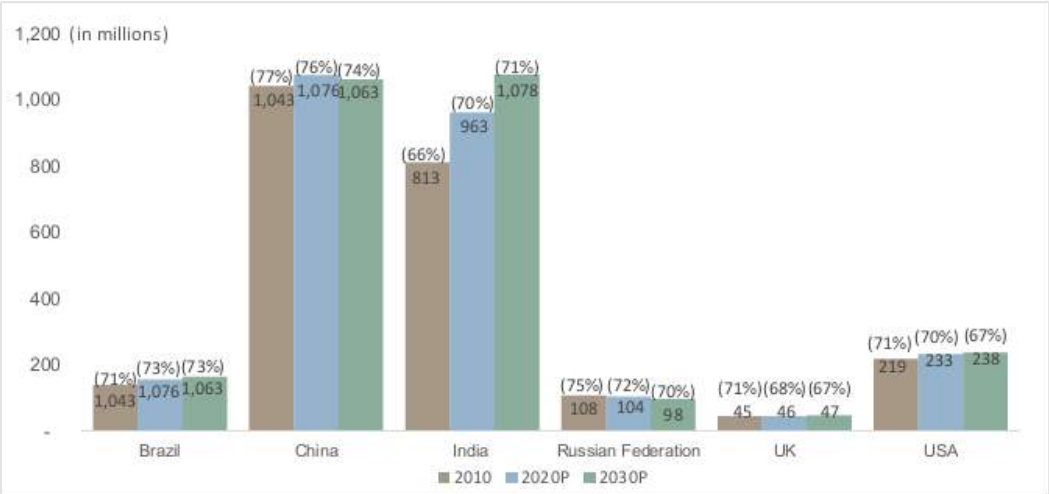
According to the United Nations' '*Population Division Report 2017*', India's youth (*i.e.* population till the age of 24 years) accounted for approximately half of India's population, which was slightly above the global average of approximately 44.4% and significantly higher in comparison with some of its peers, for instance, Brazil, China and Russia's youth accounted for approximately 42.7%, approximately 35.0% and approximately 29.8%, respectively, of their respective total population, as of 2010. The share of youth in India is expected to reach approximately 39.7% of India's total population by 2030, and is expected to still remain significantly higher in comparison with some of its peers, for instance, Brazil, China and Russia's youth is expected to account for approximately 31.3%, approximately 27.0% and approximately 29.6%, respectively, of their respective total population, indicating a higher proportion of population entering the work-force segment. Further, in terms of child dependent population (*i.e.* population till the age of 14 years), India ranked highest among its peers with approximately 31% of the population were in the child dependent population, as of 2010. Even though the trend is expected to decline in the future, India is still expected to have a higher child dependent share of population of 23.6% of its total population, as of 2030. In comparison China, Brazil and Russian Federation are projected to have child dependent population of 15.4%, 18.1% and 17.2%, respectively, as of 2030. The dependency ratio, *i.e.* defined as the ratio of population till the age of 14 years to the population between the ages of 15 years to 69 years, for India is expected to decline to approximately 33% in 2030 from approximately 47% in 2010, as India's young population starts to enter the working population age segment. India's dependency ratio for 2010, which was approximately 47%, was higher than the global average of approximately 39%, however, India's dependency ratio is expected to decline by 2030, to approximately 33%, which will be below the global average of approximately 35%.

Dependency ratio (0-14 year population as % of 15-69 year population)



The '*United Nations Population Fund*' defines demographic dividend as economic growth potential, which can occur as a result of changes in the age structure of a country's population, namely when the share of working population is larger than the share of non-working population. India's share of working population (considered as population between the ages of 15 years to 69 years) in its total population is expected to increase from approximately 66% in 2010 to approximately 71% in 2030. In comparison, the share of working population for countries such as China, United States, United Kingdom and Russia, which were higher than India's share as of 2010, is projected to decrease by 2030.

Trend in working population (15-69 years)



Note: Values in % above the bar graph represents working population ratio as % of total population of the country

India's median age to reach 31.4 years by 2030

According to the United Nations World Population 2017 division, the median age of population at a global level has increased from approximately 22 years in 1970 to approximately 30 years in 2015, with more developed regions exhibiting median ages significantly higher the global level and the least developed regions exhibiting median ages below the global levels. India enjoys a significantly lower median age of 28.2 years, as of 2015, in comparison with the United States and United Kingdom, whose median ages were 39.8 years and 42.4 years, respectively. Further, among the 'BRIC' nations (Brazil, Russia, India and China), India's median age is the lowest with Brazil, China and Russia registering median ages of 31.3 years, 37 years and 38.7 years, respectively, as of 2015, indicating a favorable demographic dividend. This trend is expected to continue in the future, resulting in a strong potential for growth in income levels and discretionary spending as higher proportion of population engages in employment activities.

Trend in median ages across key countries

Country	1970	1990	2010	2015	2020P	2030P
Brazil	18.7	22.4	29.0	31.3	33.5	37.7
China	19.3	24.9	35.2	37	38.7	43.0
India	19.4	21.1	25.1	26.7	28.2	31.4
Russian Federation	30.8	33.4	38.0	38.7	39.6	42.6
United Kingdom	34.2	35.8	39.6	40.2	40.8	42.4
United States of America	28.4	32.8	36.9	37.6	38.3	39.8
World	21.5	24.0	28.5	29.6	30.9	33.0

ASSESSMENT OF THE FILM AND THE MULTIPLEX INDUSTRY IN INDIA

Global box office trends

United States and Canada continue to occupy dominant position in global box office collections in 2017. Global box office collections for all films released was the highest in 2017 amounting to US$ 40.6 billion, registering a CAGR of 5% over 2016. The growth was primarily led by China, where the box office collections registered an annual increase of approximately 20% in 2017. The United States and Canada continue to occupy the dominant position in global box office collections with a share of approximately 27% in 2017. However, China is also emerging as a key player in global box office collections as its share in the global box office collections improved marginally from approximately 18% in 2015 to approximately 19% in 2017. India continues to maintain its position among the top five box office regions at a global level.

Trend in gross box office collections of key countries

(in US billion)	2015	2016	2017
Global	38.4	38.8	40.6
US & Canada	11.1	11.4	11.1
China	6.8	6.6	7.9
Japan	1.8	2.0	2.0
UK & Ireland	1.9	1.7	1.6
India	1.6	1.9	1.6
South Korea	1.5	1.5	1.6

India enjoys the maximum number of movie certifications/ releases across key countries in 2017. India has maintained its dominant status when it comes to total number of movies certified/released in a country among its peers, with the total number of films certified amounting to over 2,000 movies per year. Due to the diversity of the languages in India, Indian movies releases across languages continue to account for a significant share (more than 85% of total films certified) over the past few years. In comparison, in countries such as the United States and Canada, the number of movies released annually were 777 in CY 2017. However, in terms of box office collections, India is behind the United States and Canada primarily on account of cheaper ticket prices and low screen count.

Trend of movies released/certified across key countries

Country	2015	2016	2017
India*	2,243	2,336	2,089
Japan	1,136	1,149	1,187
South Korea	1,203	1,573	1,765
US & Canada	708	718	777
UK & Ireland	759	821	760

Note: *Data available for India is total feature films certified (digital and celluloid, Indian and foreign) and is available for FY; for the above representation, FY16 corresponds to CY 2015, FY17 corresponds to CY 2016 and FY18 corresponds to CY 2017

China has exceeded the United States and Canada to record the maximum number of movie screens as of 2017. China has made significant progress to exceed the United States and Canada in terms of total number of movie screens, which was approximately 51,000 as of 2017, registering a CAGR of 29% from 2013 to 2017. In comparison, United States and Canada regions are mature markets where the total movie screen count have remained in the similar range. However, in terms of per capita availability of movie screens, United States and Canada are relatively superior as compared to the key countries, with 111 screens per million residents. Further, China has made significant progress in this parameter as well, with 36 screens per million residents as of 2017 in comparison to 23 screens per million residents as of 2015. However, notwithstanding India accounting for the maximum movie attendance and films certified/releases, India remains an underpenetrated country when it comes to movie screens per capita with approximately seven screens per million residents as of 2017.

Trend of movies released/certified across key countries

Country	2015	2016	2017
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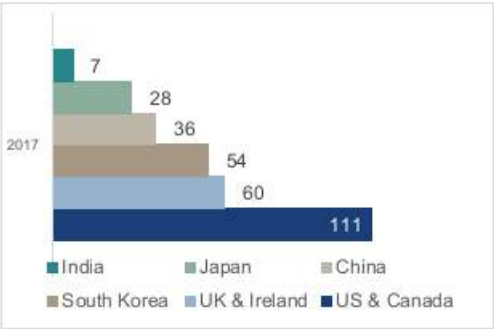
Note: *Data available for India is total feature films certified (digital and celluloid, Indian and foreign) and is available for FY; for the above representation, FY16 corresponds to CY 2015, FY17 corresponds to CY 2016 and FY18 corresponds to CY 2017

Source: Central Board of Film Certification, Film Federation of India for India; Motion Picture Association of America (MPAA) for US & Canada, Motion Picture Producers Association of Japan, Inc for Japan; British Film Institute (BFI) for UK & Ireland and Korean Film Council (KOFIC) for South Korea

Per capita availability of movie screens in key countries (CY 2017 – number of screens per million residents)



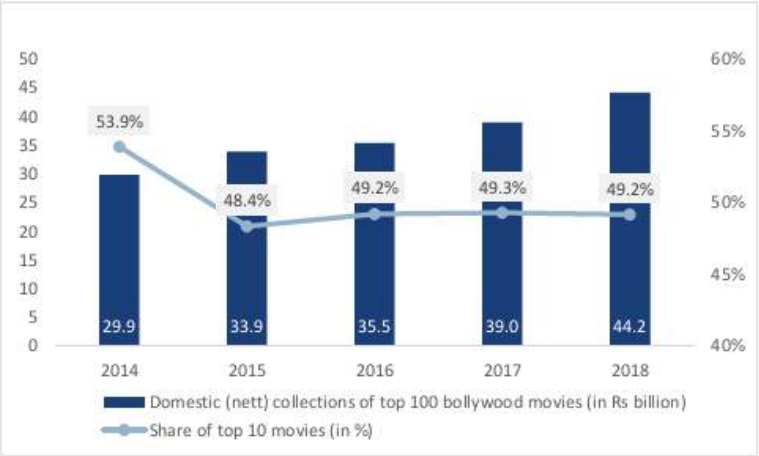
Note: population estimates for every country are as per World population prospects 2017 by United Nations

Source: CRISIL Research

Review of the box office collections in India

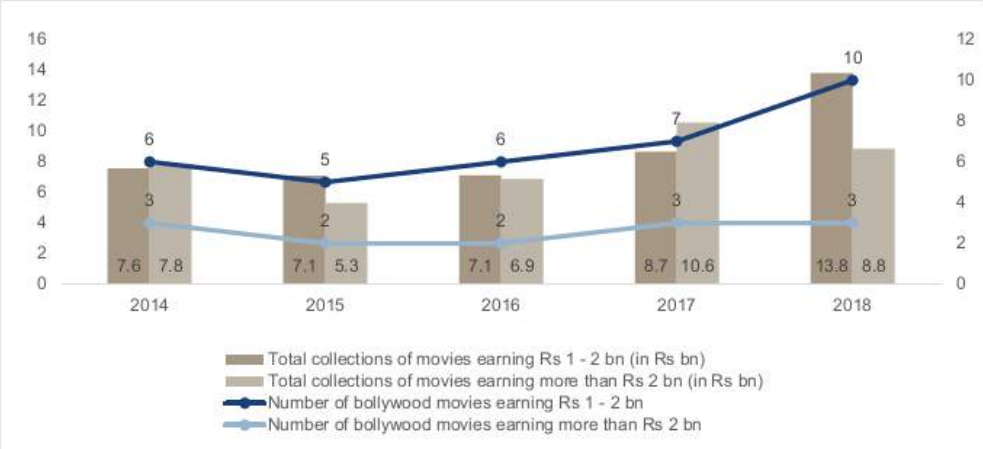
Domestic collections of top 100 Bollywood movies released increased at a CAGR of 10% CAGR from 2014 to 2018. Domestic collections of top 100 Bollywood movies released have shown consistent growth over the years, resulting in a CAGR of 10% from 2014 to 2018. Among the top 100 Bollywood movies, the share of top 10 movies has also remained consistent, accounting for 48% to 49% over the years.

Trend in domestic (nett) collections of top 100 Bollywood movies released in India



2018 accounted for the highest number of Bollywood movies crossing ₹ 1 billion in box office collections. There has been a growing trend of Bollywood movies crossing the ₹ 1 billion box office collection mark. Even though the primary reason for high box office collection depends on the content of the movie, there are certain other factors, such as, adequate promotion and advertising activities, combination of actors and directors, and timing and location of movie release. In 2018, a total of 13 Bollywood movies reached the ₹ 1 billion box office collection mark with total box office collections amounting to ₹ 22.6 billion in comparison, in 2017, 10 Bollywood movies reached the ₹ 1 billion box office collection mark with the total box office collection amounting to ₹ 19.2 billion.

Trend in number of Bollywood movies crossing Rs 1 bn



Note: total collections above are nett domestic collections

Snapshot of top earning movies across 2014-2018

2018

Sr no.	Movie Name	Release Date	Lifetime collections (Nett domestic in Rs bn)
1	Sanju	Jun-18	3.4
2	Padmaavat	Jan-18	3.0
3	Simmba	Dec-18	2.4
4	2.0	Nov-18	1.9
5	Race 3	Jun-18	1.7

2017

Sr no.	Movie Name	Release Date	Lifetime collections (Nett domestic in Rs bn)
1	Baahubali 2 - The Conclusion	Apr-17	5.1
2	Tiger Zinda Hai	Dec-17	3.4
3	Golmaal Again	Oct-17	2.1
4	Judwaa 2	Sep-17	1.4
5	Raees	Jan-17	1.4

2016

Sr no.	Movie Name	Release Date	Lifetime collections (Nett domestic in Rs bn)
1	Dangal	Dec-16	3.9
2	Sultan	Jul-16	3.0
3	M.S. Dhoni - The Untold Story	Sep-16	1.3
4	Airlift	Jan-16	1.3
5	Rustom	Aug-16	1.3

2015

Sr no.	Movie Name	Release Date	Lifetime collections (Nett domestic in Rs bn)
1	Bajrangi Bhaijaan	Jul-15	3.2
2	Prem Ratan Dhan Payo	Nov-15	2.1
3	Bajirao Mastani	Dec-15	1.8
4	Tanu Weds Manu Returns	May-15	1.5
5	Dilwale	Dec-15	1.5

2014

Sr no.	Movie Name	Release Date	Lifetime collections (Nett domestic in Rs bn)
1	PK	Dec-14	3.4
2	Kick	Jul-14	2.3
3	Happy New Year	Oct-14	2.0
4	Bang Bang!	Oct-14	1.8

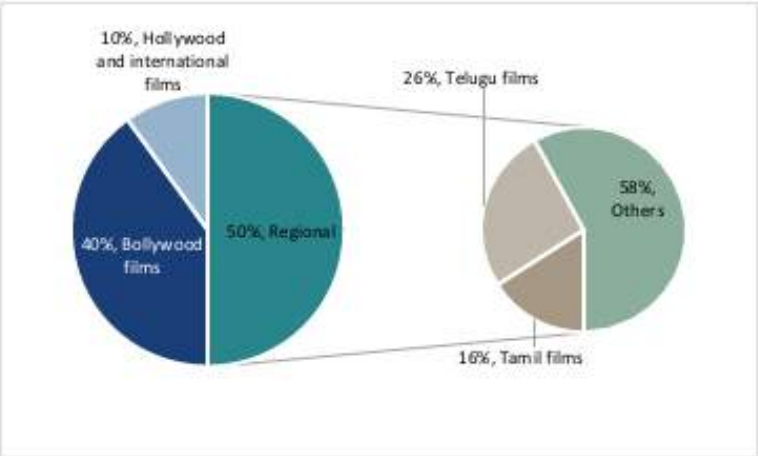
Regional movies continue to occupy a significant share in overall film releases. Even though the Indian film industry became prominent on the international stage due to Hindi movies (Bollywood), regional movies in India continue to play an important role in the overall film releases in India due to the diversity of culture and languages in India.

Trend in film releases based on language

Language	FY14	FY15	FY16	FY17
Hindi	263	297	340	364
Tamil	326	303	291	304
Telugu	349	291	275	294
Kannada	164	159	204	220
Bengali	162	178	149	163
Malayalam	201	195	168	156
Marathi	160	127	180	117

Note: Above data includes digital and celluloid film releases

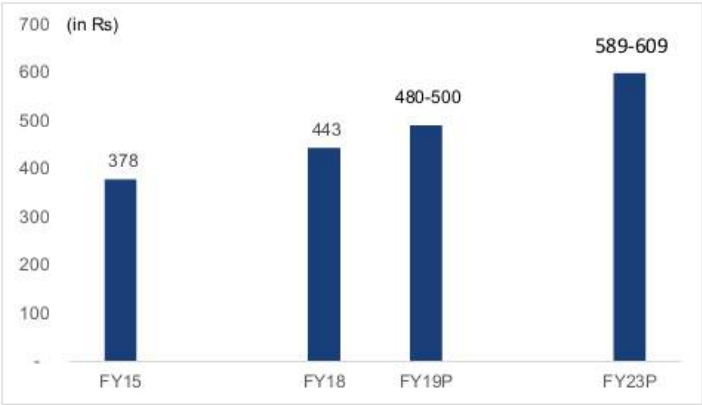
Split of box office collections by language (as of 2017)



Review of the film and multiplex industry in India

Average spending on movies per household in India is expected to amount to ₹ 589 to ₹ 609 per household by Fiscal 2023. The Indian media and entertainment industry is an evolving industry and exercises influence on a large segment of the population. The experience of going to watch a movie in a movie theatre with family is still considered as on the most popular options for entertainment in rural and urban households in India. The spend on media and entertainment is primarily a discretionary expense and generally, it is dependent on the middle and upper income households for its growth. The average spending per household on movies in India has growth from approximately ₹ 368 to ₹ 388 per household in Fiscal 2015 to approximately ₹ 433 to ₹ 453 per household in Fiscal 2018. The average spending on movies is expected to reach ₹ 589 to ₹ 609 per household in Fiscal 2023. While the content of movies remains the key factor, certain other key factors, such as, the trend of increasing middle and high income groups, rising per capita income, growth in working population and increase in median age are expected to further increase the average spending on movies per household in India. In addition, an increase in the average ticket prices and spend per head on account of increasing premiumization of cinema halls is also contributing to the increase in movie spends per household in India. At the same time, factors, such as, increase in other entertainment options, including, live shows particularity in urban areas, and growth of digital content on account of increased penetration of smart phones and internet connectivity, are expected to weigh down on the overall spend on movies per household in India.

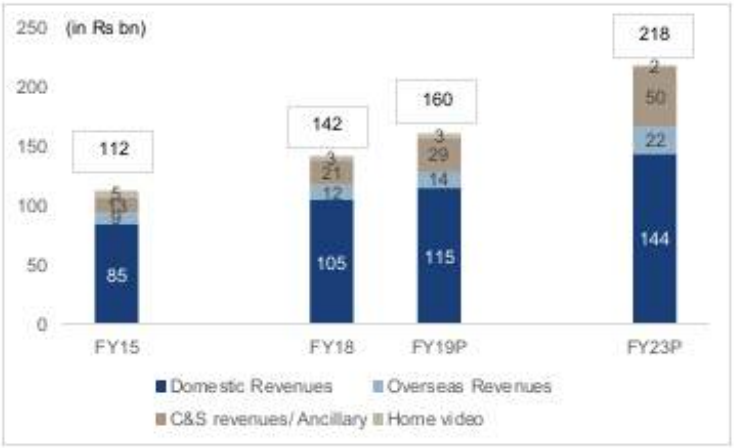
Trend and outlook on average spending on movies per household in India



Note: Average spend on movies per household has been calculated by dividing domestic film industry revenues (including C&S and home video) by estimated number of households in India; P: projected

Growth in the film industry is expected to increase at a CAGR of 8% to 9% over the next five Fiscals. The Indian film industry revenues increased at a CAGR of 8% to 9% from ₹ 112 billion in Fiscal 2015 to ₹ 142 billion in Fiscal 2018. Domestic revenues continue to account the largest share of the total revenues by accounting for approximately 74% of the total revenues in Fiscal 2018. Domestic and international revenues both grew approximately by 4% on-year in Fiscal 2018, primarily due to the exhibition of movies such as '*Baahubali 2 – The Conclusion*', '*Tiger Zinda Hai*' and '*Padmaavat*'. While multiplexes exhibited a double digit growth on-year in Fiscal 2018, single screens registered a decline in theatrical revenues during the corresponding period, thereby leading to an overall 4% growth on-year. There was also an increase in the cable and satellite ("**C&S**") and ancillary revenues, which grew by approximately 22% on-year and accounted for 20% share in the total revenues in Fiscal 2018. The revenues in the C&S segment also came from the sale of digital rights to Over-The-Top ("**OTT**") platforms. OTT platforms in India, include, Netflix, Amazon Prime Video and Hotstar. The digital audience in India has been steadily increasing due to increasing smart phone penetration, wide geographical coverage of high speed internet at affordable data rates, and availability of compelling video content.

Trend and outlook in film industry revenues in India



Note: numbers above the bar represent total film industry revenues in Rs bn; Cable & Satellite revenues includes revenues from OTT players
P: projected

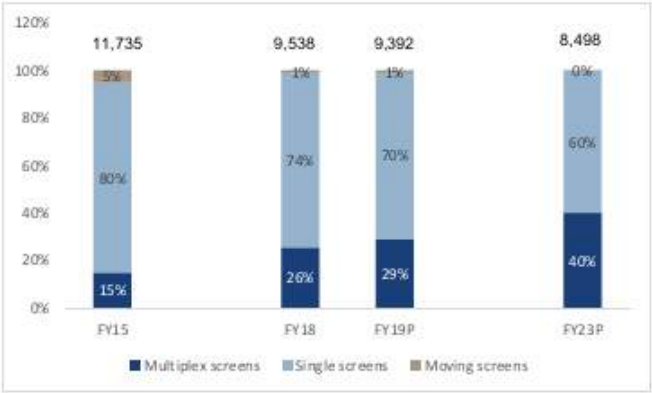
The growth in total revenues in Fiscal 2019 is expected to be approximately 13% on-year. The growth in domestic and overseas revenues is expected to be 9% to 10% and 13% to 14% on-year, respectively. This expected growth is supported by the increase in number of screens by multiplex operators in India, as the multiplex operators are focusing more on increasing the number of screens resulting in higher number of shows and moderate growth rate in the average ticket price ("**ATP**"). However, the C&S revenues are expected to grow significantly at 36% to 37% on-year, on account of low base and significant revenue contribution from sale of digital rights to OTT platforms. Total revenues are expected to register a CAGR of 8% to 9% till Fiscal 2023.

Multiplex cinemas are quickly gaining prominence. The film exhibition sector can be broadly divided into two segments, namely, single screen cinemas and multiplex cinemas. Approximately 75% of the cinema screens in India are single-screen cinemas owned by individual entrepreneurs, operating in a mostly unorganised market. In comparison, in most of the developed countries, multiplexes account for approximately 70% to 80% of the total screens. However, this situation is quickly changing in India with the emergence and spread of multiplexes.

Multiplex cinemas are quickly changing the manner in which movies are viewed, particularly in big cities in India. Historically, the most movie theatres in India were set up as single screen theatres with large seating capacities, ranging between 750 and 1,500 seats per screen. However, due to the lack of adequate maintenance and upgradation on account of less investments, the overall experience for cinema viewers at single screen theatres was impacted. In comparison, multiplex cinemas, characterised by limited seating capacity of 250 to 400 seats per screen, better ambience, quality viewing with high-end sound systems, comfortable seating arrangements, good quality service as well as food and beverages, have succeeded in attracting family audiences back to movie theatres. There has been a consolidation in the multiplex industry over the past few years, with PVR Limited acquiring Cinemax, DT Cinemas and SPI Cinemas, INOX Leisure Limited acquiring Fame and Satyam Cineplexes, and Carnival Cinemas acquiring BIG cinemas, Glitz Cinemas and Broadway Cinemas. This trend is expected to continue as multiplex players are aiming to grow both organically and inorganically in order to increase their market share.

Multiplex cinemas are quickly changing the manner in which movies are viewed, particularly in big cities in India. The number of multiplex screens have grown approximately 16% on-year to approximately 2,450 in Fiscal 2018. The number of screens was approximately 2,676 screens as of February 2019. The number of screens is expected to reach over 2,700 in Fiscal 2019, and grow at approximately 6% CAGR between Fiscal 2019 and Fiscal 2023 to reach approximately 3,420 screens. As a result, the share of multiplex screens in overall screens is expected to increase from 26% in Fiscal 2018 to approximately 40% in Fiscal 2023. In India, the number of single screens is estimated to approximately be 7,000 screens as of March 31, 2018. The share of single screens in overall screens is expected to reduce from 74% in Fiscal 2018 to 60% in Fiscal 2023. The growth will increasingly be driven by Tier II and III cities, as metro cities are generally more competitive in terms of out-of home entertainment options, such as live events and plays. In addition, rising disposable incomes, uniqueness of multiplexes and digital technology incentivize the opening of more screens in Tier II and III cities.

Trend and outlook in number and types of screens in India



Note: numbers above the bar graphs represent total number of screens; CRISIL Research has defined multiplexes as those movie theatres with more than 2 screens, single screens include movie theatres with 2 screens; P: projected

Multiplexes are projected to be the key growth drivers for the film industry in India. The industry is expected to increase its screen count in the multiplex cinemas due to the following reasons:

- Revenue-earning potential: Multiplex cinemas can shift a movie across various screens, depending upon the response to the movie. For example, multiplexes often exhibit a movie in multiple screens in the first week of its release and subsequently, the movie is then shifted to the screen with the largest capacity and thereafter to smaller capacity screens. As a result, the maximum revenue earning potential of a movie is achieved.

- Higher occupancy rates and better realisations: Multiplexes operators have better occupancy levels and realisations in comparison with single screen cinemas. At an industry level, the average occupancy of multiplexes is estimated to be between 25% to 30%, while for single-screen cinemas is estimated to be between 20% to 25%. However, multiplex ticket prices are also higher than single-screen tickets.

- Sharing facilities reduces the overhead costs and improves profitability: All screens of a multiplex are able to equally share its facilities, such as, ticketing window, food and beverage outlets and manpower, which results in lower overheads and thereby, improving profitability.

- Diversified revenue stream: Multiplexes have a diversified revenue model and typically, multiplexes account for 65% to 70% of their revenue from the sale of tickets, 15% to 20% from food and beverages, and the remaining from advertising, sponsorship and renting out retail space. While, single-screen cinemas typically earn a large share of their revenues from the sale of movie tickets.

Multiplexes are beneficial to all stakeholders across the value chain. Every stakeholder across the film industry value chain benefits from a multiplex in the following manner:

- Consumer: Consumers are provided with a relatively improved movie-watching experience *vis-a-vis* single-screen cinemas with a wider option of movies to choose from.

- Exhibitors: Multiplex theatre owners are able to maximize a film's commercial value in a relatively superior manner, as occupancy rates are higher in multiplex cinemas.

- Distributor: Typically, all sales are reported in a multiplex on account of computerised ticketing system, which results in less scope for any revenue leakage on account of under-reporting. This would potentially help the distributors in increasing their revenues.

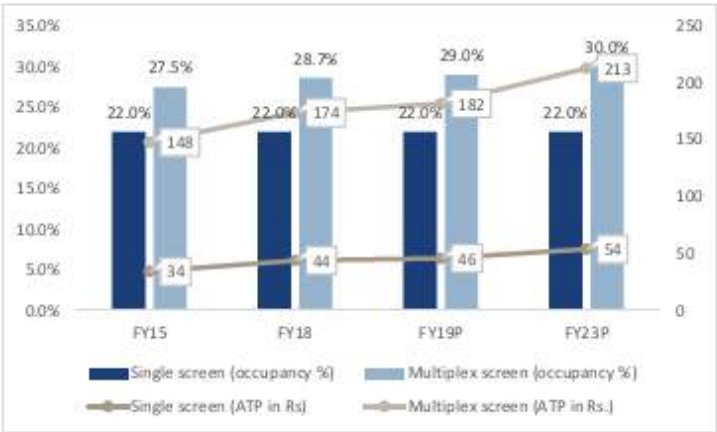
- Producers: Higher revenue collections would result in improved returns for the producer as well. Multiplexes also provide producers with increased scope for producing unique and low-budget films.

- Mall developers: Multiplex operators share an important relationship with mall developers as they act as anchor tenants in malls due to their ability to attract more footfalls.

Occupancy levels are projected to stabilise in next four to five Fiscals

Occupancy levels (*i.e.* ratio of number of footfalls per screen per annum to total capacity per screen) primarily depends upon the content of the film content. Overall occupancy levels for multiplexes is projected at approximately 29% in Fiscal 2019, and is projected to reach approximately 30% by Fiscal 2023. Reduction in GST rates, from 28% to 18% for tickets priced above ₹ 100, is also expected to have a positive impact on admits and consequently, the cinema exhibition industry.

Trend and outlook in occupancy levels (%) and average ticket prices (in Rs.)



Note: moving screens occupancy levels and ATP have not been considered above as they constitute a minimal share in total screen count

ATP for multiplexes are expected to grow at a CAGR of 4% to 5% over the next four to five Fiscals. The ATP for multiplexes is expected to increase at a CAGR of 4% to 5% from Fiscal 2018 to Fiscal 2023, due to:

- the increase in the number of premium properties, such as '*PVR Directors Cut*', '*PVR Gold Class*', '*Inox Insignia*, which have with latest technology, by multiplex operators with the aim of providing a luxurious experience to movie viewers.

- the advent of on-demand services with diverse content choices by top multiplex players. For example, '*Vkaao*' by PVR Limited allows consumers to choose the content of their own choice.

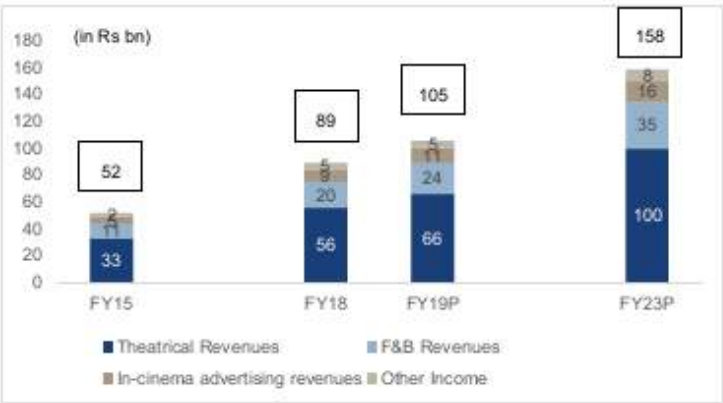
- the increase in rental cost for multiplex operators. The rental expense for the top multiplex players account for approximately 15% to 20% of their respective revenues, which could result in multiplexes passing on such costs to the customers.

- the extent of increase in the average ticket price also will depend on the change in property mix resulting from expansion in Tier II and Tier III cities.

Multiplex revenues to grow by 11% CAGR between Fiscal 2019 and Fiscal 2023

Even though, multiplexes accounted for approximately 26% share of the total domestic screen portfolio, multiplex accounted for approximately 53% share of the domestic theatrical revenue in Fiscal 2018. The segment's revenue is linked directly to the content line-up, with good content leading to high footfalls, resulting in higher box office collections.

Trend and outlook for multiplex revenues across categories



Note: numbers above the bar graph represent total multiplex revenues in Rs billion; P: projected

Theatrical revenues are projected to increase by 18% on-year in Fiscal 2019

The link with content can be evaluated from the fact that theatrical revenue of multiplexes increased by approximately 17% on-year in Fiscal 2018 due to movies, such as, '*Baahubali 2 - The Conclusion*', '*Padmaavat*' and '*Tiger Zinda Hai*'. In Fiscal 2019, theatrical revenue is expected to increase by approximately 18% on-year. Further, discussions with certain industry stakeholders indicate that multiplex operators, in order to protect their revenues, have secured an exclusive eight-week window period in writing before a movie is released on OTT or C&S platforms, thereby safeguarding their revenues to an extent. In addition, newer plans introduced by the multiplex players, such as, loyalty schemes and unlimited plans, are expected to further improve the growth prospects.

Food and beverages ("**F&B**") **revenues are expected to grow by approximately 21% on-year in Fiscal 2019**

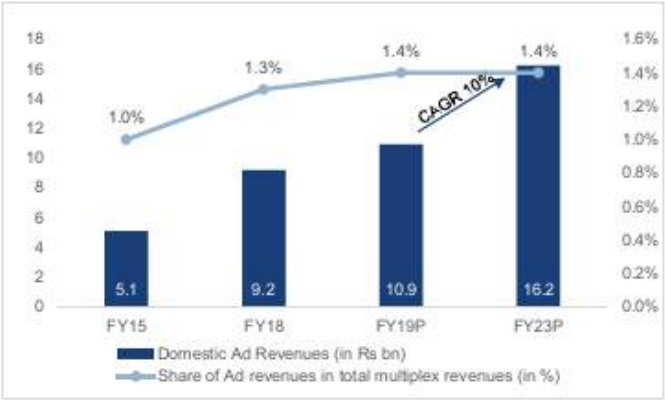
F&B revenue accounted for approximately 22% of the total film exhibition industry revenues in Fiscal 2018. The F&B segment is a high margin business, with approximately 70% to 75% segment gross margin, and has increased at a CAGR of 20% from Fiscal 2015 to Fiscal 2018. F&B revenues are expected to register ₹ 24 billion in Fiscal 2019 with an on-year growth of approximately 21%.

The industry players are expected to try to promote F&B, as consumers look to enrich their movie-viewing experience. The advent of in-cinema F&B service is seen as a step towards providing a premium experience. In addition, multiplexes will aim to provide more F&B menu options, create more sales touch points and innovate in price and products. The launch of premium properties will further increase the average spend per head on F&B, thereby leading to the growth of the industry.

Multiplexes are also focusing on ancillary revenue streams such as advertising. As a percentage of total advertising revenue, in-cinema advertising in multiplexes has increased its share over the years and is expected to increase at a CAGR of 10% from approximately ₹ 11 billion in Fiscal 2019 to approximately ₹ 16 billion in Fiscal 2023. In-cinema advertising is becoming an effective medium of advertisement, as it gives advertisers undivided audience attention, as in theatres the audience is mostly focused on the screen.

Further, factors such as increase in the number of multiplex screens along with the increasing number of advertisers choosing cinemas as mode of advertising are the key drivers for growth of in-cinema advertising in India. In addition, the digital panels in the multiplex lobby are also expected to increase the share of advertising revenue. Further, the multiplexes are considered better in terms of advertising as compared with single screens, due to better consumer targeting resulting into better realisations.

Trend and outlook in-cinema ad revenues



Note: P: projected

Key cities of India to account for approximately 43 million square feet of planned retail mall spaces. The retail real estate sector in India has traditionally been controlled by small and independent local players, such as grocery stores. However, in the 1990's, organised retail outlets emerged, and have gradually gained acceptance with an increase in the number of working women, changes in perception regarding branded products, entry of international retailers and numerous malls. India's retail real estate market originated in the Tier I cities and subsequently expanded to Tier II cities, with the leading players continuing to plan shopping malls and hypermarkets in these locations. Currently, the key cities of India together account for approximately 143 million square feet of operational retail mall spaces. In terms of area, Mumbai Metropolitan Region leads with a gross leasable area of approximately 28 million square feet. Further, for cities, such as, Bengaluru, Pune, Chennai, Hyderabad and Gurugram, growth in the Information Technology/Information Technology Enable Services segment along with migration from other cities led to development of retail mall spaces in these cities. The National Capital Territory of Delhi remains the prime retail market in north India with a number of established malls and high streets. Currently, approximately 13 million square feet of ready retail mall space is currently operational in this market. The growth in retail real estate demand is expected to be driven by an increasing middle class along with their increasing disposable incomes and purchasing power, and consumer aspirations. In addition, macroeconomic policy decisions, such as allowing foreign direct investment in single brand-retailing and cash-and-carry formats are also expected to predict well for the segment. It is estimated that malls with a gross leasable area of approximately 43 million square feet are planned across the key cities of India.

COMPETETIVE ASSESSMENT OF MULTIPLEX OPERATORS IN INDIA

The information in this sub-section has been sourced from the various company websites, including annual reports and investor presentations, regulatory filings and rating rationales.

Key players in the domestic multiplex industry

Players	Year of commencement of business	Company headquarters	Total states present in as per latest available data	Count of Properties as per latest available data	Total number of screens as per latest available data
Carnival Films Pvt Ltd*	2012	Mumbai, Maharashtra	20	135	450
Cinepolis India Pvt. Ltd.*	2009	Gurugram, Haryana	17	60	360
INOX Leisure Ltd.**	1999	Mumbai, Maharashtra	19	136	557
PVR Ltd.**	1995	Gurugram, Haryana	21	161	748

*Note: *Data for Carnival Films (https://www.carnivalcinemas.com) and Cinepolis India are as per their respective websites accessed on 19th Feb 2019; **Data for PVR Ltd is as of January 2019 and that of INOX Leisure Ltd is as of February 2019*

Operational details for key players in domestic multiplex industry

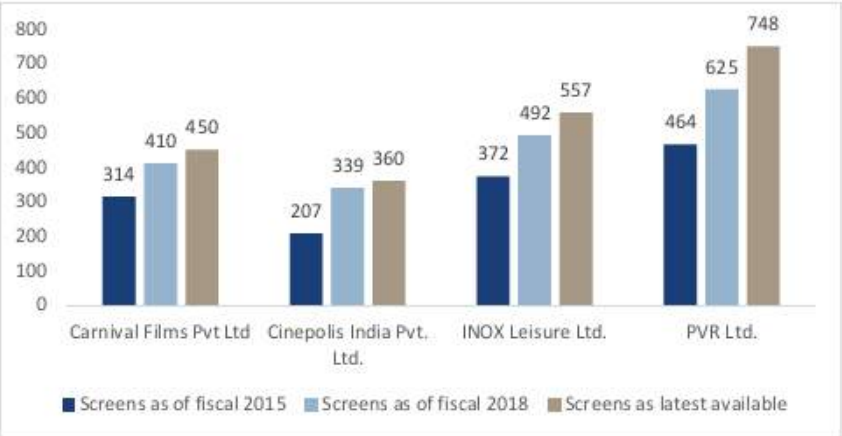
Players	Operating revenues (in Rs mn as of March 2018)	Total admits/ tickets sold (in mn as of March 2018)	Average ticket price (ATP – in Rs. as of March 2018)	Spend per head (SPH – in Rs. as of March 2018)	Ad incomes (in Rs mn as of March 2018)	F&B revenues (in Rs mn as of March 2018)	Revenue per Screen (in Rs mn as of March 2018)	EBITDA (in Rs mn as of March 2018)	EBITDA per Screen (in Rs mn as of March 2018)
Carnival Films Pvt Ltd*	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cinepolis India Pvt. Ltd.	8,246	NA	NA	NA	NA	2,133	24.5	952	2.8
INOX Leisure Ltd.	13,481	53.3	193	66	1,389	3,060	27.4	2,104	4.3
PVR Ltd.	23,341	76.1	210	89	2,969	6,243	37.8	4,330	6.9

*Note: *Financial data for fiscal 2018 for Carnival Films Pvt Ltd not available on MCA website; NA: Not available*

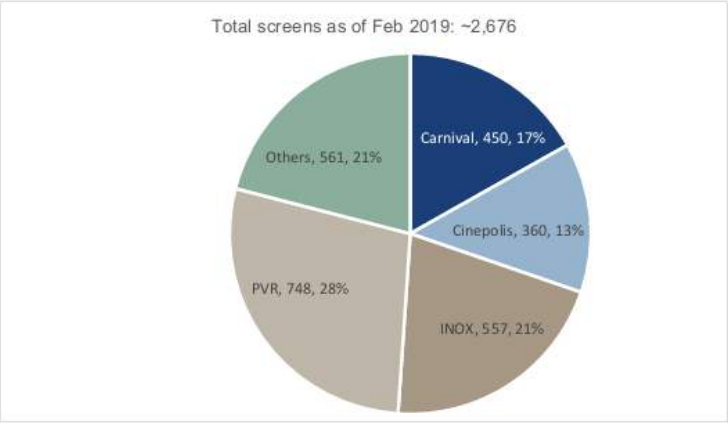
Total screens of top multiplex operators

Player	FY 2015	FY 2016	FY 2017	FY 2018	Latest Available	Rank as per latest available data
Carnival Films Pvt Ltd	314	324	341	410	450	3
Cinepolis India Pvt. Ltd.	207	217	303	339	360	4
INOX Leisure Ltd.	372	420	468	492	557	2
PVR Ltd.	464	516	579	625	748	1

Total screens for top multiplex players for fiscal 2015, fiscal 2018 and the latest available

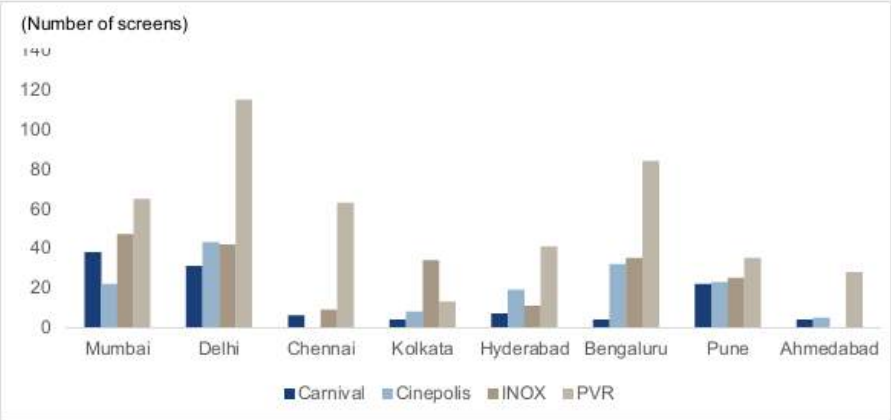


Market share of multiplex operators



Note: Number indicates number of screens while % indicates market share as of Feb 2019

Presence across key cities (number of screens as per latest available data)

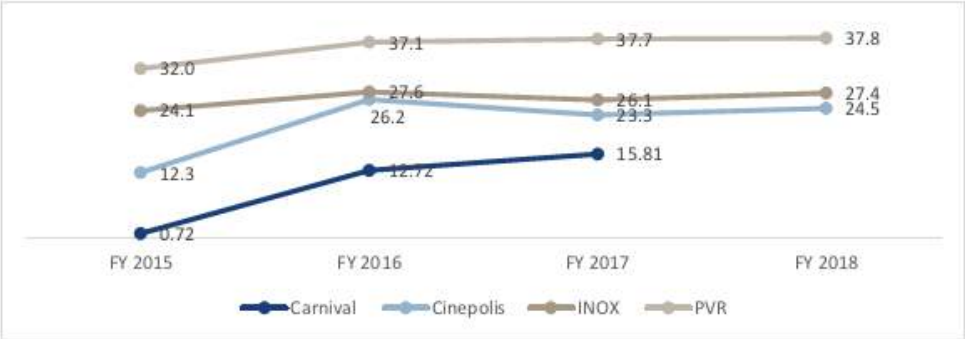


Operating income of top multiplex operators (in Mn Rs.)

Player	FY 2015	FY 2016	FY 2017	FY 2018	Rank (Based on FY 2018 data)
Carnival Films Pvt Ltd	224	4,090	5,346	NA	-
Cinepolis India Pvt. Ltd.	2,462	5,661	7,008	8,246	3
INOX Leisure Ltd.	8,954	11,606	12,207	13,481	2
PVR Ltd.	14,771	18,688	21,194	23,341	1

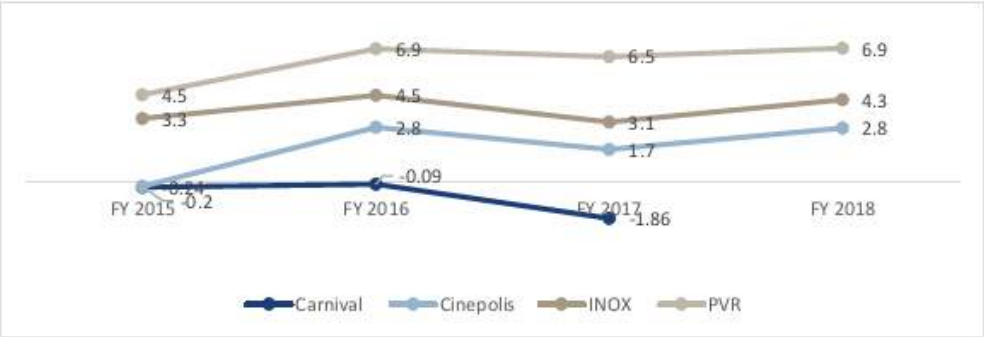
*Note: *Financial data for fiscal 2018 for Carnival Films Pvt Ltd not available on MCA website; NA: Not available*

Operating income per screen (in Rs. Mn) of top multiplex operators



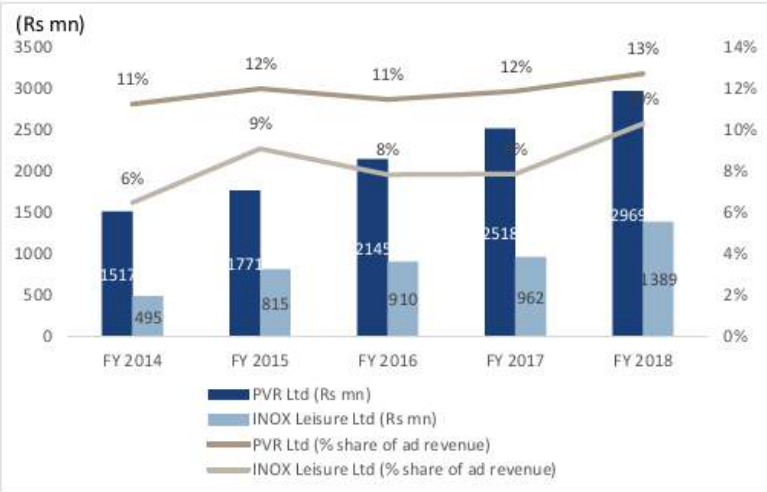
Note: Data for Carnival (FY2018) is not available

EBITDA per screen (in Rs. Mn) of top multiplex operators

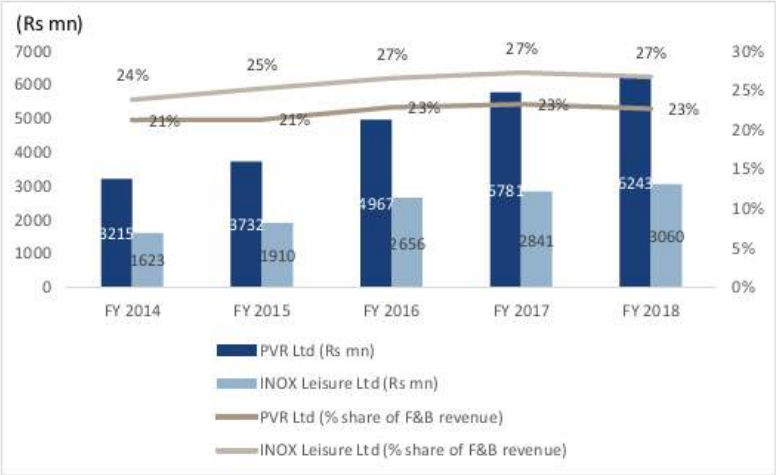


Note: Data for Carnival (FY 2018) is not available

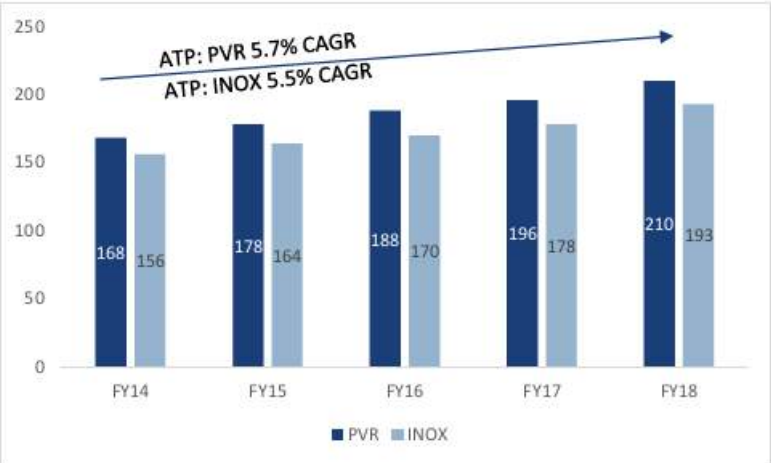
Advertisement revenue and share of ad revenue for PVR Ltd and INOX Leisure for period fiscal 2014-2018



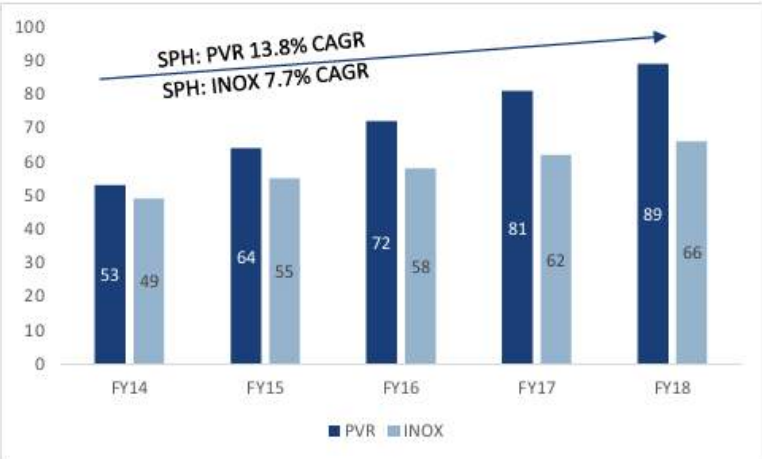
F&B revenue and share of F&B revenue for PVR Ltd and INOX Leisure for period fiscal 2014-2018



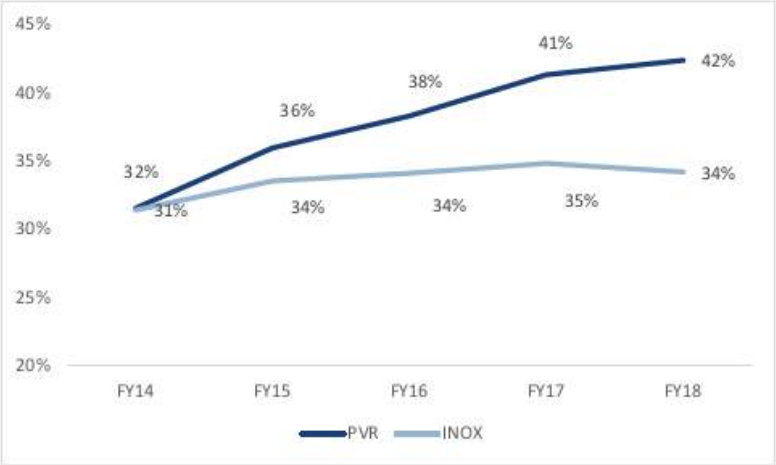
Average ticket price for PVR Ltd and INOX Leisure for period fiscal 2014-2018



Spend Per Head (SPH) price for PVR Ltd and INOX Leisure for period fiscal 2014-2018



SPH to ATP ratio for PVR Ltd and INOX Leisure for period fiscal 2014-2018



Region-wise screen count and ranks of top multiplex operators

North:

Player	Count of Screens	Rank
Carnival Films Pvt Ltd	113	3
Cinepolis India Pvt. Ltd.	112	4
INOX Leisure Ltd.	119	2
PVR Ltd.	216	1

West:

Player	Count of Screens	Rank
Carnival Films Pvt Ltd	145	3
Cinepolis India Pvt. Ltd.	90	4
INOX Leisure Ltd.	244	2
PVR Ltd.	257	1

South:

Player	Count of Screens	Rank
Carnival Films Pvt Ltd	75	3
Cinepolis India Pvt. Ltd.	70	4
INOX Leisure Ltd.	118	2
PVR Ltd.	253	1

East:

Player	Count of Screens	Rank
Carnival Films Pvt Ltd	19	3
Cinepolis India Pvt. Ltd.	18	4
INOX Leisure Ltd.	76	1
PVR Ltd.	22	2

Note: CRISIL Research has considered the following bifurcation of states into regions: the west region includes state of Maharashtra, Goa, Gujarat, Chhattisgarh and Madhya Pradesh; North includes Uttarakhand, Delhi, Haryana, Rajasthan, Bihar, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh and Chandigarh; South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, and Pondicherry; East includes West Bengal, Jharkhand, Odisha, Meghalaya, Assam, Arunachal Pradesh, Sikkim, Mizoram, Nagaland, Tripura, and Manipur.

Data for INOX and PVR is as of latest data available; Regional spilt for Carnival Films (https://www.carnivalcinemas.com) is based on data available for 352 screens as detailed on the company's website as of 19th Feb 2019; regional split for Cinepolis is based on data available for 290 screens as detailed on the company website as of 19th Feb 2019.

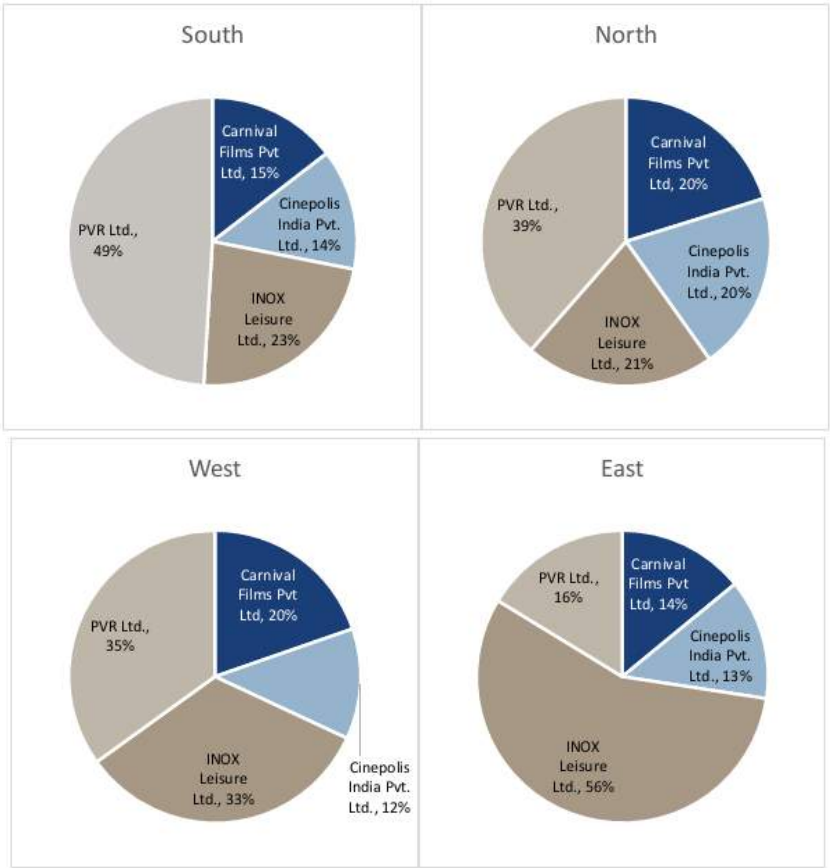
Regional details for key players in domestic multiplex industry (Screen Count)

Player	East	West	North	South	Total
Carnival Films Pvt Ltd	19 (6%)	145 (41%)	113 (32%)	75 (21%)	352
Cinepolis India Pvt. Ltd.	18 (6%)	90 (31%)	112 (39%)	70 (24%)	290
INOX Leisure Ltd.	76 (14%)	244 (44%)	119 (21%)	118 (21%)	557
PVR Ltd.	22 (3%)	257 (34%)	216 (29%)	253 (34%)	748

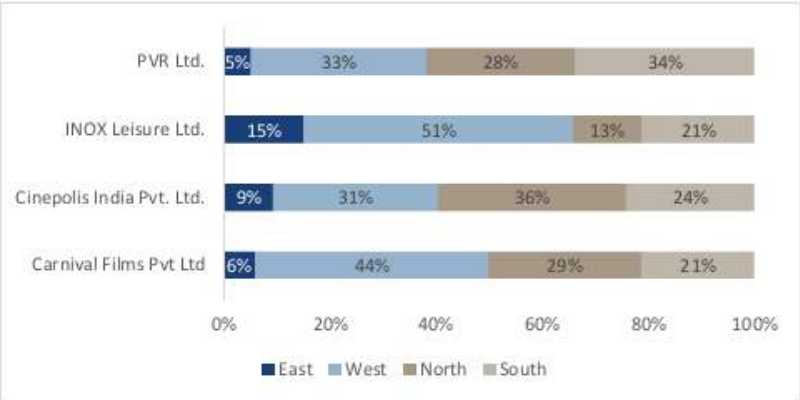
Note: CRISIL Research has considered the following bifurcation of states into regions: the west region includes state of Maharashtra, Goa, Gujarat, Chhattisgarh and Madhya Pradesh; North includes Uttarakhand, Delhi, Haryana, Rajasthan, Bihar, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh and Chandigarh; South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, and Pondicherry; East includes West Bengal, Jharkhand, Odisha, Meghalaya, Assam, Arunachal Pradesh, Sikkim, Mizoram, Nagaland, Tripura, and Manipur.

Data for INOX and PVR is as of latest data available; Regional spilt for Carnival Films (https://www.carnivalcinemas.com) is based on data available for 352 screens as detailed on the company's website as of 19th Feb 2019; regional split for Cinepolis is based on data available for 290 screens as detailed on the company website as of 19th Feb 2019.

Region-wise share of multiplex screens for top multiplex players (latest available)



Region-wise split of multiplex screens for top multiplex players (latest available)



Regional details for key players in domestic multiplex industry (Screen Count as of fiscal 2018)

Player	East	West	North	South	Total
INOX Leisure Ltd.	72 (15%)	262 (53%)	59 (12%)	99 (20%)	492
PVR Ltd.	39 (6%)	235 (38%)	196 (31%)	155 (25%)	625

Note: CRISIL Research has considered the following bifurcation of states into regions: the west region includes state of Maharashtra, Rajasthan, Goa, Gujarat and Madhya Pradesh; North includes Uttarakhand, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh and Chandigarh; South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, and Pondicherry; East includes Chhattisgarh, West Bengal, Bihar, Jharkhand, Odisha, Meghalaya, Assam, Arunachal Pradesh, Sikkim, Mizoram, Nagaland, Tripura, and Manipur.

Regional screen count not available for Carnival Films and Cinepolis India

Regional details for key players in domestic multiplex industry (Screen Count) (Most recent*)

Player	East	West	North	South	Total
INOX Leisure Ltd.	84 (15%)	283 (51%)	72 (13%)	118 (21%)	557
PVR Ltd.	39 (5%)	247 (33%)	209 (28%)	253 (34%)	748

Note: CRISIL Research has considered the following bifurcation of states into regions: the west region includes state of Maharashtra, Rajasthan, Goa, Gujarat and Madhya Pradesh; North includes Uttarakhand, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh and Chandigarh; South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, and Pondicherry; East includes Chhattisgarh, West Bengal, Bihar, Jharkhand, Odisha, Meghalaya, Assam, Arunachal Pradesh, Sikkim, Mizoram, Nagaland, Tripura, and Manipur.

Regional screen count not available for Carnival Films and Cinepolis India

**Data for PVR Ltd is as of January 2019 and that of INOX Leisure Ltd is as of February 2019, Figures in bracket represent share of regional split of screen*

Premium screen count of PVR and INOX as of fiscal 2018:

Player	Premium screen
INOX Leisure Ltd.	31
PVR Ltd.	58

Note: INOX operates IMAX (4) and INSIGNIA (27) under premium screen format. PVR has Gold Class (36), 4DX (7), IMAX (7), Playhouse (4), PXL (4) as premium screens.

Key observations

- PVR Limited ("**PVR**") is the market leader in terms of screen count in the multiplex industry in India with a total screen count of 748 screens across 161 Properties in 21 States and Union Territories, as of January 2019. In terms of market share, PVR accounted for 28% share of the total screens in multiplexes in India.

- PVR is the leader in seven out of the eight key cities, comprising Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune, in terms of number of screens.

- PVR is ranked first among other multiplex players in the north, west and south regions of India in terms of total number of screens.

- As of March 31, 2018, PVR had the highest number of premium screens among other multiplex operators in India.

- PVR recorded the highest ATP of ₹ 210 per admit in Fiscal 2018 among the top four multiplex operators in India. In terms of growth rate in ATP, PVR's ATP increased at a CAGR of 5.7% from Fiscal 2015 and Fiscal 2018.

- PVR registered the highest growth with a CAGR of 11.6% from Fiscal 2015 to Fiscal 2018. In absolute terms, PVR recorded the highest SPH of ₹ 89 per patron as of March 31, 2018, amongst the top four multiplex players in India.

- PVR registered the maximum number of admissions amounting to 76.1 million admits among the multiplex operators in India, in Fiscal 2018. The number of footfalls for PVR has grown at a CAGR of 8.7% CAGR from Fiscal 2015 to Fiscal 2018.

- PVR recorded the highest operating revenues among multiplex operators in India, with operating revenues amounting to ₹ 23,341 million in Fiscal 2018, with a CAGR of 16.4% from Fiscal 2015 to Fiscal 2018.

- PVR recorded the highest F&B income of ₹ 6,243 million in Fiscal 2018. The share of F&B income in total operating income is the highest for PVR (27% in Fiscal 2018) amongst other multiplex operators in India.

- PVR recorded the highest advertising income of ₹ 2,969 million in Fiscal 2018. The share of advertising income to total operating income was 13% for PVR in Fiscal 2018, which is the highest among other multiplex operators. In terms of growth in advertisement incomes, PVR registered a CAGR of 18.7% from Fiscal 2015 to Fiscal 2018.

- PVR had a market share of approximately 33% in the in-cinema advertising segment for the multiplex industry in Fiscal 2018. The in-cinema advertising market share for PVR has been calculated by considering the in-cinema advertisement revenues from annual reports and investor presentations and comparing them to the in-cinema advertisement revenues for the multiplex industry.

- PVR registered the highest revenue per screen at ₹ 37.8 million per screen, among the top three multiplex operators in India, in Fiscal 2018.

- PVR registered the highest EBDITA per screen at ₹ 6.9 million per screen, among the top three multiplex operators in India, in Fiscal 2018.

- PVR has a leadership position in the Bollywood segment of the domestic box office revenues in India in Fiscal 2018. In Fiscal 2018, PVR had a market share of 22% in the Bollywood segment and 29% in the Hollywood (including Hollywood dubbed) segment of the respective domestic box office collections. The market share of PVR has been calculated using gross box office collections (total admits multiplied by the average ticket price for Fiscal 2018) split for Bollywood and Hollywood segments and comparing them to the share of Bollywood and Hollywood movies in domestic revenues of the Indian film industry.

- Consequent to acquisition of SPI Cinemas by PVR in August 2018, PVR became the leader in terms of number of screens in Chennai and consolidated their leadership position in terms of number of screens in Bengaluru and Hyderabad.

Acquisition of screens in Key cities:

Particulars (no. of screens)	PVR Ltd	SPI Cinemas	Post-acquisition
Bengaluru	75	9	84
Chennai	32	31	63
Hyderabad	33	8	41

- As of March 2019, PVR was present in 12 of the 20 largest operational malls (by size of property) in India.

Key operational malls in India and presence of multiplex operators in the same:

Name of Mall	City	Approximate area of property (area in sq ft)	Presence of multiplex operators
LuLu International Shopping Mall	Kochi	25,00,000	PVR
World Trade Park	Jaipur	24,00,000	Cinepolis
DLF Mall of India	Noida	20,00,000	PVR
VR Mall	Chennai	20,00,000	PVR
Sarath City Capital Mall	Hyderabad	19,30,000	AMB Cinemas
Ambience Mall	Gurgaon	18,00,000	PVR
Phoenix Market City	Bangalore	14,00,000	PVR
Select Citywalk	Delhi	13,00,000	PVR
Elante Mall	Chandigarh	11,50,000	PVR
Esplanade One	Bhubaneshwar	10,00,000	Cinepolis
Phoenix Market City	Chennai	10,00,000	Jazz Cinemas
Viviana Mall	Thane	10,00,000	Cinepolis
VR Punjab (earlier called North Country Mall)	Mohali	10,00,000	PVR
Fun Republic	Lucknow	9,70,000	Cinepolis
Mantri Square	Bangalore	9,24,000	Inox
Express Avenue	Chennai	9,00,000	PVR, Pix 5D Cinemas
Orion Mall	Bangalore	8,50,000	PVR
Express Avenue	Chennai	9,00,000	PVR, Pix 5D Cinemas
Orion Mall	Bangalore	8,50,000	PVR
The Great India Place	Noida	8,50,000	Carnival
Infiniti Mall (Malad)	Mumbai	8,50,000	PVR
Forum Sujana Mall	Hyderabad	8,20,000	PVR

COMPETETIVE ASSESSMENT OF GLOBAL MULTIPLEX OPERATORS

Information in this section is sourced from the respective company websites, including, annual reports and investor presentations, regulatory filings, rating rationales and product brochures.

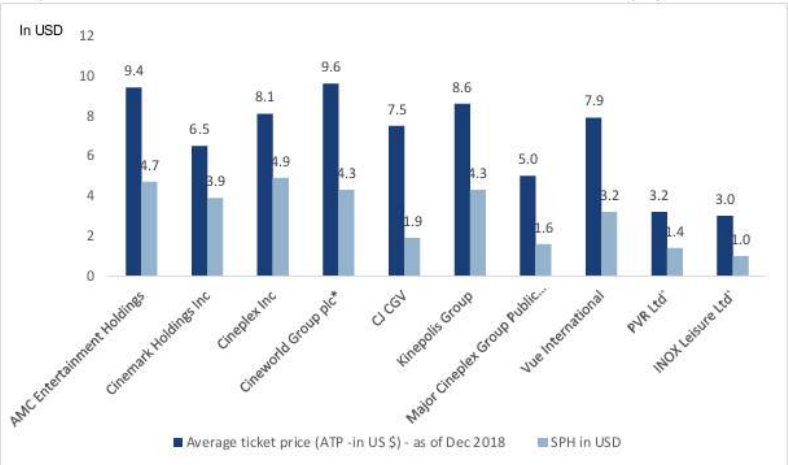
Operational details for key players in global multiplex industry

Players	Total number of screens (as of Dec 2018)	Total admits/ tickets sold (in mn, as of Dec 2018)	Average ticket price (ATP - as of Dec 2018)	Average ticket price (ATP - as of Dec 2018) in USD	Spend per head (SPH - as of Dec 2018)	Spend per head (SPH - as of Dec 2018) in USD	SPH/ATP ratio (in % – as of Dec 2018)
AMC Entertainment Holdings	11,091	358.9	9.4 (in USD)	9.4	4.7 (in USD)	4.7	50%
Cinemark Holdings Inc	6,048	282.1	6.5 (in USD)	6.5	3.9 (in USD)	3.9	60%
Cineplex Inc	1,686	69.3	10.5 (In CAD)	8.1	6.4 (In CAD)	4.9	61%
Cineworld Group plc*	9,542	158.8	9.6 (in USD)	9.6	4.3 (in USD)	4.3	45%
CJ CGV	3,784	102.0	8,277 (in KRW)	7.5	2,063 (in KRW)	1.9	25%
INOX Leisure Ltd.~	557	53.3	193.0 (in INR)	3.0	66.0 (in INR)	1.0	34%
Kinepolis Group	852	35.6	7.3 (in EUR)	8.6	3.7 (in EUR)	4.3	50%
Major Cineplex Group Public Company Limited#	738	37.8	162.0 (in THB)	5.0	52.2 (in THB)	1.6	32%
PVR Ltd~	748	76.1	210.0 (in INR)	3.2	89.0 (in INR)	1.4	42%
Village Roadshow Limited@	704	NA	NA	NA	NA	NA	NA
Vue International**	1,928	85.9	5.9 (in GBP)	7.9	2.4 (in GBP)	3.2	41%

Note: Exchange rates for different currencies are taken as daily average for the year 2017, Exchange rates are obtained from UBC's Sauder School of Business exchange rate database
Exchange rates considered for the conversion of local currencies to USD are 1 USD = 1.29 CAD, 1 USD = 0.75 GBP, 1 USD = 14229.62 Rp, 1 USD = 0.85 Euro, 1 USD = 32.31 Baht, 1 USD = 64.46 INR, 1 USD = 1100.20 KRW
SPH is calculated as F&B spend per head where the metric was not explicitly mentioned in the public document
**Information for Cineworld is for as of June 2018 (H1 2018) and after acquisition of Regal*
~Screen and property count for PVR and INOX is as of Jan 2019 and Feb 2019, respectively. Other data is as of fiscal 2018 as per Indian accounting year.
#Screen and property count for Major Cineplex is as of June 2018. Other data is as of CY 2018.
@ data for Village Roadshow Ltd is as of June 2018
*** data for Vue International is as of Nov 2018, the company follows Dec – Nov as their reporting period*

- The ratio of spend per head/ average ticket price for Indian multiplexes such as, INOX Leisure Limited and PVR, is lower in comparison with certain international counterparts such as AMC Entertainment, Cinemark Holdings, Cineplex Inc, Cineworld Group and Kinepolis Group.

Comparison of ATP & SPH of PVR Ltd and INOX Leisure Ltd vis-à-vis Global players



Source: Company Annual Reports, CRISIL Research
*Note: `Data for PVR Ltd and INOX Leisure Ltd as of fiscal 2018 (Apr 17- Mar 18); *Data for Cineworld is for H1 2018*

BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "**Forward-Looking Statements**" on page 14 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition**" on pages 71 and 115, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements, Ind AS Unaudited Interim Condensed Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 296 and 111, respectively.*

*Our Company completed the acquisition of SPI Cinemas with effect from August 17, 2018, and subsequently, SPI Cinemas was amalgamated with our Company with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme. Accordingly, our historical financial statements prior and subsequent to the acquisition (of 71.69% of SPI Cinemas with effect from August 17, 2018) and amalgamation (of SPI Cinemas with effect from August 17, 2018, pursuant to the NCLT, New Delhi order dated August 23, 2019 in relation to the SPI Merger Scheme) are not comparable to those subsequent to such acquisition and/ or amalgamation. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Amalgamation of SPI Cinemas**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition – Acquisition and effect of SPI Cinemas**" and "**Financial Information**" on pages 114, 117 and 296, respectively.*

*In addition, 'Indian Accounting Standard (Ind AS) 116 – Leases' ("**Ind AS 116**") became applicable to us from the accounting period commencing April 1, 2019. Our (i) Audited Consolidated Financial Statements, and (ii) our unaudited financial statements as of and for the six months ended September 30, 2018, were all prepared based on applicable Ind AS, including Ind AS 17 "Leases", and do not reflect the application of Ind AS 116 which became applicable with effect from April 1, 2019. Accordingly, (i) the Audited Consolidated Financial Statements, and (ii) the unaudited financial statements as of and for the six months ended September 30, 2018 (that is included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results) are not comparable to our unaudited financial statements as of and for the six months ended September 30, 2019 (which reflects the impact of Ind AS 116) included in our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and in the Statement of Unaudited Financial Results. For further information, see "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information – Adoption of Ind AS 116**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116**", and "**Financial Information**" on pages 115, 118 and 296, respectively.*

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to PVR Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to PVR Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market assessment of the film and multiplex industry in India" dated March 2019 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Overview

We are the market leader in terms of screen count in India, as of January 2019, with a market share of 28% in

total multiplexes based on the number of screens in India (*Source: CRISIL Report*). We are the leader among the multiplex operators in India in terms of admissions and operating revenues as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We are the leader in terms of screens in seven out of eight key cities in India, which include Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune (*Source: CRISIL Report*). Further, we are the market leader in three out of the four regions in India, *i.e.* north, south and west regions of India, in terms of screens among the multiplex operators in India (*Source: CRISIL Report*). In Fiscal 2018, we were the leader in terms of Bollywood domestic box office revenues in India (*Source: CRISIL Report*). Our market share of Bollywood and Hollywood (including Hollywood dubbed) domestic box office collections in India was 22% and 29%, respectively, in Fiscal 2018 (*Source: CRISIL Report*).

Over the years, we have consistently added screens, both organically and inorganically, through strategic investments and acquisitions. As a result of our acquisition and amalgamation of SPI Cinemas with effect from August 17, 2018, we added 76 screens to our screen network. Further, consequent to our acquisition and amalgamation of SPI Cinemas, we became the leader in terms of properties and screens in Chennai and further consolidated our leadership position in terms of screens in Bengaluru and Hyderabad (*Source: CRISIL Report*). As of September 30, 2019 and October 17, 2019, we had 800 screens in 170 cinemas in 69 cities across 21 States and Union Territories in India with an aggregate seating capacity of approximately 1.8 lakhs seats.

We had the highest revenue per screen (₹ 37.8 million per screen) and EBITDA per screen (₹ 6.9 million per screen) among the top three multiplex operators in India, as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We have a diversified revenue stream and generate revenues primarily from box office (income from sale of movie tickets) and non-box office (Sale of Food and Beverages, advertisement income, convenience fees, virtual print fees, income from movie production/ distribution, food court rental income, gaming income and management fees). In Fiscal 2018, we had the highest average ticket price and spend per head among the top four multiplex operators in India and the highest share of advertising income to total operating income among the multiplex operators in India (*Source: CRISIL Report*).

We offer a diversified cinema viewing experience through our formats, including 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR LUXE', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. We had the highest number of premium screens among multiplex operators in India, as of March 31, 2018 (*Source: CRISIL Report*). Premium screen formats include IMAX, 4DX, Playhouse, Gold, P[XL], Onyx and Director's Cut, and serve different customer segments. We exhibit diversified content to serve different regional customer segments across India, with Hindi, English and regional movies accounting for 59.6%, 16.0% and 24.4%, respectively, of our Gross Box Office Collections in Fiscal 2019, while such movies accounted for 53.1%, 23.2% and 23.7%, respectively, of our Gross Box Office Collections in the six months ended September 30, 2019. We are present in 60% of the 20 largest operational malls, in terms of property size, in India, as of March 2019 (*Source: CRISIL Report*) and are typically the anchor tenant in various malls across India where our cinemas are located. We have, over the years, established relationships with various mall developers.

We have maintained a consistent track record of financial performance with our revenue from operations increasing from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 3,08,556 lakhs in Fiscal 2019. Our revenue from operations was ₹ 1,85,357 lakhs in the six months ended September 30, 2019. Our Adjusted EBITDA increased from ₹ 37,587 lakhs in Fiscal 2017 to ₹ 61,947 lakhs in Fiscal 2019. Our Adjusted EBITDA was ₹ 60,965 lakhs in the six months ended September 30, 2019. For reconciliation of Adjusted EBITDA, see "***– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*", "*– Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*" *and* "*– Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136, 142 and 147, respectively. Our profit for the year was ₹ 9,584 lakhs in Fiscal 2017, while our net profit after tax was ₹ 18,937 lakhs in Fiscal 2019. Our net profit after tax was ₹ 6,520 lakhs in the six months ended September 30, 2019.

The following tables provides details of certain operational key performance indicators of our business:

Particulars	As of and for the financial year ended March 31,			As of and for the six months ended September 30, 2019
	2017	2018	2019	
Number of cinemas	126	134	164	170
Number of screens	579	625	763	800
Number of seats (in approximate lakhs)	1.3	1.4	1.7	1.8
Number of admits (in lakhs)	752	761	993	563
Occupancy percentage (1)	32.9%	31.3%	36.2%	37.5%
Average Ticket Price (₹) (2)	196	210	207	202
Spend Per Head (₹) (3)	81	89	91	100

Notes:
(1) Occupancy percentage represents number of admits in a period divided by the seating capacity as of the relevant period.
(2) Average Ticket Price represents Gross Box Office Collections plus 3D glasses income divided by the number of admits.
(3) Spend Per Head represents gross sale of food and beverages from exhibition business (gross sales from food and beverages including applicable taxes) divided by the number of admits.

Our Strengths

Movie exhibition industry leader in India

We are the market leader in terms of screen count in India, as of January 2019, with a market share of 28% in total multiplexes based on the number of screens in India (*Source: CRISIL Report*). We are the leader among the multiplex operators in India in terms of admissions in Fiscal 2018 (*Source: CRISIL Report*). We have a pan-India presence and as of September 30, 2019 and October 17, 2019, we had 800 screens in 170 cinemas in 69 cities across 21 States and Union Territories in India. We believe our leadership position has enabled us to capitalize on movie attendance trends, consolidation opportunities and ancillary businesses with relatively higher margins. Further, we believe our large scale, brand equity and cinema experience has made us the preferred choice for movie exhibition for movie distributors, production houses and real estate developers in India. We are the leader in terms of screens in seven out of eight key cities in India, which include Ahmedabad, Bengaluru, Chennai, National Capital Territory of Delhi, Hyderabad, Mumbai and Pune (*Source: CRISIL Report*). Further, we are the market leader in three out of the four regions in India, *i.e.* North, South and West regions of India, in terms of screens among the multiplex operators in India (*Source: CRISIL Report*). In Fiscal 2018, we were the leader in terms of Bollywood domestic box office revenues in India. (*Source: CRISIL Report*). Our market share of Bollywood and Hollywood (including Hollywood dubbed) domestic box office collections in India was 22% and 29%, respectively, in Fiscal 2018 (*Source: CRISIL Report*). We have over the years, acquired and successfully integrated our strategic acquisitions into our operations, such as our acquisitions of 'Cinemax Cinemas' in November 2012 and 'DT Cinemas' in May 2016, which added 138 screens and 32 screens, respectively, to our screen network. Following our acquisition and amalgamation of SPI Cinemas in August 2018, we added 76 screens to our screen network. Further, consequent to our acquisition and amalgamation of SPI Cinemas, we became the leader in terms of screens in Chennai and further consolidated our leadership position in terms of screens in Bengaluru and Hyderabad (*Source: CRISIL Report*).

In addition, brand and reputation are important for customers and we believe that our history, market leadership position, and quality cinema experience have led to wide recognition of the 'PVR' brand in India, which has enabled us to effectively target new customers, increase the scale of our operations and enter into new geographical areas.

Strategically located cinemas

As of September 30, 2019 and October 17, 2019, we were present in 170 cinemas across 69 cities in 21 States and Union Territories in India. As of March 2019, we are present in 60% of the 20 largest operational malls, in terms of property size, in India, such as LuLu International Shopping Mall in Kochi, DLF Mall of India in Noida, VR Mall in Chennai, Ambience Mall in Gurgaon, Phoenix Market City in Bengaluru, Select Citywalk in Delhi and Elante Mall in Chandigarh (*Source: CRISIL Report*). Accordingly, we believe that the location of our cinemas in such malls provides us with wide visibility and also enables recurring admits and high occupancy percentages.

We believe we have, over the years, established relationships with various mall developers, which along with our ability to attract footfalls, has enabled us to obtain prime locations at competitive terms. We operate based on an asset-light model and accordingly, all our cinemas are located on leased premises. We obtain the right to operate cinemas through various contractual arrangements, which we execute with mall developers/ owners of the concerned cinema. The tenure of our leases is typically for a period of 10 to 20 years which, in many instances, are renewable subject to mutual agreement. Multiplex operators share a significant relationship with mall

developers as they act as anchor tenants in malls due to their ability to attract more footfalls (*Source: CRISIL Report*). We are typically the anchor tenant in various malls across India where our cinemas are located. Accordingly, based on our relationships with mall developers and status as anchor tenants, we believe we will be able to secure further strategic locations that are proposed to be developed by the mall developers. We believe that our strategy of being in prime retail locations that generate significant admits, has helped in building our leadership position in terms of average ticket price, revenue per screen and EBITDA per screen, and increasing our profitability.

Diversified product offerings and premium guest experience

We have been able to become an integral part of a customers' movie viewing experience by offering multiple products and a premium experience. We offer a diversified cinema viewing experience through our different formats, including 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR Luxe', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. We had the highest number of premium screens among multiplex operators in India, as of March 31, 2018 (*Source: CRISIL Report*). Premium screen formats include IMAX, 4DX, Playhouse, Gold, P[XL], Onyx and Director's Cut, and serve different customer segments. As of September 30, 2019 and October 17, 2019, we had 79 and 80 premium screen formats, respectively. Further, we exhibit diversified content to serve different regional customer segments across India. In Fiscal 2017, Hindi, English and regional languages accounted for 64.1%, 18.5% and 17.3%, respectively, of our Gross Box Office Collections, while in Fiscal 2019, Hindi, English and regional languages accounted for 59.6%, 16.0% and 24.4%, respectively, of our Gross Box Office Collections while such movies accounted for 53.1%, 23.2% and 23.7%, respectively, of our Gross Box Office Collections in the six months ended September 30, 2019.

We also aim to improve customer experience by providing premium seating, quality visual and sound experience, convenient ticketing experience, diversified content and plush interiors. To cater to the diverse eating habits and dietary needs, we have enhanced our food and beverages ("**F&B**") offerings and also appointed a celebrity chef to render culinary/ cooking services at our cinemas. We offer several seating options through our various premium formats, including loungers, recliners, beanbags and double armrest seats. In addition, we have recently introduced D-Box enabled motion seats at certain of our cinemas. Further, our technology based product offerings include our own website and mobile application which allows customers to browse movies and trailers, select and reserve seats, pre-order F&B that can be served at their seat, make bulk bookings, book a cab, purchase gift cards and, have access to various offers and deals. We also introduced 'quick tix machines', a digital instant and upcoming ticketing solution which promotes cashless transactions, along with 'quick response code based paperless ticketing' for admission into our cinemas. In order to update our customers about upcoming releases, we have created 'Movie Calendar' which provide updates on our mobile application to users regularly. We also have an interactive online magazine, 'PVR Movies First' that includes box office news, latest and upcoming movie releases and interviews with actors.

We also provide our customers the option of purchasing pre-paid gift cards, both physical and digital, which can be redeemed against purchase of tickets, and F&B at our cinemas and on our website and mobile application. We offer our customers deals, rewards, cashbacks and offers for which we have collaborated with various banks, payment banks, digital wallet companies and online aggregator platforms. Further, we have introduced a loyalty programme, 'PVR Privilege', which provides our customers with a range of benefits, personalised offers and services, including reward points on each purchase of tickets or F&B, bonus points during special occasions, and an automated conversion of reward points into vouchers that can be used to pay for tickets and F&B. As of September 30, 2019, we had approximately 84.7 lakhs 'PVR Privilege' members.

Leadership position across key operating metrics and consistent financial performance

We had the highest revenue per screen (₹ 37.8 million per screen) and EBITDA per screen (₹ 6.9 million per screen) among the top three multiplex operators in India, as of and for the year ended March 31, 2018 (*Source: CRISIL Report*). We believe our high revenue per screen is attributed to brand premiumization and premium locations resulting in higher average ticket price and spend per head, and certain key factors, such as, premium and innovative screen formats, including Director's Cut, Gold Class, 4DX, Playhouse, Onyx, P[XL], and a differentiated F&B menu.

We have diversified revenue streams and generate revenues primarily from: (i) income from sale of movie tickets; (ii) Sale of Food and Beverages (iii) advertisement income; and (iv) other operating revenue which includes

income from movie production/ distribution, convenience fees, virtual print fees, food court rental income, gaming income and management fees. Our income from sale of movie tickets increased from ₹ 1,12,488 lakhs in Fiscal 2017 to ₹ 1,63,543 lakhs in Fiscal 2019. Further, our income from sale of movie tickets was ₹ 94,843 lakhs in the six months ended September 30, 2019. In Fiscal 2018, we had the highest average ticket price and spend per head among the top four multiplex operators in India (*Source: CRISIL Report*). Our Average Ticket Price has increased from ₹ 196 in Fiscal 2017 to ₹ 207 in Fiscal 2019 and was ₹ 202 in the six months ended September 30, 2019. Our Spend Per Head has increased from ₹ 81 in Fiscal 2017 to ₹ 91 in Fiscal 2019 and was ₹ 100 in the six months ended September 30, 2019. Our revenue from Sale of Food and Beverages has also been steadily increasing from ₹ 57,942 lakhs in Fiscal 2017 to ₹ 85,839 lakhs in Fiscal 2019. Further, our revenue from Sale of Food and Beverages was ₹ 53,615 lakhs in the six months ended September 30, 2019. Our occupancy rates were 31.3% and 36.2% in Fiscal 2018 and Fiscal 2019, respectively, and were 35.2% and 37.5% in the six months ended September 30, 2018 and in the six months ended September 30, 2019, respectively.

In Fiscal 2018, we also had the highest share of advertising income to total operating income among the multiplex operators in India and had a market share of approximately 33% in the in-cinema advertising segment for multiplex operators in India (*Source: CRISIL Report*). We have proven the advertising monetization potential of our platform by increasing advertisement income from ₹ 25,176 lakhs in Fiscal 2017 to ₹ 35,352 lakhs in Fiscal 2019. Further, our advertisement income was ₹ 18,539 lakhs in the six months ended September 30, 2019. We believe that the premium associated with our brand has helped us in charging high in-cinema advertising rates from advertisers. We have a relatively higher gross margin on advertisement revenue as our costs are limited to the extent of the manpower hired. In addition, our revenue from convenience fees has also increased from ₹ 5,816 lakhs in Fiscal 2017 to ₹ 13,035 lakhs in Fiscal 2019. Our revenue from convenience fees was ₹ 8,627 lakhs in the six months ended September 30, 2019. Our Company renewed arrangements with Paytm and BookMyShow, for booking and selling our ticketing inventory through their digital platforms for a period of three years commencing from July 2018.

We have maintained a consistent track record of financial performance with our revenue from operations increasing from ₹ 2,11,943 lakhs in Fiscal 2017 to ₹ 3,08,556 lakhs in Fiscal 2019. Our revenue from operations was ₹ 1,85,357 lakhs in the six months ended September 30, 2019. Our Adjusted EBITDA increased from ₹ 37,587 lakhs in Fiscal 2017 to ₹ 61,947 lakhs in Fiscal 2019. Our Adjusted EBITDA was ₹ 60,965 lakhs in the six months ended September 30, 2019. For reconciliation of Adjusted EBITDA, see "***– Results of Operations – Six Months Ended September 30, 2019 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*", "*– Results of Operations – Fiscal 2019 compared to Fiscal 2018 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin*" *and "*– Results of Operations – Fiscal 2018 compared to Fiscal 2017 – Adjusted Earnings before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) and Adjusted EBITDA Margin***" on pages 136, 142 and 147, respectively. Our profit for the year was ₹ 9,584 lakhs in Fiscal 2017, while our net profit after tax was ₹ 18,937 lakhs in Fiscal 2019. Our net profit after tax was ₹ 6,520 lakhs in the six months ended September 30, 2019.

Experienced Promoters, Key Managerial Personnel and Senior Management team with established track record

We benefit from the experience of our Promoters, Key Managerial Personnel and the Senior Management team who have extensive industry knowledge and expertise. Ajay Bijli, our Chairman cum Managing Director and one of the Promoters of our Company, is the founder of our Company and has over two decades of experience in the movie exhibition industry, and has been awarded, amongst others, the "EY Entrepreneurial Award for Business Transformation" in 2013, the "Most Admired Multiplex Professional of the year" award at the CMO Asia's Multiplex Excellence Awards in the year 2014 and the "Business Icon of the year" award at the International Film Business Awards by Indywood Film Market and ALIIFF in 2015. Sanjeev Kumar, our Joint Managing Director and one of the Promoters of our Company, also has over two decades of experience in the movie exhibition industry and manages the film acquisition and distribution business and programming activities, and is also involved in the development and growth strategy of our Company. Our Promoters are actively involved in our operations, and together with our Board of Directors and our Senior Management, have been instrumental in implementing our growth strategies and successfully integrating our acquisitions.

Gautam Dutta, the Chief Executive Officer of our Company, has been associated with us for over 13 years and is responsible for managing our day-to-day business operations to ensure an effective management of resources and delivering the statement of profit and loss. Kamal Gianchandani, the Chief of Business Planning & Strategy of our Company and is also the chief executive officer of one of our Subsidiaries, PVR Pictures, has been associated

with us for over 18 years and is presently responsible for handling film financing, distribution, syndication, licensing, cinema exhibition (for both Indian and foreign language films) in India and also oversees business planning and strategy of our Company. Nitin Sood, the Chief Financial Officer of our Company, has been associated with us for 17 years and oversees the finance, accounting and legal compliance and is also responsible for managing all activities relating to mergers and acquisitions, fund raising and strategic business expansion opportunities for our Company. Pramod Arora, the Chief Growth & Development Officer of our Company, has been associated with us for 18 years and is presently responsible for overseeing growth and development of new screen portfolio and execution and fit-outs of new screens. For further information, see "***Board of Directors and Senior Management***" on page 202. We intend to continue to leverage the experience of our Promoters, Key Managerial Personnel and Senior Management team to further grow our business and strategically target new market opportunities.

Our Strategies

Further expand our screen network

We plan to further expand our screen network across India. For our expansion plans, we intend to organically pursue cinema and screen expansion opportunities, continue to work with the commercial real estate developers, and focus on premium screen formats. We also aim to enhance our operations by selectively expanding and upgrading existing operational properties in prime locations. Further, we have experience in identifying and integrating acquisitions/ amalgamations of cinemas and continue to intend to expand our screen network through strategic investments, amalgamations and acquisitions. We have, in the past, made certain acquisitions/ amalgamations and have been able to successfully integrate such acquisitions/ amalgamations, such as, Cinemax Cinemas in November 2012, DT Cinemas in May 2016 and SPI Cinemas in August 2018, which added 138 screens, 32 screens and 76 screens, respectively, to our screen network. In particular, we believe that significant opportunities exist for us to generate economies of scale from our recent acquisition and amalgamation of SPI Cinemas.

In 2017, among key international countries (such as United States and Canada, United Kingdom and Ireland, South Korea, China, Japan and India), India remains an under-penetrated country with a significantly lower movie screens per capita (*Source: CRISIL Report*) which presents a significant opportunity for expansion across India including in the key cities in India. However, in 2017, India was the largest in terms of movies certified/ released in a country among key countries and was amongst the top five countries in terms of box office collections internationally, and exhibited the maximum cinema attendance among the key countries (*Source: CRISIL Report*). Our growth is also supported by the trend of increasing middle and high income groups, rising per capita income, growth in working population and increase in median age in India (*Source: CRISIL Report*). In addition, approximately 13 million square feet of retail mall space is currently operational in the market and malls with gross leasable area of approximately 43 million square feet are planned across the key cities of India (*Source: CRISIL Report*), which can be effectively utilized for the growth of multiplexes. Further, the share of single screens in India in terms of overall screen count is expected to reduce from 74% as of March 31, 2018 to 60% as of March 31, 2023 (*Source: CRISIL Report*), which also provides considerable expansion scope for multiplex operators. Further, we believe significant opportunities exist in international markets as well, that offer incremental attendance-generating and revenue-generating prospects. We are currently in the process of setting up cinemas in Sri Lanka. We intend to selectively pursue opportunities that will consolidate our market position and enhance our financial position, expand our existing product offerings and increase our sales and marketing network, customers and geographical reach, enhance our customer experience and help us in technological advancements. These opportunities could be by way of strategic acquisitions, joint ventures, technical collaborations, new partner tie-ups and asset purchases.

Focus on increasing premium screens as part of our portfolio

Over the years, the per capita income in India has been continuously increasing at a CAGR of 5.5% from Fiscal 2012 to Fiscal 2018 and is expected to further increase at a CAGR of approximately 5.8% in Fiscal 2019 (*Source: CRISIL Report*). Average spending per household on movies in India has increased from approximately ₹ 368 to ₹ 388 per household in Fiscal 2015 to approximately ₹ 433 to ₹ 453 per household in Fiscal 2018 and is expected to further increase to approximately ₹ 589 to ₹ 609 per household in Fiscal 2023 (*Source: CRISIL Report*). Further, factors such as the trend of increasing middle and high income groups, rising per capita income, growth in working population and increase in median age is expected to increase the average spending on movies per household in India (*Source: CRISIL Report*). In addition, the increase in average ticket price and spend per head on account of increasing premiumization of cinema halls is contributing to the increase in movie spends (*Source: CRISIL Report*).

Accordingly, with such increase in income and spending, customers would want to and will be able to afford movie exhibition on such premium screen formats. As a result, we intend to focus on providing more premium offerings to our customers, in the form of premium screen formats, such as IMAX, 4DX, P[XL], Playhouse, Gold and Director's Cut. Our business is of a visual medium requiring a keen focus on the quality of on-screen presentation and accordingly, we are committed to investing in and expanding our offerings to quality sight and sound experiences by providing the latest cinema technology solutions to the customers. In line with our strategy of increasing our premium offerings, our Company has recently entered into an agreement with a developer for developing a 'drive-in theatre'. We believe the investment in premium screen formats will increase the value of movie-going experience for our customers, ultimately leading to additional ticket, F&B, and advertising revenues.

Enhance customer experience

We plan to continue investing in our cinemas and improving customer experience to take greater advantage of incremental revenue-generating opportunities, primarily through an array of improved and differentiated customer experiences. We actively engage in refurbishment of our existing infrastructure and developing new screen formats, seating, technology and infrastructure in order to improve our cinemas. For instance, 'quick response code based paperless ticketing' and 'quick tix machines' are instances of measures undertaken by us, aimed at providing convenience to our customers. We also provide flexibility to our customers by offering the facility of 'book now and decide later', wherein a customer has the option to cancel the movie ticket and F&B booked prior to the start of the show. Further, through our loyalty programme, 'PVR Privilege', we provide personalised offers and services, including reward points, bonus points during special occasions and an automated conversion of reward points into vouchers. Our services also include providing our customers with the option of organizing events such as birthdays, anniversaries, workshops, seminars and school trips at our cinemas.

We offer exclusive screenings for women ('Women on Wednesdays') and senior citizens ('Seniors Day'), and dedicated screens for children ('Playhouse'). We have announced our 'Accessible Cinema Program' for people with mobility, hearing and visual impairment and intend to install step sliders, step climbers, roll-a-ramps, stair lifts and one-step ramps in our cinemas to ensure access for people with mobility issues along with offering audio description available on mobile applications and screening with subtitles and captions. Further, our messaging notification service (through an online messaging platform), provides customers with details of the movie tickets booked and upcoming movies. Further, in certain of our cinemas in Delhi and Mumbai, we monitor the air quality and filter the air in order to maintain the optimum level of air quality in our cinemas. We also intend to focus on online sales of tickets and F&B through partnerships with online aggregator platforms, which enable us to collate data and understand the behavior and preferences of our customers in terms of movies, actors, offers, timings and F&B. In addition, we intend to use technology in seating by introducing electronic leather recliners with charging ports in our existing and new cinemas. We have also installed computer systems at certain of our cinemas to collate customers' feedback/ ratings, which we believe will further help us improving our customer service. As part of our digital initiatives, we have launched a theatre-on-demand service, Vkaao, through a joint venture, which uses a crowdsourcing model to enable customers to plan exclusive screenings of movies of their choice from our collection of movies at a cinema of their choice, and also created a digital cinema environment for our customers at our cinemas. By using analytic tools and machine learning, we offer personalized communication and digital marketing campaigns as well as voice based interfaces to enhance our customers experiences.

Focus on increasing non-box office revenue

We intend to increase our non-box office revenues particularly in F&B, advertising and convenience fees. The F&B segment is a high margin business with approximately 70% to 75% gross margin (*Source: CRISIL Report*). The F&B revenue has increased at a CAGR of 20% during Fiscal 2015 and 2018, and accounted for approximately 22% of the total movie exhibition industry revenues in Fiscal 2018, and is estimated to reach to ₹ 24 billion in Fiscal 2019 (*Source: CRISIL Report*). However, the ratio of spend per head/ average ticket price for certain Indian multiplexes is lower in comparison with certain international counterparts (*Source: CRISIL Report*). Accordingly, multiplexes in India will aim to provide more F&B menu options, create more sales touch points and innovate in price and products (*Source: CRISIL Report*). As a result, we have and further intend to expand our menu of F&B products to include more options for meals, healthy snacks, mixed drinks, organic food and other gourmet products. We also intend to focus on offers on F&B, 'combo' products, sale of F&B along with movie tickets which will help us in increasing the average value of transaction. Further, the launch of premium properties will increase the average spend per head on F&B, resulting in the growth of the cinema exhibition industry (*Source: CRISIL Report*).

As a percentage of total advertising revenue, in-cinema advertising has increased its share and is further expected to increase at a CAGR of approximately 10% from ₹ 11 billion in Fiscal 2019 to ₹ 16 billion in Fiscals 2023 (*Source: CRISIL Report*). However, as of December 2018, Indian multiplex operators' advertisement revenues were lower in comparison with international counterparts (*Source: CRISIL Report*). The key drivers for growth of in-cinema advertising in India include the increase in number of multiplex screens and number of advertisers selecting cinemas as a mode of advertising, and the presence of digital panels in multiplex lobbies (*Source: CRISIL Report*). Accordingly, we intend to capitalize on this opportunity and grow revenues from our advertising offerings through deepening advertiser engagement, attracting new advertisers to our platform, expanding our on-screen and off-screen advertising offerings and growing our advertising spot rates. In addition, we are exploring innovative mechanisms for advertisements such as advertisements on seat covers, ticketing windows and other publicly accessible places in cinema.

Our online Gross Box Office Collection contribution (as a percentage of Gross Box Office Collection) has been steadily increasing and was 50.7%, 54.7%, 59.3% and 63.0% in Fiscals 2017, 2018, 2019 and in the six months ended September 30, 2019, respectively. We have and further intend to increase the share of online Gross Box Office Collection through our partnerships with Paytm and BookMyShow and our website and mobile application by offering various offers and services including ticket cancellation, booking a cab, loyalty rewards, redemption of coupons, pre-paid cards and discounts and cashbacks. In addition, the information collected through such platforms will help us in determining the customers' behaviour and preferences, which will consequently enable us in improving our customer experience.

Key Milestones of our Company

Calendar Year	Major Milestones
1997	Opened first cinema in Delhi
2003	Received first private equity investment
2006	Listed on BSE and NSE
2008	Crossed over 100 screens
2012	Acquired Cinemax India Limited ('Cinemax Cinemas')
2016	Acquired part of the cinema exhibition undertaking of DLF Utilities Limited ('DT Cinemas')
2016	Crossed over 500 screens
2018	Acquisition and amalgamation of SPI Cinemas
2018	Crossed over 700 screens
2019	Achieved 800 screens

Business

Movie Exhibition Business

As of September 30, 2019 and October 17, 2019, we were operating 800 screens in 170 cinemas with an aggregate seating capacity of approximately 1.8 lakhs. Our cinemas appeal to a diverse group of customers due to the diverse range of movies and multiple show times. In addition, our cinemas feature amenities such as wall-to-wall screens, audio and projection technology, such as three way digital sound systems, multi-station F&B stands, computerized ticketing systems, stadium seating and movie-themed interiors and exteriors.

Our cinemas are designed to increase profitability by optimizing revenues per square foot and reducing the cost per square foot of operation. We vary cinema seating capacities within the same multiplex, allowing us to exhibit movies on a more cost effective basis for a longer period of time by shifting movies to smaller cinemas to ensure higher occupancy rates in our screen network. In addition, we realize significant operating efficiencies by having a common box office, concessions, projection, lobby and wash room facilities, which enables us to spread some of our incremental costs, such as payroll, advertising and rent, over a higher revenue base. We stagger movie show times to reduce staffing requirements and lobby congestion and to provide more desirable traffic flow patterns. In addition, we believe that operating a business consisting primarily of multiplex cinemas enhances our ability to attract customers.

We design and build cinemas to suit different markets and have a range of cinema styles which include 'PVR Director's Cut', 'PVR Gold Class', 'PVR IMAX', 'PVR Superplex', 'PVR 4DX', 'PVR P[XL]', 'PVR Playhouse', 'PVR Onyx', 'PVR ECX', 'PVR Premiere', 'PVR ICON', 'PVR LUXE', 'PVR Cinemas' and 'PVR Utsav', and pursuant to our acquisition and amalgamation of SPI Cinemas, 'Escape', 'Sathyam' and 'Palazzo'. Following table provides the details of our premium screen formats for the periods indicated:

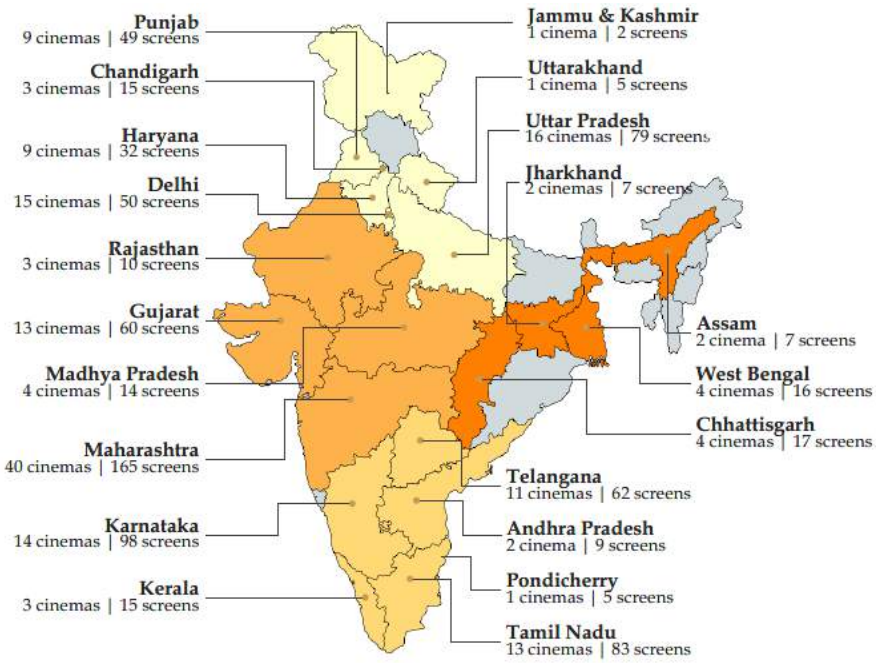
Particulars	As of September 30, 2019	As of October 17, 2019
	Number of premium screens	
Gold Class	33	33
4DX	15	16
IMAX	8	8
Playhouse	10	10
P[XL]	8	8
Director's Cut	4	4
Onyx	1	1
Total	**79**	**80**

The following table provides details in relation to our number of screens for the periods indicated:

Particulars	As of March 31,								As of September 30, 2019	As of October 17, 2019
	2012	2013(1)	2014	2015	2016	2017(2)	2018(3)	2019(4)		
Number of screens	166	351	421	464	516	579	625	763	800	800

(1) 138 screens were added to our screen network through our acquisition of Cinemax Cinemas in November 2012.
(2) 29 screens were added to our screen network through our acquisition of DT Cinemas in May 2016.
(3) Three additional screens (part of our acquisition of DT Cinemas) commenced operations in Fiscal 2018.
(4) 76 screens were added to our screen network through our acquisition and amalgamation of SPI Cinemas in 2018.

The map below shows the location of our cinemas and screens in India as of October 17, 2019:



Note: Map not to scale

The following table provides the location of our cinemas and screens in India for the periods indicated:

Particulars	As of September 30, 2019	
	Number of cinemas	Number of screens
Maharashtra	40	165
Karnataka	14	98
Tamil Nadu	13	83
Uttar Pradesh	16	79
Gujarat	13	60
Telangana	11	62
Delhi	15	50
Punjab	9	49
Haryana	9	32
Chhattisgarh	4	17

Particulars	As of September 30, 2019	
	Number of cinemas	Number of screens
West Bengal	4	16
Chandigarh	3	15
Kerala	3	15
Madhya Pradesh	4	14
Andhra Pradesh	2	9
Jharkhand	2	7
Rajasthan	3	10
Assam	2	7
Pondicherry	1	5
Uttarakhand	1	5
Jammu and Kashmir	1	2
Total	**170**	**800**

The following table provides details of our screens by region for the periods indicated:

Particulars	As of March 31, 2017		As of March 31, 2018		As of March 31, 2019		As of September 30, 2019		As of October 17, 2019	
	Number of screens	As a percentage of total screens (%)	Number of screens	As a percentage of total screens (%)	Number of screens	As a percentage of total screens (%)	Number of screens	As a percentage of total screens (%)	Number of screens	As a percentage of total screens (%)
South India (1)	125	21%	155	25%	259	34%	272	34%	272	34%
West India (2)	225	39%	235	38%	247	32%	249	31%	249	31%
North India (3)	190	33%	196	31%	213	28%	232	29%	232	29%
East India(4)	39	7%	39	6%	44	6%	47	6%	47	6%
Total	**579**	**100%**	**625**	**100%**	**763**	**100%**	**800**	**100%**	**800**	**100%**

(1) South India includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana and Pondicherry.
(2) West India includes Rajasthan, Gujarat, Madhya Pradesh and Maharashtra.
(3) North India includes Chandigarh, Delhi, Haryana, Punjab, Uttar Pradesh, Uttarakhand and Jammu and Kashmir.
(4) East India includes Assam, Jharkhand, Chhattisgarh and West Bengal.

The following table provides the details of our cinemas and screens in certain key cities in India for the periods indicated:

Particulars	As of September 30, 2019	
	Number of cinemas	Number of screens
Delhi - National Capital Region	30	124
Bengaluru	11	84
Mumbai	20	78
Chennai	11	72
Hyderabad	9	51
Pune	6	35
Ahmedabad	5	24
Kolkata	4	16

Revenue Model

We generate revenues primarily from: (i) income from sale of movie tickets; (ii) Sale of Food and Beverages (iii) advertisement income; and (iv) other operating revenue, which includes income from movie production/ distribution, convenience fees, virtual print fees, food court rental income, gaming income and management fees.

The following table provides selected details of the revenue from operations for the periods indicated:

Particulars	Fiscal		
	2017	2018	2019
	(₹ lakhs)		
Income from sale of movie tickets	1,12,488	1,24,707	1,63,543

Particulars	Fiscal		
	2017	2018	2019
	(₹ lakhs)		
Sale of Food and Beverages*	57,942	62,495	85,839
Advertisement income	25,176	29,693	35,352
Convenience fees	5,816	5,971	13,035

** Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.*

Particulars	Six months ended September 30, 2019
	(₹ lakhs)
Income from sale of movie tickets	94,843
Sale of Food and Beverages*	53,615
Advertisement income	18,539
Convenience fees	8,627

** Sale of Food and Beverages represents sale of food and beverages and sale of other/traded goods.*

Box Office Revenue

Box office revenue is our largest source of revenues. We sell tickets of movies at our cinemas, through our physical box office counters, our website (www.pvrcinemas.com), our mobile application and online aggregator platforms, *i.e.* Paytm and BookMyShow. Our income from sale of movie tickets contributed 51.6%, 52.7% and 52.4% of our total income, in Fiscal 2017, Fiscal 2018, Fiscal 2019, respectively. Further, in the six months ended September 30, 2019, our income from sale of movie tickets contributed 50.8% of our total income.

Our box office revenue depends on the number of customers that visit our cinemas and the ticket price that we charge our customers. Both these factors are critical for optimising the profitability of our cinemas and form an integral part of our management information system. In addition to the opening of new cinemas, we aim to increase the number of customers by increasing the occupancy rate at our existing cinemas through the use of flexible ticket pricing, marketing initiatives to increase the profile of movies played at our cinemas and through other initiatives such as bulk booking, gift cards, loyalty programmes and other customer engagement initiatives. We had 761 lakhs, 993 lakhs and 563 lakh admits in our cinemas in Fiscal 2018, Fiscal 2019 and in the six months ended September 30, 2019, respectively. Further, our occupancy rates were 31.3% and 36.2% in Fiscal 2018 and Fiscal 2019, respectively, and were 35.2% and 37.5% in the six months ended September 30, 2018 and in the six months ended September 30, 2019, respectively.

Ticket prices vary across our properties, type of movie and according to the day and time of the week. Our aim is to offer tickets at prices, which will result in the growth and increase of our box office revenue. We also provide flexibility to our customers by offering the facility of 'book now and decide later', wherein a customer has the option to cancel the movie ticket and F&B booked prior to the start of the show. We believe this will help, encourage and improve our customers' ticket purchasing experience and allow them to book tickets earlier, and further, increase our revenues and consumption levels.

Our ability to increase our ticket prices at each of our cinemas is restricted by competition from other cinema operators and the price sensitivity of the population in the particular area. Further, our ability to charge a particular ticket price is significantly limited by legislations in certain states, such as Andhra Pradesh, Telangana, Tamil Nadu and Karnataka as well as in certain cities in North India such as Pathankot and Chandigarh, which control the cinema ticket prices that we charge from our customers. In addition, the good and services tax ("**GST**") on ticket prices impacts our customers' affordability, however, with effect from January 1, 2019, the GST has been reduced to 12% from 18% for tickets up to ₹ 100 and 18% from 28% for tickets above ₹ 100. This reduction in the GST rate is expected to have a positive impact on the admits and consequently the cinema exhibition industry (*Source: CRISIL Report*). For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition - Government regulations and taxation***" on page 117.

F&B Revenue

Revenue from F&B forms a significant source of revenue and have a higher margin than ticket sales, it is a highly profitable revenue stream for us. Our Sale of Food and Beverages contributed 26.6%, 26.4% and 27.5% of our total income, in Fiscal 2017, Fiscal 2018, Fiscal 2019, respectively. Further, our Sale of Food and Beverages contributed 28.7% of our total income in the six months ended September 30, 2019. Different varieties of F&B items are offered at our cinemas based on preferences in the particular geographic region and different dietary

needs of our customers. We design our cinemas to have more F&B capacity to make it easier to serve larger numbers of customers. Strategic placement of large F&B operations within cinemas increases their visibility, aids in reducing the length of lines, allows flexibility to introduce new concepts and improves traffic flow around the F&B stands. We have also started value added services such as service on seats and pre-booking of meals to increase our revenue from F&B. Further, we also generally try to maximize the revenues from the sale of F&B by increasing the number of transactions within the limited time our customers have prior to the start of a movie or during the interval of a movie and by increasing the average transaction size.

Traditionally, F&B items included popcorn and soft drinks, however, to address recent customer trends, we have expanded our menu of F&B products to include meals, healthy snacks, mixed drinks, organic food and other gourmet products. In this regard, we have appointed a celebrity chef to render culinary/ cooking services at our cinemas. We also intend to focus on offers on F&B, 'combo' products, sale of F&B along with movie tickets which will help us in increasing the average value of transaction.

We primarily depend on third party suppliers for our F&B offerings. We do not enter into long-term contracts with any of our suppliers and typically place orders with them in advance on the basis of our anticipated requirements. We typically negotiate prices for our F&B supplies directly with vendors on a national or regional basis to obtain high volume discounts or bulk rates. Further, we have entered into an exclusive arrangement with a carbonated soft drink manufacturing company for providing beverages and snacks at our cinemas.

Advertisement Revenue

We utilise our existing cinema infrastructure to display advertisements and provide both on-screen as well as off-screen cinema advertisement services. On-screen advertisements include 35mm film commercials and slides shown prior to the screening of a movie and during intervals. Off-screen advertisements includes foyer displays, light box displays, ticket jackets and popcorn boxes, wash room advertisements, exterior of cinema branding and advertisement spots on video walls that feature movie trailers, standard advertisements, concessions advertisements and music videos, which can also be sponsored. Some of the brands that advertise in our cinemas and/or with whom we have ongoing corporate alliances are from various sectors such as mobile phone manufacturers, fast moving consumer goods, financial services, e-commerce and automobile manufacturers. Our advertisement customers also participate and sponsor our various promotional activities targeted to increase the number of customers at our cinemas.

We have a relatively higher gross margin on advertisement revenue as our costs are limited to the extent of the manpower hired and accordingly, advertisement income comprised 11.5%, 12.6% and 11.3%, of our total income in Fiscal 2017, Fiscal 2018 and Fiscal 2019, respectively. Further, advertisement income was 9.9% of our total income in the six months ended September 30, 2019. Our advertising platform offers a number of advantages, such as wide reach, targeting capabilities, target audience and advanced technology including multiple language support, over traditional advertising methods which drives its growth.

Other Operating Revenue

Convenience Fees

We earn revenue from the convenience fees charged by online aggregator platforms, our website and mobile application to customers for booking movie tickets online. Such convenience fee when charged by online aggregator platforms, is shared based on a pre-agreed revenue share arrangement with a fixed minimum guarantee, whereas, for the convenience fee charged by our website and mobile application, we receive the full convenience fee paid by the customer. Our Company renewed arrangements with Paytm and BookMyShow, for booking and selling our ticketing inventory through their digital platforms for a period of three years commencing from July 2018.

Business Operations

Movie licensing

Evaluation of movies. We license movies on a movie-by-movie and/or cinema-by-cinema basis by negotiating directly with movie producers and distributors. However, prior to such negotiations, we evaluate the prospects for each upcoming movie based on various parameters, such as cast, director, genre, publicity and estimated movie rental costs. We have a specialized in-house team in our programming department, which focuses on obtaining

movies for our cinemas and preparing movie schedules. The main objective of the programming department is to source the right movies for the right market (based on thorough analysis of the profile of the market), at the most competitive terms, and screen the movies in a manner and at the show that enables maximization of revenues from each movie. Our programming department gathers information on all forthcoming movie releases in India on a daily basis, through interaction with the movie producers and distributors, and additionally through trade magazines, electronic and print media and the internet.

Access to movie and relationship with distributors. We work with Indian and international movie producers and distributors on a regular basis and our programming department ensures that we maintain a business relationship with such movie distributors and producers, to ensure that we get their movies to play in our cinemas. We license movies from movie distributors who are generally owned by the major production houses and studios, and also from independent movie distributors who are generally involved with the distribution of movies from relatively smaller production houses and studios.

Movie Rental Fees. We typically procure movies on a revenue share basis by entering into arrangements with the distributors/ producers, wherein the box office collections, net of GST and other taxes and charges, are shared between the distributor/ producers and us in a pre-agreed ratio. The percentage of revenue received by the distributor reduces over the term of the movie run. In addition, our arrangements also include a bonus to be paid to the distributor by us in case the Gross Box Office Collection of a movie is above a certain agreed benchmark and a discount to be paid by the distributor to us in case the Gross Box Office Collection of a movie is below a certain agreed benchmark.

Duration of Film Licenses. The duration of our movie licenses are negotiated with our distributors on a case-by-case basis. The term of the license agreements are typically determined based on the expected levels of admissions and box office revenues. Our programming department carries out the scheduling across cinemas. The operations team provides the programming department with information on customer feedback, choices and scheduling enabling them to ensure convenient movie timings based on target customer movie watching habits. In addition, our programming department also participates and contributes in customer engagement through speciality programming such as curating festivals and offering exclusive and alternate content.

Cinema Operations

All of our cinemas are operated and managed by us. Each cinema is managed and supervised by a cinema manager who is responsible for the overall management of the cinema. The cinema manager reports directly to the relevant area manager who in turn reports to the regional directors and subsequently, to the chief operating officer. We also generate daily, weekly and monthly management reports for each cinema in order to monitor admissions, concessions revenue, accounting and workforce information. We have also developed a mobile application, 'PVR Insights', which provides information of our cinema operating performance and movie performance to our regional and corporate teams.

Our cinema managers undergo a comprehensive training program, which includes our operating standards, procedures and policies, for cinema operations and further, we have implemented an incentive compensation program for our cinema managers. In addition, we focus on maintaining quality in our cinemas through regular inspections conducted by regional managers and surprise inspections conducted by our internal quality team and third parties.

Cinema Leases

We are present in 60% of the 20 largest operational malls, in terms of property size, in India, as of March 2019 (*Source: CRISIL Report*) and are typically the anchor tenant in various malls across India where our cinemas are located. We have, over the years, established relationships and entered into long-term lease agreements with various mall developers. We do not own any of our cinema premises and obtain the right to operate cinemas through various contractual arrangements, which we execute with the developers/ owners of the concerned cinema premises. We contract with third party service providers for maintenance services at our cinemas. The tenure of our leases typically ranges from 10 to 20 years which, in certain instances, are renewable subject to mutual agreement. We are required to make an upfront security deposit and a specified monthly rental for the duration of the lease, subject to periodic rent escalations at agreed rates. Some of these contractual arrangements contain provisions permitting termination of these arrangements on account of non-compliance with the terms and failure to cure such non-compliance within specified time frames, by us. For further information, see "***Risk Factors - We have entered into arrangement with various third parties for use of the premises on which our cinemas are***

operated. In the event of termination or non-renewal of such arrangements, our business, financial condition and results of operations would be materially adversely affected." on page 77. In Fiscal 2018 and Fiscal 2019, we incurred ₹ 41,114 lakhs and ₹ 50,591 lakhs, respectively, towards net rental expenses that amounted to 18.9% and 17.9% of our total expense in such periods, respectively. In the six months ended September 30, 2019, we incurred ₹ 4,784 lakhs towards net rental expenses that amounted to 2.7% of our total expense. Net rental expense as reflected in our statement of profit and loss for the six months ended September 30, 2019 significantly reduced on account of adoption of Ind AS 116. For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations- Presentation of Financial Information – Adoption of Ind AS 116***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition - Impact of Ind AS 116***", and "***Financial Information***" on pages 115, 118 and 296, respectively. Further, expenses towards common area maintenance (net of recovery) amounted to ₹ 11,259 lakhs and ₹ 13,016 lakhs in Fiscal 2018 and Fiscal 2019, respectively, accounting for 5.2% and 4.6%, respectively, of our total expenses in such periods. In the six months ended September 30, 2019, expenses towards common area maintenance (net of recovery) amounted to ₹ 7,615 lakhs, accounting for 4.3% of our total expenses.

Business Development

Our business development team is responsible for developing and executing our business plans in accordance with our growth objectives and expansions strategy. The main objective of the business development team is to identify and determine suitable locations for developing multiplex cinemas at competitive terms. Further, it is also responsible for collecting market information, such as, demographic overview, organised retail formats and existing competition, in order to assess the viability of movies in the market and the financial and operational feasibility of the proposed cinema project. In addition, it also maintains relationships with the real estate developers/ mall developers.

Our business development team works closely with the design and project execution team. Our design team creates the layouts for the proposed cinemas while our project execution team develops the proposed cinemas based on such layouts. Our project execution team is also responsible for renovating, upgrading and refurbishing our existing operational cinemas.

Design

We have an in-house design team comprising architects and designers. Our design team provides support to our project execution team in creating layouts for the proposed cinemas and preparing the optimal configuration for the auditorium and lobby for our leased properties. In addition, our design team works with Indian and international architectural firms to create interior spaces while complying with all the requirements of our operations and engineering teams. We primarily work with architects on a retainer model and in certain situations, on a project-to-project basis.

Our design team also conducts research on new design trends through conducting visits to international cinemas and cinema exhibitions, and by attending workshops. Further, our design team also plays an active role in the renovation of existing cinemas by introduction of new formats, seating, technology and utility area upgradation.

Marketing

The marketing of our cinemas, brand and screen formats is a key focus area for us. We undertake marketing and promotional activities for our brand and cinemas along with initiatives for certain specific movies and F&B items.

We have an in-house team that develops and implements the marketing calendar, focused around occasions, movie based promotions, targeted customer promotions (children, women and senior citizen), local area promotion to drive admits to a particular cinema, screen format promotions and curated events. To market our cinemas and movies, we advertise through online, offline and cinema media, such as radio, television, newspaper, e-mails and short messages.

In addition, we also conduct celebrity visits and various events such as movie premieres, press conferences, special screenings, charity events, and trade initiatives, which target movie producer, distributors and the movie industry. Further, as part of our marketing strategy, we have introduced a loyalty programme, 'PVR Privilege', which provides our customers with a range of benefits, personalised offers and services, including reward points on each purchase of tickets or F&B, bonus points during special occasions, and an automated conversion of reward points

into vouchers that can be used to pay for tickets and F&B. As of September 30, 2019, we had approximately 84.7 lakhs 'PVR Privilege' members.

Innovation

We have made and continue to make significant investments in developing new screen formats, seating, technology, infrastructure and service upgradation in order to improve our cinemas and enhance customer experience. We have in-house software development engineers who continually work to test and improve our cinema server software, website and mobile application, develop new premium format screens, content delivery software, advertising software, continue building our loyalty program, upgrading our online applications and improve customer experience.

Information Technology

We make extensive use of information technology for the management of our business. We consider information technology to be a strategic tool for us to improve our overall productivity and efficiency.

For our cinema operations, we utilize licensed software which supports the revenue streams generated by admits, concession sales and internet transaction, and enables us to monitor cash flow, inventory and provide detailed reporting information. In addition, our licensed software also allows us to program our movie schedules for all our cinemas. The information recorded by the licensed software is collated to a central server, which is used for reporting and other purposes. Through our website, mobile application and partnership with online aggregator platforms, BookMyShow and Paytm, customers can check movie timings, book tickets, and F&B of their choice. In addition, we launched 'PVR Privilege' to offer differentiated benefits to our regular customers. Further, by using analytic tools and machine learning, we offer personalized communication and digital marketing campaigns as well as voice based interfaces to enhance our customers' experiences.

We utilize a tool, 'Theatre Management Service', which helps us in determining the ticket price for a particular show for an upcoming movie, by reviewing historical data on movies, including the genres, actors and price range, along with the occupancy rates of our properties. We also have an automation tool for our advertisement sales team, which automatically provides rate cards depending on factors such as location, show timings and occupancy rates and also provides support to the advertisement team by providing details of the available inventory.

Competition

We operate in the movie exhibition industry, which is highly competitive. Motion picture exhibitors generally compete on the basis of the ability to secure movies with favourable licensing terms, seating capacity, location and reputation of their cinemas, quality of projection and sound system of their theatres, customer experience, and ability and willingness to promote the movies they are showing. Our competitors vary substantially in size, from small independent exhibitors to large national multiplex chains. As a result, our cinemas are subject to varying degrees of competition in the regions in which they operate. The key multiplex operators in the Indian movie exhibition industry include PVR Limited, INOX Leisure Limited, Carnival Films Private Limited and Cinepolis India Private Limited (*Source: CRISIL Report*).

Our competitors, including newly established motion picture exhibitors, may build new cinemas or screens in areas in which we operate, which may result in increased competition and excess capacity in those areas. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs, and improve our operating efficiencies and customer experience. We also compete with other motion picture distribution channels and technologies such as over-the-top ('OTT'), video on demand, home video, cable television, broadcast television, satellite and pay-per-view services, which could also have an adverse effect on our business and results of operations. Further, we compete for the public's leisure time and disposable income with other forms of entertainment, including sporting events, concerts, live theatre and restaurants. See, "***Risk Factors - An increase in the use of alternative content and movie distribution channels, including over-the-top ("OTT") content and home-videos, movie DVDs, and other competing forms of entertainment may result in a decline in cinema attendance and limit ticket prices.***" on page 73.

In addition to the cinema exhibition industry, we also compete in the advertising industry with other forms of marketing media including television and radio, as well as advertising in shopping centers, airports, stadiums, supermarkets and public transportation, including taxis, trains and buses. Also, see "***Risk Factors - An inability to compete effectively in the competitive movie exhibition industry could result in the loss of customers, which***

could have an adverse effect on our business, results of operations, financial condition, and future prospects." on page 91.

Insurance

We maintain insurance policies for our operational and under-construction cinemas, customers, employees and other assets. For our operational cinemas, we have obtained an 'industrial all risk policy' which covers perils like material damage to property, loss of gross profit and machine breakdown. We have also obtained 'erection all risks insurance' policy for our under construction cinemas. We have taken an 'exhibitor's loss of revenue' insurance policy, which covers any loss of revenue from, amongst others, any strike, 'bandh' call, terrorism attack and curfew situation without any physical damage to the cinemas. In addition, we have obtained a commercial general liability policy to provide insurance cover against any third party liability claims. Further, for our directors and officers, we have obtained a director's and officers' liability insurance. Our Company has obtained a cyber liability insurance policy and crime insurance policy. For our human resources, we maintain an employee group mediclaim policy, which covers all employees including their dependents, and also maintain an employee group term life policy, group personal accidental policy and workmen compensation policy. Also, see "***Risk Factors – Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business and revenues.***" on page 94.

Movie Distribution Business

PVR Pictures Limited ("**PVR Pictures**"), our wholly owned subsidiary, is engaged in the business of distribution of English and Hindi language movies in India. PVR Pictures was incorporated in August, 2001 with an objective to acquire and distribute Hollywood movies that may otherwise not be distributed in the Indian market. PVR Pictures is a strategic business unit aimed at solidifying our exhibition growth and strength by widening the content available in our cinemas across India, thereby increasing the customer base whilst also satisfying some of our programming needs.

PVR Pictures aims to establish itself as the preferred distributor for Hollywood production houses that do not have a base in India for distributing their movies. We have also started acquiring and distributing Hindi movies in certain territories. In Fiscal 2017, Fiscal 2018 and Fiscal 2019, income from movie production/ distribution were ₹ 6,037 lakhs, ₹ 6,216 lakhs and ₹ 6,192 lakhs, respectively. In the six months ended September 30, 2019, income from movie production and distribution was ₹ 7,349 lakhs.

Theatre-on-Demand

We launched a theatre-on-demand service in 2017, Vkaao, a joint venture between our Company and Big Tree Entertainment Private Limited (BookMyShow). Vkaao uses a crowdsourcing model to enable customers to plan exclusive screenings of movies of their choice from our collection of movies at a cinema of their choice. Once the customer confirms the movie, cinema and timing, the screening is made available on Vkaao for other customers to join and if a certain number of tickets are sold, the screening is confirmed. Vkaao gives our customers access to a number of movies, including Bollywood, Hollywood and regional movies, and even offers recommendations. Vkaao also provides a bulk booking option for special occasions.

Gourmet Popcorn Manufacturing and Distribution

Through our Subsidiary, Zea Maize, we focus on our F&B offerings that primarily include gourmet popcorn options. We sell gourmet popcorn under the brand, '4700BC Popcorn' and offer premium flavours, such as 'sour cream and wasabi', 'sriracha lime, 'barbeque cheese' in the savoury category, and 'orange chilly caramel', 'himalayan salt caramel' 'nutty tuxedo' in the sweet category, in different packages and customizable boxes. '4700BC Popcorn' is currently sold on various e-commerce platforms, hotel chains, airlines, retail stores and Indian railways. Our strategy to expand the sales of '4700BC Popcorn' is to focus on the corporate gifting segment. In 2019, '4700BC Popcorn' received the 'Most Talented Food Industry Leaders' award by Asia Food Congress and Awards.

Corporate Social Responsibility ("CSR")

We seek to integrate our business values and operations in an ethical and transparent manner to improve our fulfillment of social responsibilities and environmental and economic practices in an attempt to create a positive impact on the society. We have adopted a 'Corporate Social Responsibility' policy in compliance with the

applicable laws. Through our CSR arm, PVR Network for Enablement & Social Transformation (**"PVR NEST"**), we aim to provide sustainable support and have engaged regularly with communities through financial aid and volunteering initiatives and partnered with governments and various organizations. PVR NEST's programme, Childscapes, a dedicated programme for street children (also called 'children at risks') is focused on enabling their development through interventions in education, nutrition, healthcare, employment and rehabilitation. PVR NEST has also entered into a memorandum of understanding with a foundation to support education programs leading to employment opportunities for underprivileged children of the foundation.

Further, PVR NEST has also entered into a memorandum of understanding with a society to create a 'Green Action Fund' program that aims at primarily creating an innovative and inclusive approach to foster environment sustainability by promoting citizen action. In addition, PVR NEST, through 'Pink Toilets', has also combined with the National Commission for Protection of Child Rights, Delhi Commission for Protection of Child Rights and South Delhi Municipal Corporation to provide safe public restrooms exclusively for women, adolescent girls and children.

Intellectual Property Rights

Our success and ability to compete depends in part upon our ability to adequately protect our intellectual property rights.

We have registered several of our trademarks, including "PVR Director's Cut", "PVR CINEMAS", "PVR GOLD", "P[XL]"and "PVR Superplex", under multiple classes, including but not limited to, Classes 9, 30, 32, 35, 41 and 43. We have also applied for registration of certain other trademarks, including "PVR CINEMAS ECX", "PVR LUXE" and "PVR TALKIES", under such classes. Our subsidiary, PVR Pictures, has obtained trademark registrations for the trademark "Vkaao", SPI Cinemas has registered several trademarks such as "Escape", "Sathyam" and "Palazzo" and Zea Maize has obtained registrations for the "4700BC" trademark.

Employees

As of September 30, 2019, we had 5,352 full-time employees in India. In addition, we contract with third party manpower agencies for the supply of manpower at our cinemas, and as of September 30, 2019, we had over 8,500 contractual employees.

We place significant emphasis on training our personnel and increasing their skill levels, and fostering ongoing employee engagement. We organize in-house as well as external training for our employees and have created a mobile application, 'PVR Springboard', an interactive and structured training management system. We conduct regular learning programs at all levels and across all operations in conjunction with certain government schemes. We also have reward and recognition programs to incentivize our employee base.

Further, certain of our employees are members of Bhartiya Kamgar Sena in Maharashtra, however, we have not experienced any major work stoppages due to labour disputes or cessation of work in the last five years. See "***Risk Factor - Our employees are unionized and any union action may adversely affect our business***" on page 94.

Awards

The following table sets forth information relating to certain awards we have received:

Calendar Year	Awards
2019	Award for 'Most Outstanding Company in India' in media sector at Asiamoney Asia's Outstanding Companies Poll 2019
2019	Award for 'National Best Employer Brand 2018' at 13th Employer Branding Awards
2019	Award for 'Most Innovative Mid Sized Company' at ET Innovation Awards 2019
2018	Received the 'Best Tech Award supporting Energy Efficiency' at Future of Energy Management Summit & Awards 2018
2018	Award for 'Best Leadership Development Program for Middle Management' at 5th Global Training Development Leadership Awards
2018	Received the Kotler Award of Excellence for Digital Transformation, World Marketing Summit (India)
2018	Received 'Rank 28' at Dream Companies to work for (7th Edition)
2017	Received 'Asia's Best Employer Brand Award' at 12th Employer Branding Awards 2017

Calendar Year	Awards
2019	Award for 'Most Outstanding Company in India' in media sector at Asiamoney Asia's Outstanding Companies Poll 2019
2019	Award for 'National Best Employer Brand 2018' at 13th Employer Branding Awards
2019	Award for 'Most Innovative Mid Sized Company' at ET Innovation Awards 2019
2017	Award for 'Dream Company to work for – Entertainment' at Dream Companies to work for (Asia Edition)
2017	Award for 'Exhibitor of the Year' at CineAsia 2017
2016	Award for CNBC TV-18 'Asia's India Innovator of the Year' at 11th India Business Leader Awards
2016	Award for Fortune India's Next 500
2015	Award for 'Best Marketing Initiatives' (for multiplexes above 20 screens) at the Fridays - BW | Businessworld Cinema
2013	Award for 'Recognition of Outstanding Achievement' at Emerging India Awards
2011	Award for 'Industry Leadership' at Indian Film Festival of Los Angeles

Properties

Our registered office is located at 61, Basant Lok, Vasant Vihar, New Delhi – 110 057, India and corporate office is located at Block A, 4th Floor, Building No. 9A, DLF Cyber City Phase III, Gurugram – 122 002, India. As of September 30, 2019 and October 17, 2019, we were operating 800 screens in 170 cinemas across India. We operate based on an asset-light model and accordingly, all our cinemas are located on leased premises.

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of the key laws and regulations which are material for the purposes of undertaking our business operations in India. The description of laws and regulations set out below is not exhaustive, and is only intended to provide general information, and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

The Cinematograph Act, 1952

The Cinematograph Act, 1952 (the "**Cinematograph Act**") was enacted with a view to make provisions for the certification of cinematograph films for exhibition and for regulating exhibitions by means of cinematographs. For enforcement, the Cinematograph Act empowers the central government to constitute a Board of Film Certification (the "**Board**") for the purposes of sanctioning films for public exhibition. A person desirous of exhibiting any film is required to make an application to the Board for a certificate. The Board may, after examining the film, refuse or grant a certificate under the Cinematograph Act and such certificate, if granted, shall be valid throughout India for a period of ten years. The Cinematograph Act also lays down some general principles intended to guide the decision of certification of films, including but not limited to, consideration for security of the state, public order, decency and morality. The certificate granted under the Cinematograph Act may also prescribe certain viewership limitations (in the form of a "U"/"UA"/"A"/"S" certificate), depending on whether the Board feels that the film is suitable for unrestricted public exhibition or not.

Any person who delivers such certified film to any distributor or exhibitor shall notify to them the title, the length, the number and nature of the certificates granted in respect of the film and the conditions if any, subject to which the certificate may have been granted. Pursuant to the Cinematograph Act, no exhibition of a cinematograph can be made in a place otherwise than what is licensed under it. The licensing authority (being the relevant district magistrate, or such other authority as may be specified by the state government) has the power to grant licenses under the Cinematograph Act, subject to satisfaction, amongst other things, that adequate precautions have been taken in the place, in respect of which the licence is to be given, to provide for the safety of persons attending exhibitions therein. Any person aggrieved by the decision of a licensing authority refusing to grant a licence may within such time as may be prescribed, appeal to the state government or to such officer as the state government may specify in this behalf. The central government may also, from time to time, issue directions to licensees generally or to any licensee in particular for the purpose of regulating the exhibition of any film or class of films, so that scientific films, films intended for educational purposes, films dealing with news and current events, documentary films or indigenous films secure an adequate opportunity of being exhibited, and where any such directions have been issued those directions shall be deemed to be additional conditions and restrictions subject to which the licence has been granted.

Additionally, under the Cinematograph (Certification) Rules, 1983, all advertisements of films displayed by the producer/distributor/exhibitor by any means including hoardings, posters or trailers shall indicate in the advertisement that the film has been certified for such public exhibition and shall only indicate the certified title of the film. The Cinematograph Act, 1952 authorises the state licensing authorities to grant the license to operate cinemas. Accordingly, these state specific cinema legislations govern the terms and conditions for grant of the cinema operating license which is required to enable us to operate our cinemas. Further, under some of the state specific cinema legislations, we are also required to obtain certain no objection certifications from the relevant state and municipal authorities, amongst others, in relation to health, electrical and fire, prior to obtaining a license to operate our cinema. Further, these state specific cinema legislations provide for various factors that are to be considered when granting a cinema operating licence, including amongst others, the interest of the public, suitability of the place, adequacy of existing places in the locality, benefit to any particular locality by the opening of a new place for cinematographic exhibition.

In addition, certain of these state specific cinema regulations, which include the states of Andhra Pradesh, Karnataka, Tamil Nadu, Punjab, Chandigarh and Haryana, regulate the cinema ticket prices that we can charge and require us to seek prior approval of the licensing authority for the purposes of increasing the prescribed ticket prices/limits. For instance, in Tamil Nadu, pursuant to the Tamil Nadu Cinemas (Regulation) Rules, 1957 ("**Tamil Nadu Rules**") there are strict rates of admission provided based on the areas in which the theatres are located (like municipalities, town panchayats, village panchayats, etc.) and based on whether the theatre is air conditioned or not. Any revision of rates of admission into a theatre has to be within the prescribed minimum and maximum rates prescribed under the law and to charge a different rate than within what is prescribed, our Company has to provide advance notice to the relevant licensing authority. Additionally, under the Tamil Nadu Rules, a multiplex having

more than three theatres with air conditioning, restaurant facilities and family entertainment, the minimum price for tickets is ₹ 10 while the maximum is ₹ 120. In the state of Andhra Pradesh, the licensing authority while granting a license to the cinema house also prescribes the maximum rates at which tickets can be priced for admission into theatres and such rates can only be increased by an order in writing by the licensing authority permitting such increase. In 2017, the Karnataka state government's 'Kannada Culture and Information Department' passed an order imposing a cap of ₹ 200 on movie theatres in multiplexes across the state. Further, in the state of Punjab, we are governed by the Punjab Cinemas (Regulation) Act, 1952 under which we must comply with ticket prices approved by the licensing authority, and such prices may be increased only with a prior written approval of the licensing authority.

Other State and Municipality Laws

The State legislatures are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions and implement schemes in relation to public health and sanitation and also provide for necessary health, fire and electricity related certifications that are required to be obtained under the state specific cinema legislations. Accordingly, state governments have enacted laws authorizing municipalities to regulate public health, including regulations for issuance of a health no objection certificate and/or license to operate businesses such as eating outlets and restaurants along with prescribing penalties for non-compliance. Additionally, under various state specific rules for electricity, as applicable from time to time, we may also be required to obtain prior approvals and certificates from the relevant state electricity inspectors, among other things, in relation to the energisation of an electrical equipment, sanction of additional load, connectivity requirements, etc. State governments have also enacted laws that provide for fire prevention and life safety. Such laws may be applicable to us and include provisions in relation to obtaining certification in relation to compliance with fire prevention at our multiplexes and life safety measures and impose penalties for non-compliance.

The Food Safety and Standards Act, 2006 ("FSS Act")

The FSS Act was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India ("**FSSAI**"), for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The FSS Act prescribes requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, the FSS Act, the 'commissioner of food safety', 'food safety officer' and 'food analyst' have been granted with detailed powers of seizure, sampling, taking extracts and analysis. The FSS Act empowers a designated officer appointed by the commissioner of food safety of a particular state to grant a license to carry on any food related business and to be in charge of food safety administration in the particular district that the designated officer is appointed. Further, The Food Safety and Standards Rules, 2011 ("**FSSR**") which have been operative since August 5, 2011, provide the procedure for registration and licensing process for food business and lay down detailed standards for various food products. The standards include specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. The FSSAI has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging) Regulations, 2018;
- Food Safety and Standards (Labelling and Display) Regulations, 2018;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

In accordance with Article 105 of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. However, the Company may appoint more than 15 Directors pursuant to a special resolution. Currently, our Company has eight Directors.

The following table sets forth details regarding the Board as of the date of this Placement Document:

Name, Address, DIN, Term, Occupation and Nationality	Age (in years)	Designation
Ajay Bijli *Address:* No. 9, Palam Marg, Vasant Vihar, New Delhi 110 057, India *DIN:* 00531142 *Term:* Five years with effect from April 1, 2018 as Chairman cum Managing Director and liable to retire by rotation as Executive Director *Occupation:* Business *Nationality:* Indian	52	Chairman cum Managing Director
Sanjeev Kumar *Address:* House no. 31, New Rohtak Road, Karol Bagh, New Delhi 110 005, India *DIN:* 00208173 *Term:* Five years with effect from April 1, 2018 as Joint Managing Director and liable to retire by rotation as Executive Director *Occupation:* Business *Nationality:* British	47	Joint Managing Director
Sanjai Vohra *Address:* 6 Hollybush Close, Sevenoaks, Kent TN13 3XW, United Kingdom *DIN:* 00700879 *Term*: Five years with effect from July 25, 2019 *Occupation:* Business *Nationality:* Indian	59	Independent Director
Renuka Ramnath *Address:* D-4701/2, Floor 47, Ashok Tower, 63/74, Dr. S.S. Rao Marg, Parel, Mumbai 400 012, Maharashtra, India *DIN:* 00147182 *Term:* Liable to retire by rotation *Occupation:* Business	58	Non-executive Director

Name, Address, DIN, Term, Occupation and Nationality	Age (in years)	Designation
Nationality: Indian		
Vishal Mahadevia *Address:* 81 Landmark**,** Carmichael Road**,** Mumbai 400 026**,** Maharashtra, India *DIN:* 01035771 *Term:* Liable to retire by rotation *Occupation:* Service *Nationality:* American	46	Non-executive Director
Vikram Bakshi *Address:* 157, Golf Links, New Delhi 110 003, India *DIN:* 00189930 *Term:* Five years with effect from July 25, 2019 *Occupation:* Business *Nationality:* Indian	64	Independent Director
Deepa Misra Harris *Address:* Flat No.1103, 11th Floor, B Wing, Vivarea Tower, Sane Guruji Marg, Jacob Circle, Mumbai 400 011, India *DIN:* 00064912 *Term:* Five years with effect from March 27, 2019 *Occupation:* Branding and marketing consultant *Nationality:* Indian	61	Independent Director
Pallavi Shardul Shroff *Address:* S – 270, Greater Kailash Part – II, New Delhi 110 048, India *DIN:* 00013580 *Term:* Up to the next Annual General Meeting* *Occupation:* Professional (Lawyer) *Nationality:* Indian	63	Independent Director

**Pallavi Shardul Shroff was appointed as an additional Independent Director to our Board pursuant to a Board resolution dated October 22, 2019. Her appointment will be regularized in the next Annual General Meeting*.

Brief profiles of our Directors

Board of Directors

Ajay Bijli is the Chairman cum Managing Director and one of the Promoters of our Company. He is the founder of our Company and has over two decades of experience in the movie exhibition industry. He has completed the '28th Session of the Owner/President Management Program' from the Graduate School of Business

Administration, Harvard University. He has been awarded, amongst others, the "EY Entrepreneur of the year Award for Business Transformation" in 2013, the "Most Admired Multiplex Professional of the year" award at the CMO Asia's Multiplex Excellence Awards in the year 2014, the "Business Icon of the year" award at the Indywood Film Business Awards at the Indywood Film Market and ALIIFF in 2015 and the "Exhibitor of the year" award at the Cine Asia awards in 2017.

Sanjeev Kumar is the Joint Managing Director and one of the Promoters of our Company. He has over two decades of experience in the movie exhibition industry. He is responsible for managing the film acquisition and distribution business and programming activities, along with also being involved in the development and growth strategy of our Company.

Sanjai Vohra is an Independent Director of our Company. He holds a bachelor's degree in science from the University of Delhi and holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is also a director on the board of Tivass Strategies (India) Private Limited.

Renuka Ramnath is a Non-executive Director of our Company. She holds a bachelor's degree in textiles from V.J. Technical Institute, University of Mumbai and a master's degree in management studies from Chetna R.K. Institute of Management & Research, University of Mumbai. She has also completed the 156th session of the 'Advanced Management Program, the International Senior Managers Program' from the Graduate School of Business Administration, Harvard University. She is currently the managing director of Multiples Alternate Asset Management Private Limited, a private equity firm and is also a director on the board of, among others, Ultratech Cement Limited, Tata Communications Limited and L&T Technology Services Limited.

Vishal Mahadevia is a Non-executive Director of our Company. He is currently the managing director of Warburg Pincus India Private Limited and is also a director on the board of, among others, Gangavaram Port Limited, IDFC First Bank Limited, Stellar Value Chain Solutions Private Limited and ICICI Lombard General Insurance Company Limited.

Vikram Bakshi is an Independent Director of our Company. He is currently a director on the board of, among others, Ascot Estates (Manesar) Private Limited, Brite India Private Limited and PVR Pictures.

Deepa Misra Harris is an Independent Director of our Company. She holds a master's degree in arts from the University of Delhi. She is currently a Designated Partner of Brands We Love LLP and is a director on the board of Prozone Intu Properties Limited, Taj Safaris Limited, Concept Hospitality Private Limited and Jubilant FoodWorks Limited.

Pallavi Shardul Shroff is an Independent Director of our Company. She is currently the Managing Partner of Shardul Amarchand Mangaldas & Co. Pallavi Shardul Shroff is presently a Director on the boards of Apollo Tyres Limited, Trident Limited, Asian Paints Limited, InterGlobe Aviation Limited and One 97 Communications Limited. She was recently conferred the 'Lifetime Achievement Award' at the Chambers India Awards 2019 and also been recognised as one of the Most Powerful Women in Indian Business by Business Today, seven years in succession.

Borrowing Powers of the Board

In accordance with the special resolution passed by way of postal ballot dated July 3, 2018 and subject to the provisions of Section 180 (1)(c) of the Companies Act, the Board is authorised to borrow monies from time to time (in foreign exchange or Indian rupees, including external commercial borrowing) as it may deem requisite for the purpose of the business of the Company, notwithstanding that such borrowings, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company, its free reserves and securities premium, but the total amount to be borrowed by the Company shall not exceed an amount of ₹ 2,00,000 lakhs.

Interests of our Directors

All our Directors may be deemed to be interested to the extent of their shareholding, remuneration, reimbursement of expenses and other benefits to which they are entitled as per their terms of appointment. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefit arising out of such holding and transactions with the companies with

which they are associated as directors or members. Our Independent Directors may also be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and other reimbursement of expenses payable to them.

Further, our Directors may also be regarded as interested in the Equity Shares held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as directors, members, partners or trustees. For details of the Equity Shares held by our Directors, see "– ***Shareholding of Directors***" below.

Our Directors may also be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners.

Our Directors, Ajay Bijli and Sanjeev Kumar, are also directors on the board of Priya Exhibitors Private Limited, a company with whom we have entered into lease arrangements for leasing the space for a cinema located in Basant Lok, Vasant Vihar, New Delhi. Further, Nayana Bijli, daughter of our Chairman cum Managing Director, Ajay Bijli, has been appointed as senior manager of "Special Projects" in our Company pursuant to a board resolution dated October 25, 2018, with effect from November 12, 2018.

For further details on the related party transactions mentioned above, see "***Related Party Transactions***" on page 70.

Other than Ajay Bijli and Sanjeev Kumar, who are the Promoters of our Company, our Directors have no such interest in the promotion of our Company as on the date of this Placement Document.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

Other than as set forth below, our Directors did not hold any Equity Shares as on October 25, 2019:

Name	Number of Equity Shares	Percentage (%) of the pre-Issue issued and paid-up share capital as on October 25, 2019
Ajay Bijli	54,38,298[#]	11.24
Sanjeev Kumar	37,28,892	7.71
Sanjai Vohra	1,250	0.01

[#]*On October 22, 2019, 25,000 Equity Shares were transferred to Ajay Bijli by Aamer Krishan Bijli, a member of our Promoter Group, which were credited to his demat account on October 26, 2019. Pursuant to such transfer, the shareholding of Ajay Bijli is currently 54,63,298 Equity Shares.*

Terms of appointment of Executive Directors

Ajay Bijli

Ajay Bijli was last re-appointed on our Board for a period of five years with effect from April 1, 2018 as Chairman cum Managing Director, pursuant to a Board resolution dated May 4, 2018 and a Shareholders' resolution (passed by way of postal ballot) dated July 3, 2018.

In accordance with the above mentioned resolutions and his employment agreement dated July 25, 2018, our Company has approved the following of his appointment and remuneration:

- **Fixed Remuneration:** A basic salary of ₹ 30.76 lakhs per month plus a company leased unfurnished accommodation/house rent allowance not exceeding ₹ 15.07 lakhs per month, with an annual hike of 8% from Fiscal 2020 to Fiscal 2023, subject to the Board's approval each year. No sitting fees shall be paid for attending the meetings of the Board or its committees.

- **Commission:** Annual commission of 3.90% of the net profits of the Company, provided that the overall remuneration (comprising of the fixed remuneration and commission) shall not exceed 5% of the net profits of the Company computed in accordance with the Companies Act.

- **Perquisites:** Perquisites such as Company's contribution towards provident fund and superannuation fund as per the rules of the Company, gratuity as per rules of the Company, provision of two chauffer driven cars for the business of the Company and a mobile phone for the purpose of the Company's business.

- **Reimbursement for Expenses**: Reimbursement for expenses customarily incurred, including but not limited to, travelling, entertainment and similar expenses, subject to the Company's policy regarding reimbursement and non-reimbursement of such expenses.

Sanjeev Kumar

Sanjeev Kumar was last re-appointed on our Board for a period of five years with effect from April 1, 2018 as Joint Managing Director, pursuant to a Board resolution dated May 4, 2018 and a Shareholder's resolution (passed by way of postal ballot) dated July 3, 2018.

Further, in accordance with the above mentioned resolutions and his employment agreement dated July 25, 2018, our Company has approved the following of his appointment and remuneration:

- **Fixed Remuneration:** A basic salary of ₹ 21.25 lakhs per month plus a company leased unfurnished accommodation/house rent allowance not exceeding ₹ 10.42 lakhs per month, with an annual hike of 8% from Fiscal 2020 to Fiscal 2023, subject to the Board's approval each year. No sitting fees shall be paid for attending the meetings of the Board or its committees.

- **Commission:** Annual commission of 2.10% of the net profits of the Company, provided that the overall remuneration (comprising of the fixed remuneration and commission) shall not exceed 5% of the net profits of the Company computed in accordance with the Companies Act.

- **Perquisites:** Perquisites such as Company's contribution towards provident fund and superannuation fund as per the rules of the Company, gratuity as per rules of the Company, provision of one chauffer driven car for the business of the Company and a mobile phone for the purpose of the Company's business.

- **Reimbursement for Expenses**: Reimbursement for expenses customarily incurred, including but not limited to, travelling, entertainment and similar expenses, subject to the Company's policy regarding reimbursement and non-reimbursement of such expenses.

Remuneration of the Directors

A. Executive Directors

The gross salary paid by our Company to Ajay Bijli and Sanjeev Kumar from April 1, 2019 to September 30, 2019 was ₹ 297.20 lakhs and ₹ 205.40 lakhs, respectively. Further, ₹ 1,075.74 lakhs and ₹ 682.81 lakhs commission was paid by our Company to Ajay Bijli and Sanjeev Kumar from April 1, 2019 to September 30, 2019, respectively, in respect of profit for the previous year.

For details of compensation paid to our Executive Directors during Fiscals 2019, 2018 and 2017, see "***Related Party Transactions***" on page 70.

B. Non-Executive Directors and Independent Directors

Pursuant to a resolution passed by our Board on February 3, 2017, our Independent Directors are entitled to receive a sitting fee of ₹ 50,000 for attending each meeting of our Board, with effect from January 1, 2017. Further, pursuant to a Shareholders' resolution dated May 23, 2014, our Independent Directors are also entitled to receive commission not exceeding one per cent of the net profits of the Company.

The following table sets forth the compensation paid by our Company to the Non-Executive Directors during Fiscals 2020, 2019, 2018 and 2017:

(in ₹ lakhs)

Name	Sitting Fees				Commission				Total Compensation			
	For Fiscal ended March 31,											
	2020*	2019	2018	2017	2020*	2019	2018	2017	2020*	2019	2018	2017
Sanjai Vohra	Nil	Nil	Nil	Nil	24.00	15.00	12.00	7.00	24.00	15.00	12.00	7.00
Vikram Bakshi	1.00	6.00	5.50	3.10	2.50	2.50	1.00	1.00	3.50	8.50	6.50	4.10
Amit Burman	2.00**	2.50	4.00	1.60	2.50	2.50	1.00	1.00	4.50	5.00	5.00	2.60
Renuka Ramnath	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Vishal Mahadevia	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Deepa Misra Harris	1.50	Nil	Nil	Nil	4.50	Nil	Nil	Nil	6.00	Nil	Nil	Nil

* *For the period from April 1, 2019 to September 30, 2019.*
***Up to July 25, 2019*

Corporate Governance

As on the date of this Placement Document, we have eight Directors on our Board, comprising two Executive Directors, two Non-executive Directors and four Independent Directors. Further, out of our Independent Directors, two are women directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act in relation to the composition of our Board and constitution of committees thereof.

Committees of the Board of Directors

Our Company has constituted the following five committees in terms of the SEBI Listing Regulations, and the Companies Act each of which functions in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations, as applicable:

(i) Audit Committee;
(ii) Stakeholders' Relationship Committee;
(iii) Nomination and Remuneration Committee;
(iv) Corporate Social Responsibility Committee; and
(v) Risk Management Committee.

The details of these committees are as follows:

A. Audit Committee

The members of the Audit Committee are:

1. Sanjai Vohra (Chairperson);
2. Vikram Bakshi (Member); and
3. Deepa Misra Harris (Member).

B. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Vikram Bakshi (Chairperson);
2. Ajay Bijli (Member); and
3. Sanjeev Kumar (Member).

C. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of four members with not less than one half being Independent Directors. The members of the Nomination and Remuneration Committee are:

1. Sanjai Vohra (Chairperson);
2. Ajay Bijli (Member);
3. Renuka Ramnath (Member); and
4. Deepa Misra Harris (Member).

D. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Ajay Bijli (Chairperson);
2. Sanjeev Kumar (Member);
3. Sanjai Vohra (Member); and
4. Deepa Misra Harris (Member).

E. Risk Management Committee

The members of the Risk Management Committee are:

1. Ajay Bijli (Chairperson);
2. Sanjeev Kumar (Member);
3. Nitin Sood (Member); and
4. Gautam Dutta (Member).

Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to Ajay Bijli, whose details are provided in "- ***Brief Profiles of our Directors***" above, the details of our other Key Managerial Personnel (as defined under the Companies Act and the SEBI ICDR Regulations) as on the date of this Placement Document are set forth below:

Nitin Sood, aged 43 years, is the Chief Financial Officer of our Company. He has been associated with us for 17 years. During his association with our Company he has played a key role in the growth and expansion of our Company. In his present role, he oversees the finance, accounting and legal compliance and is also responsible for managing all activities relating to mergers & acquisitions, fund raising and strategic business expansion opportunities for our Company. He has been awarded the "Best CFO – Excellence in Mergers & Acquisitions" award by ET Now as part of the 'Stars of the Industry Awards' in the year 2018, awarded 'for his exceptional performance and achievement as CA CFO in the Media & Entertainment Sector Category for the year 2016' presented by the Institute of Chartered Accountants of India, New Delhi and awarded the "CFO of the year award – in Services and Hospitality Sector" as part of the national awards for 'CFO Excellence' in 2016. He was also recognized as one of the "Most Influential CFOs of India" by the Chartered Institute of Management Accountants in 2015.

Pankaj Dhawan, aged 58 years is the Company Secretary and Compliance Officer of our Company. He has been associated with us for over 10 years and is presently responsible for our overall secretarial and corporate governance compliance. He was admitted as a fellow member of the Institute of Company Secretaries of India in 1997.

Senior Management

In addition to Sanjeev Kumar, whose details are provided in "- ***Brief Profiles of our Directors***" above, the details of our other senior management (other than Key Managerial Personnel), as on the date of this Placement Document are set forth below:

Gautam Dutta, aged 49 years is the Chief Executive Officer of our Company. He has been associated with us for over 13 years. During his association with our Company, he has been involved in promoting revenue & profitability, technology adoption, innovation and growth of our Company as an organization. In his present role,

he is responsible for managing our day to day business operations to ensure effective management of resources and delivering the P&L. He was awarded the "CEO of the year" award in the year 2018 as part of the global awards for retail excellence for leadership in multiplex cinemas & entertainment presented by ET Now and "CEO with HR orientation" award by Times Ascent in the year 2018. Prior to joining our Company, he was the chief executive officer of PVR BluO Entertainment Limited and has previously also been the vice president of Rediffusion Dentsu Young & Rubicam Private Limited.

Kamal Gianchandani, aged 47 years is the Chief of Business Planning & Strategy of our Company and is also the chief executive officer of one of our Subsidiaries, PVR Pictures. He has been associated with us for over 18 years and is presently responsible for handling film financing, distribution, syndication, licensing and cinema exhibition (for both Indian and foreign language films in India) and also oversees business planning and strategy for our Company.

Pramod Arora, aged 48 years is the Chief Growth & Development Officer of our Company. He has been associated with us for 18 years and is presently responsible for overseeing growth and development of new screen portfolio and execution and fit-outs of new screens. He is also a director on the board of, among other, Star Shopping Centres Private Limited, Future Market Networks Limited and Pan India Food Solutions Private Limited.

Shareholding of Key Managerial Personnel

In addition to the shareholding of Ajay Bijli as disclosed above in " **– *Shareholding of Directors***", and except as disclosed below, no Key Managerial Personnel held any Equity Shares, as on October 25, 2019:

Name	Number of Equity Shares	Percentage (%) of the pre-Issue issued and paid-up share capital as on October 25, 2019
Nitin Sood	84,394	0.17

Shareholding of Senior Management

In addition to the shareholding of Sanjeev Kumar as disclosed above in " **– *Shareholding of Directors***", and except as disclosed below, no Senior Management personnel held any Equity Shares, as on October 25, 2019:

Name	Number of Equity Shares	Percentage (%) of the pre-Issue issued and paid-up share capital as on October 25, 2019
Gautam Dutta	98,465	0.20
Pramod Arora	58,916	0.12

Interest of Key Managerial Personnel and Senior Management

Except as stated in " **– *Interest of Directors***" above and in "***Related Party Transactions***" on page 70, and to the extent of their shareholding, if any, and remuneration or benefits to which they are entitled as per the terms of their appointment and reimbursement of expenses incurred by them in the ordinary course of business and stock options that have been granted to them under the employee stock option schemes of our Company and may be granted to them, our Key Managerial Personnel and Senior Management do not have any other interest in our Company.

Other confirmations

Except as otherwise stated above in "- ***Interests of our Directors***" and "- ***Interest of Key Managerial Personnel***", none of our Directors or Key Managerial Personnel have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

None of the Promoters and Directors have been identified as wilful defaulters, as defined under the SEBI ICDR Regulations, in the last 10 years and none of them have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Company, our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations are applicable to our Company and its employees and require our Company to implement a code of internal procedures and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading and procedure for fair disclosure of unpublished price sensitive information in accordance with the SEBI Insider Trading Regulations.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during the last three Fiscals immediately preceding the date of this Placement Document, see "***Related Party Transactions***" on page 70.

ORGANIZATIONAL STRUCTURE

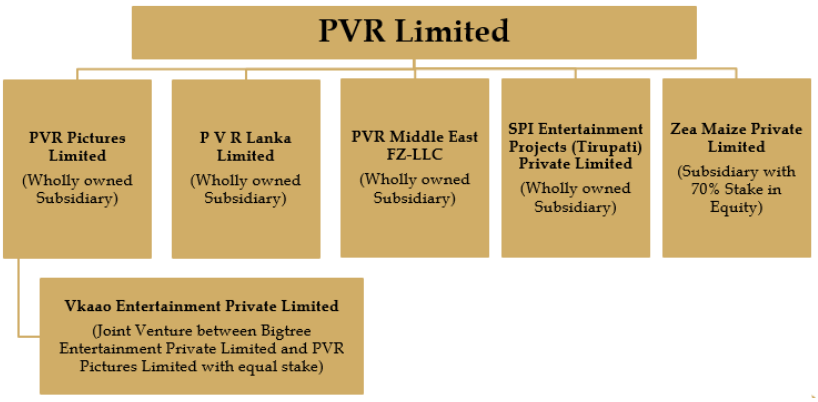
Corporate History

Our Company was incorporated under the Companies Act, 1956 on April 26, 1995 as 'Priya Village Roadshow Limited' with a certificate of incorporation granted by the RoC. Its name was changed to 'PVR Limited' pursuant to a fresh certificate of incorporation dated June 28, 2002.

Our Company's CIN is L74899DL1995PLC067827 and our registered office is located at 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India and our corporate office is located at Block A, 4th Floor, Building No.9A, DLF Cyber City Phase III, Gurugram 122 002, Haryana, India.

Organizational Structure

As of the date of this Placement Document, we have five Subsidiaries and one Joint Venture, as set forth below:



Our Subsidiaries

(a) **PVR Pictures Limited ("PVR Pictures")**

PVR Pictures was incorporated under the Companies Act, 1956 on August 10, 2001 as a public limited company. Its registered office is located at 61 Basant Lok, Vasant Vihar, New Delhi 110 057, India. PVR Pictures is currently engaged in movie distribution business.

The authorised share capital of PVR Pictures is ₹ 40,00,00,000 divided into 10,00,00,000 equity shares of ₹ 4 each and its issued and paid-up share capital is ₹ 26,80,24,692 divided into 6,70,06,173 equity shares of ₹ 4 each. Our Company currently holds (directly and through its nominees) 6,70,06,173 equity shares of ₹ 4 each in PVR Pictures which is equivalent to 100% of the issued and paid-up equity share capital of PVR Pictures.

(b) **Zea Maize Private Limited ("Zea Maize")**

Zea Maize was incorporated under the Companies Act, 1956 on July 24, 2013 as a private limited company. Its registered office is located at A-77/1, Industrial Area, Wazirpur, Delhi 110 052, India. Zea Maize is currently engaged in the business of manufacturing gourmet popcorn under the brand name "4700 BC".

The authorised share capital of Zea Maize is ₹ 85,00,000 divided into 6,00,000 equity shares of ₹ 10 each and 2,50,000, 0.01% compulsorily convertible preference shares of ₹ 10 each. Its paid-up share capital is ₹ 5,55,400 divided into 27,189 equity shares of ₹ 10 each and 28,351 compulsorily convertible preference shares of ₹ 10 each. Our Company currently holds 19,033 equity shares of ₹ 10 each in Zea Maize which is equivalent to 70% of the issued equity share capital of Zea Maize and holds 28,351 0.01% compulsorily convertible preference shares in Zea Maize which is equivalent to 100% of the issued preference share capital of Zea Maize.

(c) **SPI Entertainment Projects (Tirupati) Private Limited ("SPI Entertainment")**

SPI Entertainment was incorporated under the Companies Act on April 26, 2017. Its registered office is located at No. 25, Mamatha Complex, Whites Road, Royapettah, Chennai, Tamil Nadu, India, 600 014. While SPI Entertainment is currently not engaged in any business activities, it is authorised under its constitutional documents to undertake the development of a family entertainment centre at Tirupati in Andhra Pradesh and to build, operate and maintain various entertainment facilities at the family entertainment centre including among others, multiplex screens and convention centres.

The authorised share capital of SPI Entertainment is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each and its issued and paid-up share capital is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. Our Company currently holds 100% of the issued and paid-up equity share capital of SPI Entertainment.

(d) **P V R Lanka Limited ("P V R Lanka")**

P V R Lanka was incorporated under the Companies Act, 2007 of the Democratic Socialist Republic of Sri Lanka on August 9, 2016. Its registered office is located at No. 39, Canal Row, Colombo-01, Sri Lanka. While P V R Lanka is currently not engaged in any business activities, it is authorised under its constitutional documents to engage in the business of setting up a multiplex in Sri Lanka.

The share capital of P V R Lanka is 34,94,03,000 Sri Lankan rupees divided into 34,94,030 ordinary shares of 100 Sri Lankan rupee each. Our Company currently holds 100% of the issued share capital of P V R Lanka.

(e) **PVR Middle East FZ-LLC ("PVR Middle East")**

PVR Middle East was incorporated under the Dubai Creative Clusters Private Companies Regulations, 2016 on November 15, 2018. Its registered office is located at Executive Office No. 117(5), Ground Floor, Building No. 8, Dubai, United Arab Emirates. While PVR Middle East is currently not engaged in any business activities, it is authorised under its constitutional documents to engage in the business of operation of recreation facilities.

The share capital of PVR Middle East is AED 50,000 divided into 50 shares of AED 1,000 each. Our Company currently holds 100% of the issued and paid-up share capital of PVR Middle East. PVR Middle East is currently in the process of winding up and has appointed the liquidator for such purpose.

Our Joint Venture

Vkaao Entertainment Private Limited ("VKAAO")

VKAAO was incorporated as a joint venture between one of our Subsidiaries, PVR Pictures and Bigtree Entertainment Private Limited under the Companies Act on June 22, 2017. Its registered office is located at 61 Basant Lok, Vasant Vihar, New Delhi 110 057, India. VKAAO is a theatre on demand service, which uses a crowdsourcing model online to enable customers to watch any movie of their choice at a theatre of their choice.

The authorised share capital of VKAAO is ₹ 6,00,00,000 divided into 60,00,000 equity shares of ₹ 10 each and its issued and paid-up equity share capital is ₹ 6,00,00,000 divided into 60,00,000 equity shares of ₹ 10 each. PVR Pictures currently (directly and through its nominees) holds 30,00,000 equity shares of ₹ 10 each in VKAAO which is equivalent to 50% of the issued and paid-up equity share capital of VKAAO.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on October 25, 2019 is set forth below.

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	4	9,440,305*	0	0	9,440,305	19.51	9,440,305	0	9,440,305	19.51	0	19.51	0	0.00	0	0.00	9,440,305
(B)	Public	34,409	38,941,957*	0	0	38,941,957	80.49	38,941,957	0	38,941,957	80.49	0	80.49	0	0.00	NA	NA	38,940,916
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	**34,413**	**48,382,262**	**0**	**0**	**48,382,262**	**100.00**	**48,382,262**	**0**	**48,382,262**	**100.00**	**0**	**100.00**	**0**	**0.00**	**0**	**0.00**	**48,381,221**

**On October 22, 2019, 25,000 Equity Shares were transferred (on the floor of the Stock Exchanges) to Ajay Bijli by Aamer Krishan Bijli, a member of our Promoter Group, which were credited to Ajay Bijli's demat account on October 26, 2019. Due to the T+2 settlement mechanism of the Stock Exchanges, on October 25, 2019 (i.e. prior to settlement) these 25,000 Equity Shares, while debited from the demat account of Amer Krishan Bijli, were not as yet credited to the demat account of Ajay Bijli and were instead reflecting in the public category. However, given that such Equity Shares were credited to Ajay Bijli's demat account on October 26, 2019, as on the date of this Placement Document, the aggregate shareholding of the Promoters and members of the Promoter Group is 9,465,305 and that of the public category is 38,691,957.*

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		4	9,440,305	0	0	9,440,305	19.51	9,440,305	0	9,440,305	19.51	0	19.51	0	0.00	0	0.00	9440305
	AJAY BIJLI	AAHPB8092Q	1	5,438,298	0	0	5,438,298	11.24	5,438,298	0	5,438,298	11.24	0	11.24	0	0.00	0	0.00	5438298
	SELENA BIJLI	ACCPB9247Q	1	197,000	0	0	197,000	0.41	197,000	0	197,000	0.41	0	0.41	0	0.00	0	0.00	197000
	SANJEEV KUMAR	AHBPK6535G	1	3,728,892	0	0	3,728,892	7.71	3,728,892	0	3,728,892	7.71	0	7.71	0	0.00	0	0.00	3728892
	AAMER KRISHAN BIJLI	BTMPB0837Q	1	76,115	0	0	76,115	0.16	76,115	0	76,115	0.16	0	0.16	0	0.00	0	0.00	76115
(b)	Central Government/State Government(s)		0	-	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	-	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		0	-	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(1)		**4**	**9,440,305**	**0**	**0**	**9,440,305**	**19.51**	**9,440,305**	**0**	**9,440,305**	**19.51**	**0**	**19.51**	**0**	**0.00**	**0**	**0.00**	**9440305**
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
(d)	Foreign Portfolio Investor		0	0	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	-	0.00	-	0	-	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**-**	**0.00**	**-**	**0**	**-**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**4**	**9,440,305**	**0**	**0**	**9,440,305**	**19.51**	**9,440,305**	**0**	**9,440,305**	**19.51**	**0**	**19.51**	**0**	**0.00**	**0**	**0.00**	**9,440,305**

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds		14	5,114,140	0	0	5,114,140	11	5,114,140	0	5,114,140	11	-	11	-	-	NA	NA	5,114,140
	ICICI PRUDENTIAL VALUE FUND - SERIES 11	AAAAI0038F	1	1,881,785	0	0	1,881,785	4	1,881,785	0	1,881,785	4	-	4	-	-	NA	NA	1,881,785
	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE ARBITRAGE FUND	AAATB0102C	1	1,620,570	0	0	1,620,570	3	1,620,570	0	1,620,570	3	-	3	-	-	NA	NA	1,620,570
	SUNDARAM MUTUAL FUND A/C SUNDARAM MID CAP FUND	AAATS2554B	1	721,593	0	0	721,593	1	721,593	0	721,593	1	-	1	-	-	NA	NA	721,593
(b)	Venture Capital Funds		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(c)	Alternate Investment Funds		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(d)	Foreign Venture Capital Investors		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(e)	Foreign Portfolio Investors		235	20,725,264	0	0	20,725,264	43	20,725,264	0	20,725,264	43	-	43	-	-	NA	NA	20,725,264
	FIL INVESTMENTS(MAURITIUS)LTD	AAACF8751A	1	664,710	0	0	664,710	1	664,710	0	664,710	1	-	1	-	-	NA	NA	664,710
	KUWAIT INVESTMENT AUTHORITY FUND F239	AAATK3858Q	1	717,456	0	0	717,456	1	717,456	0	717,456	1	-	1	-	-	NA	NA	717,456
	MFS INTERNATIONAL NEW DISCOVERY FUND	AABTM2344J	1	911,419	0	0	911,419	2	911,419	0	911,419	2	-	2	-	-	NA	NA	911,419
	BOTTOM BILLION FUND	AAEAB6760D	1	590,193	0	0	590,193	1	590,193	0	590,193	1	-	1	-	-	NA	NA	590,193

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	GRAY BIRCH INVESTMENT LTD	AAGCG2526G	1	2,958,888	0	0	2,958,888	6	2,958,888	0	2,958,888	6	-	6	-	-	NA	NA	2,958,888
	PLENTY PRIVATE EQUITY FII I LIMITED	AAHCP9367M	1	1,392,508	0	0	1,392,508	3	1,392,508	0	1,392,508	3	-	3	-	-	NA	NA	1,392,508
	MORGAN STANLEY FRANCE S.A.	AAKCM6204B	1	569,311	0	0	569,311	1	569,311	0	569,311	1	-	1	-	-	NA	NA	569,311
	GAOLING FUND, L.P.	AARFG3937H	1	552,750	0	0	552,750	1	552,750	0	552,750	1	-	1	-	-	NA	NA	552,750
(f)	Financial Institutions/Banks		2	41,033	0	0	41,033	0	41,033	0	41,033	0	-	0	-	-	NA	NA	41,033
(g)	Insurance Companies		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(h)	Provident Funds/Pension Funds		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(i)	Any Other																		
	FOREIGN CORPORATE BODIES		4	7,461,030	0	0	7,461,030	15	7,461,030	0	7,461,030	15	-	15	-	-	NA	NA	7,461,030
	BERRY CREEK INVESTMENT LTD	AAGCB9421P	1	3,582,585	0	0	3,582,585	7	3,582,585	0	3,582,585	7	-	7	-	-	NA	NA	3,582,585
	MULTIPLES PRIVATE EQUITY FUND I LIMITED	AAHCM1691B	1	1,771,598	0	0	1,771,598	4	1,771,598	0	1,771,598	4	-	4	-	-	NA	NA	1,771,598
	PLENTY PRIVATE EQUITY FUND I LIMITED	AAHCP9334N	1	1,965,507	0	0	1,965,507	4	1,965,507	0	1,965,507	4	-	4	-	-	NA	NA	1,965,507
	Sub Total (B)(1)		**255**	**33,341,467**	**0**	**0**	**33,341,467**	**69**	**33,341,467**	**0**	**33,341,467**	**69**	**-**	**69**	**-**	**-**	**NA**	**NA**	**33,341,467**
(2)	Central Government/State Government(s)/President of India		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	Sub Total (B)(2)		**-**	**-**	**0**	**0**	**-**	**-**	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**NA**	**NA**	**-**
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		32,594	1,794,460	0	0	1,794,460	4	1,794,460	0	1,794,460	4	-	4		-	NA	NA	1,793,419
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		5	299,775	0	0	299,775	1	299,775	0	299,775	1	-	1		-	NA	NA	299,775
(b)	NBFCs Registered with RBI		1	34	0	0	34	0	34	0	34	0	-	0	-	-	NA	NA	34
(c)	Employee Trusts		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		-	-	0	0	-	-	-	0	-	-	-	-	-	-	NA	NA	-
(e)	Any Other																		
	TRUSTS		2	174	0	0	174	0	174	0	174	0	-	0	-	-	NA	NA	174
	ALTERNATIVE INVESTMENT FUND		5	303,748	0	0	303,748	1	303,748	0	303,748	1	-	1	-	-	NA	NA	303,748
	NON RESIDENT INDIANS		677	121,046	0	0	121,046	0	121,046	0	121,046	0	-	0	-	-	NA	NA	121,046
	CLEARING MEMBERS		129	363,359	0	0	363,359	1	363,359	0	363,359	1	-	1	-	-	NA	NA	363,359
	Qualified Institutional Buyer		1	20,750	0	0	20,750	0	20,750	0	20,750	0	-	0	-	-	NA	NA	20,750

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	NON RESIDENT INDIAN NON REPATRIABLE		406	49,156	0	0	49,156	0	49,156	0	49,156	0	-	0	-	-	NA	NA	49,156
	BODIES CORPORATES		333	2,646,231	0	0	2,646,231	5	2,646,231	0	2,646,231	5	-	5	-	-	NA	NA	2,646,231
	MULTIPLES PRIVATE EQUITY FUND	AACTM5770B	1	607,864	0	0	607,864	1	607,864	0	607,864	1	-	1	-	-	NA	NA	607,864
	S S THEATRES LLP	ADDFS5384D	1	999,974	0	0	999,974	2	999,974	0	999,974	2	-	2	-	-	NA	NA	999,974
	I E P F		1	1,757	0	0	1,757	0	1,757	0	1,757	0	-	0	-	-	NA	NA	1,757
	Sub Total (B)(3)		**34,154**	**5,600,490**	**0**	**0**	**5,600,490**	**12**	**5,600,490**	**0**	**5,600,490**	**12**	**-**	**12**	**-**	**-**			**5,599,449**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**34,409**	**38,941,957**	**0**	**0**	**38,941,957**	**80**	**38,941,957**	**0**	**38,941,957**	**80**	**-**	**80**	**-**	**-**			**38,940,916**

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**			**0**

The shareholding pattern of our Company, as on September 30, 2019 is set forth below.

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	4	9,465,305	0	0	9,465,305	19.57	9,465,305	0	9,465,305	19.57	0	19.57	0	0.00	0	0.00	9,465,305
(B)	Public	32,807	38,911,757	0	0	38,911,757	80.43	38,911,757	0	38,911,757	80.43	0	80.43	0	0.00	NA	NA	38,910,716
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employes Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	**32,811**	**48,377,062**	**0**	**0**	**48,377,062**	**100.00**	**48,377,062**	**0**	**48,377,062**	**100.00**	**0**	**100.00**	**0**	**0.00**	**0**	**0.00**	**48,376,021**

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		4	9,465,305	0	0	9,465,305	19.57	9,465,305	0	9,465,305	19.57	0	19.57	0	0.00	0	0.00	9,465,305
	AJAY BIJLI	AAHPB8092Q	1	5,438,298	0	0	5,438,298	11.24	5,438,298	0	5,438,298	11.24	0	11.24	0	0.00	0	0.00	5,438,298
	SELENA BIJLI	ACCPB9247Q	1	197,000	0	0	197,000	0.41	197,000	0	197,000	0.41	0	0.41	0	0.00	0	0.00	197,000
	SANJEEV KUMAR	AHBPK6535G	1	3,728,892	0	0	3,728,892	7.71	3,728,892	0	3,728,892	7.71	0	7.71	0	0.00	0	0.00	3,728,892
	AAMER KRISHAN BIJLI	BTMPB0837Q	1	101,115	0	0	101,115	0.21	101,115	0	101,115	0.21	0	0.21	0	0.00	0	0.00	101,115
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(1)		**4**	**9,465,305**	**0**	**0**	**9,465,305**	**19.57**	**9,465,305**	**0**	**9,465,305**	**19.57**	**0**	**19.57**	**0**	**0.00**	**0**	**0.00**	**9,465,305**
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**4**	**9,465,305**	**0**	**0**	**9,465,305**	**19.57**	**9,465,305**	**0**	**9,465,305**	**19.57**	**0**	**19.57**	**0**	**0.00**	**0**	**0.00**	**9,465,305**

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds		11	5,366,506	0	0	5,366,506	11.09	5,366,506	0	5,366,506	11.09	0	11.09	0	0.00	NA	NA	5,366,506
	ICICI PRUDENTIAL SMALLCAP FUND	AAAAI0038F	1	2,030,728	0	0	2,030,728	4.20	2,030,728	0	2,030,728	4.20	0	4.20	0	0.00	NA	NA	2,030,728
	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY FUND	AAATB0102C	1	1,712,800	0	0	1,712,800	3.54	1,712,800	0	1,712,800	3.54	0	3.54	0	0.00	NA	NA	1,712,800
	SUNDARAM MUTUAL FUND A/C SUNDARAM MID CAP FUND	AAATS2554B	1	851,900	0	0	851,900	1.76	851,900	0	851,900	1.76	0	1.76	0	0.00	NA	NA	851,900
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		231	20,560,497	0	0	20,560,497	42.50	20,560,497	0	20,560,497	42.50	0	42.50	0	0.00	NA	NA	20,560,497
	FIL INVESTMENTS(MAURITIUS)LTD	AAACF8751A	1	664,710	0	0	664,710	1.37	664,710	0	664,710	1.37	0	1.37	0	0.00	NA	NA	664,710

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
	KUWAIT INVESTMENT AUTHORITY FUND 223	AAATK3858Q	1	518,606	0	0	518,606	1.07	518,606	0	518,606	1.07	0	1.07	0	0.00	NA	NA	518,606
	MFS INTERNATIONAL NEW DISCOVERY FUND	AABTM2344J	1	911,419	0	0	911,419	1.88	911,419	0	911,419	1.88	0	1.88	0	0.00	NA	NA	911,419
	BOTTOM BILLION FUND	AAEAB6760D	1	590,193	0	0	590,193	1.22	590,193	0	590,193	1.22	0	1.22	0	0.00	NA	NA	590,193
	GRAY BIRCH INVESTMENT LTD	AAGCG2526G	1	2,958,888	0	0	2,958,888	6.12	2,958,888	0	2,958,888	6.12	0	6.12	0	0.00	NA	NA	2,958,888
	PLENTY PRIVATE EQUITY FII I LIMITED	AAHCP9367M	1	1,392,508	0	0	1,392,508	2.88	1,392,508	0	1,392,508	2.88	0	2.88	0	0.00	NA	NA	1,392,508
	MORGAN STANLEY FRANCE S.A.	AAKCM6204B	1	569,311	0	0	569,311	1.18	569,311	0	569,311	1.18	0	1.18	0	0.00	NA	NA	569,311
	GAOLING FUND, L.P.	AARFG3937H	1	552,750	0	0	552,750	1.14	552,750	0	552,750	1.14	0	1.14	0	0.00	NA	NA	552,750
(f)	Financial Institutions/Banks		3	35,279	0	0	35,279	0.07	35,279	0	35,279	0.07	0	0.07	0	0.00	NA	NA	35,279
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other																		
	FOREIGN CORPORATE BODIES		4	7,461,030	0	0	7,461,030	15.42	7,461,030	0	7,461,030	15.42	0	15.42	0	0.00	NA	NA	7,461,030

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
	BERRY CREEK INVESTMENT LTD	AAGCB9421P	1	3,582,585	0	0	3,582,585	7.41	3,582,585	0	3,582,585	7.41	0	7.41	0	0.00	NA	NA	3,582,585
	MULTIPLES PRIVATE EQUITY FUND I LIMITED	AAHCM1691B	1	1,771,598	0	0	1,771,598	3.66	1,771,598	0	1,771,598	3.66	0	3.66	0	0.00	NA	NA	1,771,598
	PLENTY PRIVATE EQUITY FUND I LIMITED	AAHCP9334N	1	1,965,507	0	0	1,965,507	4.06	1,965,507	0	1,965,507	4.06	0	4.06	0	0.00	NA	NA	1,965,507
	Sub Total (B)(1)		**249**	**33,423,312**	**0**	**0**	**33,423,312**	**69.09**	**33,423,312**	**0**	**33,423,312**	**69.09**	**0**	**69.09**	**0**	**0.00**	**NA**	**NA**	**33,423,312**
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**NA**	**NA**	**0**
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		31,104	1,723,767	0	0	1,723,767	3.56	1,723,767	0	1,723,767	3.56	0	3.56	0	0.00	NA	NA	1,722,726
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		3	241,775	0	0	241,775	0.50	241,775	0	241,775	0.50	0	0.50	0	0.00	NA	NA	241,775

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(b)	NBFCs Registered with RBI		1	34	0	0	34	0.00	34	0	34	0.00	0	0.00	0	0.00	NA	NA	34
(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other																		
	TRUSTS		2	174	0	0	174	0.00	174	0	174	0.00	0	0.00	0	0.00	NA	NA	174
	ALTERNATIVE INVESTMENT FUND		5	275,833	0	0	275,833	0.57	275,833	0	275,833	0.57	0	0.57	0	0.00	NA	NA	275,833
	NON RESIDENT INDIANS		661	121,832	0	0	121,832	0.25	121,832	0	121,832	0.25	0	0.25	0	0.00	NA	NA	121,832
	CLEARING MEMBERS		88	158,217	0	0	158,217	0.33	158,217	0	158,217	0.33	0	0.33	0	0.00	NA	NA	158,217
	Qualified Institutional Buyer		1	17,400	0	0	17,400	0.04	17,400	0	17,400	0.04	0	0.04	0	0.00	NA	NA	17,400
	NON RESIDENT INDIAN NON REPATRIABLE		380	48,589	0	0	48,589	0.10	48,589	0	48,589	0.10	0	0.10	0	0.00	NA	NA	48,589
	BODIES CORPORATES		312	2,899,067	0	0	2,899,067	5.99	2,899,067	0	2,899,067	5.99	0	5.99	0	0.00	NA	NA	2,899,067
	MULTIPLES PRIVATE EQUITY FUND	AACTM5770B	1	607,864	0	0	607,864	1.26	607,864	0	607,864	1.26	0	1.26	0	0.00	NA	NA	607,864

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
	S S THEATRES LLP	ADDFS5384D	1	1,599,974	0	0	1,599,974	3.31	1,599,974	0	1,599,974	3.31	0	3.31	0	0.00	NA	NA	1,599,974
	I E P F		1	1,757	0	0	1,757	0.00	1,757	0	1,757	0.00	0	0.00	0	0.00	NA	NA	1,757
	Sub Total (B)(3)		**32,558**	**5,488,445**	**0**	**0**	**5,488,445**	**11.35**	**5,488,445**	**0**	**5,488,445**	**11.35**	**0**	**11.35**	**0**	**0.00**			**5,487,404**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**32,807**	**38,911,757**	**0**	**0**	**38,911,757**	**80.43**	**38,911,757**	**0**	**38,911,757**	**80.43**	**0**	**80.43**	**0**	**0.00**			**38,910,716**

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**			**0**

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 244 and 255, respectively.*

Our Company, the Book Running Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document has not been, and will not be, registered as prospectuses with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a Qualified Institutions Placement ("**QIP**"). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- the Shareholders have adopted a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP and (b) the Relevant Date;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to adopt the above-mentioned special resolution;

- the Issue must be made through a private placement offer letter (i.e., the Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application letter (i.e., the Preliminary Placement Document and this Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe; and

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board or the Fund Raise Committee decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of the Shareholders passed through postal ballot on January 29, 2019 our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the QIP and within 60 days from the date of receipt of Application Amount from the Successful Bidders. For details of Allotment, see "***– Pricing and Allocation – Designated Date and Allotment of Equity Shares***" below.

The Equity Shares issued pursuant to the QIP must be issued on the basis of the Preliminary Placement Document and this Placement Document. The Preliminary Placement Document and this Placement Document contained and shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors.

This Issue was authorized and approved by our Board of Directors on December 21, 2018 and approved by our shareholders by way of postal ballot on January 29, 2019.

The minimum number of allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 25,000 lakhs; and
- five, where the issue size is greater than ₹ 25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see the section "***— Bid Process— Application Form***" below.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognised stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares have not been and will not be registered under the Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' (as defined in Regulation S) in reliance on Regulations S and the applicable laws of the jurisdiction where those offers and sales are

made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 244 and 255, respectively.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has also filed a copy of the Preliminary Placement Document and this Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE, each dated October 23, 2019.

Issue Procedure

1. Our Company and the Book Running Lead Managers have circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form was specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form had been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form was delivered will be determined by the BRLMs in consultation with our Company, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs were required to submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers.

4. Bidders were required to indicate the following in the Application Form:

    - Full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id and bank account details;
    - number of Equity Shares Bid for;
    - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
    - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;
    - details of the depository account to which the Equity Shares should be credited; and
    - a representation that it is outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S, and it has agreed to certain other representations set forth in the "***Representations by Investors***" on page 3 and "***Transfer Restrictions***" on page 255 and certain other representations made in the Application Form.

5. Each Bidder was required to make the entire payment of the Application Amount for the Equity Shares

Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares were required to be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders were to be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event, among others, a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to the Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "- ***Refunds***" below.

6. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. The Bids made by asset management companies or custodians of Mutual Funds were required to specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid was allowed to be made in respect of each scheme of the Mutual Fund registered with SEBI.

8. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, after the Issue Closing Date, our Company has, in consultation with Book Running Lead Managers determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and this Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Book Running Lead Managers.**

9. Upon determination of the Issue Price and before the issuance of CAN and Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, have, on our behalf, sent this serially numbered Placement Document to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of this serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹ 2,500 lakhs;
- provident funds with minimum corpus of ₹ 2,500 lakhs;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means common ownership of more than fifty per cent or common control) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total paid-up Equity Share capital of our Company. In case the holding of an FPI including its investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done,the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

The aggregate limit of 24% applicable on aggregate investment by FPIs in the paid up share capital of a Company

may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of such Company. The existing aggregate investment limit for FPIs in our Company is 74% of the paid up capital of our Company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, advisors, representatives, agents or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document. Further, Eligible QIBs were required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations.

Note: *Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs could only use the serially numbered Application Forms (which were addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB was deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under the sections "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 3, 244, and 255, respectively:

- The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

- The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;

- The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

- The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

- The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

- The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;

- The Eligible QIB confirms that its Bids would not result in triggering an open offer under the SEBI Takeover Regulations;

- The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

- The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in thisPlacement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees that the disclosure of such details in relation to it in this Placement Document will not guarantee Allotment to it, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;

- The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary (ies) or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- The Eligible QIB confirms that it is outside the United States, it is purchasing the Equity Shares in an offshore transaction in reliance upon Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate.

- The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

- The QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

ELIGIBLE QIBS WERE REQUIED TO PROVIDE THEIR BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS WERE REQUIRED TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares that may be Allotted to such Bidder and shall become a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form included details of the relevant Escrow Account into which the Application Amounts were required to be deposited. The Application Amount was required to be deposited in the Escrow Account as was specified in the Application Form and the Application Form was required to be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Kotak Mahindra Capital Company Limited
27 BKC, 1st Floor, Plot No. C-27, "G" Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051 Maharashtra, India
Contact Person: Karl Sahukar
Email: pvr.qip@kotak.com
Phone No.: + 91 22 4336 0000

CLSA India Private Limited
8/F, Dalamal House
Nariman Point, Mumbai 400 021
Maharashtra, India
Contact Person: Sarfaraz Agboatwala
Email: project.friday@clsa.com
Phone No.: +91 22 6650 5050

The Book Running Lead Managers were not required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders submitting a Bid in the Issue, were required to pay the entire Application Amount within the Issue Period.

Payment of Application Amount

Our Company has opened the "**PVR – QIP ESCROW ACCOUNT**" with Kotak Mahindra Bank Limited, our Escrow Bank, in terms of the arrangement among our Company, the Book Running Lead Managers and Kotak Mahindra Bank Limited as the Escrow Bank. Bidders were required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments were to be made only through electronic fund transfer.

Note: Payments through cheques or demand draft or cash shall be rejected.

If the payment was not made favouring the "**PVR – QIP ESCROW ACCOUNT**" within the Issue Period stipulated in the Application Form, the Application Form of the QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "**PVR – QIP ESCROW ACCOUNT**" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "- ***Refunds***" below.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN allotted under the IT Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each Bidder was required to mention the details of the bank account from which the payment of Application Amount was being made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs were required to submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, have determined the Issue Price, which is above the Floor Price. However, our Company has offer a discount of 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders pursuant to resolution through postal ballot dated January 29, 2019.

After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and filed the same with the Stock Exchanges as this Placement Document.

Method of Allocation

Our Company has determined the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price have been grouped together to determine the total demand. The Allocation to all such Eligible QIBs have been made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size was undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allotted shall be notified to such Successful Bidders.

The Successful Bidders have been sent this serially numbered Placement Document (which includes the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the QIB to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders . Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, the Eligible QIB would have deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by the Stock Exchanges.

Designated Date and Allotment of Equity Shares

The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Our Company, at its sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the QIBs' beneficiary accounts maintained with the Depository Participant, our Company will apply for final trading and listing approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the placement document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013

and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company have been disclosed in this Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Book Running Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC.

After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and filed the same with the Stock Exchanges as this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder withdraws the Application Form prior to the Issue Closing Date, or the Issue is cancelled prior to Allocation , the excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the Refund Intimation. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the date of issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue within 60 days from the date of receipt of the Application Amount, or the Issue is cancelled post Allocation, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges, our Company shall repay the Application Amount within 15 days from expiry of 60 days or such other time period as applicable under applicable law, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For details see – "***Bid Process***" and – "***Refund***" above.

Equity Shares in Dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue were required to have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a successful QIB will be credited in electronic form directly to the specified beneficiary account (with the Depository Participant) of the QIB.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit

of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the QIBs.

Release of Funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "**PVR – QIP ESCROW ACCOUNT**" to our Company until receipt of notice from the Book Running Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

PLACEMENT AND LOCK-UP

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The Book Running Lead Managers and our Company have entered into the Placement Agreement, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to use its reasonable efforts to procure Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and Book Running Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

In connection with the Issue, the Book Running Lead Managers (or their respective affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares. See "***Offshore Derivative Instruments***" on page 8.

From time to time, the Book Running Lead Managers and their respective affiliates and associates may engage in transactions with and perform services for our Company, group companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, Subsidiaries, Joint Venture and its group companies or affiliates, for which they have received compensation and may in the future receive compensation.

Lock-up

The Company shall not, subject to the exceptions set out below: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for equity share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of equity shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 90 days after the Closing Date without the prior written consent of the Book Running Lead Managers, however, the foregoing restriction shall not be applicable (i) to any transaction required by law or an order of a court of law or a statutory authority: (ii) to any issuance of Equity Shares of the Company pursuant to conversion of stock options issued or to be issued by the Company; and (iii) to any issuance of Equity Shares to be issued pursuant to the proposed merger of SPI Cinemas into the Company.

Promoters and Promoter Group lock-up

The Promoters and members of the Promoter Group, during the period commencing on the date hereof and ending 90 days after the date of Allotment of Equity Shares pursuant to the Issue (the "**Lock-up Period**") shall not, directly or indirectly (i) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Share or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any

such substantially similar securities, whether now owned or hereinafter acquired, (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Equity Shares or such other securities, in cash or otherwise, (iii) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (iv) publicly announce its intention to enter into the transactions referred to in (i) to (iv) above. Nothing would restrict the inter-se transfer of any Equity Shares between Promoters/ members of the Promoter Group.

In addition, the Promoters shall not, without the prior consent of the BRLMs, neither one of them shall and shall procure that no member of the Promoter Group shall, during the Lock-up Period, make any demand for or exercise any right with respect to, the registration of any Equity Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Shares or any such substantially similar securities, whether now owned or hereinafter acquired.

SELLING RESTRICTIONS

The distribution of the Preliminary Placement Document and this Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of the Preliminary Placement Document and this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Preliminary Placement Document and this Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of the Preliminary Placement Document and this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document nor this Placement Document or any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under "***Transfer Restrictions***" on page 255.

Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. The Preliminary Placement Document and this Placement Document has not been and will not be registered as prospectuses with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it as such with ASIC. Any offer in Australia of the Equity Shares under this document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

Any offer of the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder (or a Book Running Lead Manager) under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

This document has been prepared for private information purposes of intended investors only who will be accredited investors. For this purpose, an "accredited investor" means: (i) an individual holding financial assets (either singly or jointly with a spouse) of US$1,000,000 or more; (ii) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than US$1,000,000; or (iii)

a government, supranational organization, central bank or other national monetary authority or a state organization whose main activity is to invest in financial instruments (such as a state pension fund). This document is intended to be read by the addressee only.

No invitation has been made in or from the Kingdom of Bahrain and there will be no marketing or offering of the Equity Shares to any potential investor in Bahrain. All marketing and offering is made and will be made outside of the Kingdom of Bahrain. None of the Central Bank of Bahrain, the Bahrain Stock Exchange or any other regulatory authority in Bahrain has reviewed, nor has it approved, this document or the marketing of Equity Shares and takes no responsibility for the accuracy of the statements and information contained in this document, nor shall it have any liability to any person for any loss or damage resulting from reliance on any statements or information contained herein. This document is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities, and the extensive disclosure requirements and other protections that these regulations contain.

Belgium

The Equity Shares may not be distributed in Belgium by way of an offer of securities to the public, as defined in Article 3 §1 of the Belgian Law of June 16, 2006 on public offerings of investment W-28 instruments and the admission of investment instruments to trading on regulated markets (the "**Prospectus Law**"), save in those circumstances set out in Article 3 §2 of the Prospectus Law.

This offering is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and this Placement Document or any other offering material relating to the Equity Shares has not been and will not be approved by, the Belgian Banking, Finance and Insurance Commission ("**Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen**").

Accordingly, this offering may not be advertised and each of the Book Running Lead Managers has represented, warranted and agreed that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Equity Shares, and that it has not distributed, and will not distribute, any memorandum, information circular, brochure or any similar documents, directly or indirectly, to any individual or legal entity in Belgium other than:

(i) qualified investors, as defined in Article 10 of the Prospectus Law;

(ii) investors required to invest a minimum of €50,000 (per investor and per transaction); and

(iii) in any other circumstances set out in Article 3 §2 of the Prospectus Law.

This Placement Document has been issued only for the personal use of the above qualified investors and exclusively for the purpose of this offering. Accordingly, the information contained herein may not be used for any other purpose nor disclosed to any other person in Belgium.

Canada

The Equity Shares will not be qualified for sale under the securities laws of any province or territory of Canada. The Equity Shares may not be offered, sold or distributed, directly or indirectly, in or to or for the benefit of a resident of any province or territory of Canada except pursuant to an exemption from the requirement to file a prospectus in such province or territory of Canada in which the offer or sale is made and only through a dealer duly registered under the applicable securities laws of such provinces in circumstances where no exemption from the applicable registered dealer requirement is available.

The Equity Shares may be sold only to purchasers in a province or territory of Canada purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* ("**NI-45-106**") or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Placement Document (including any amendment thereto) contains a misrepresentation,

provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflict* to comply with the disclosures ("**NI 33105**"), neither our Company nor the Book Running Lead Managers are required re requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the offering of Equity Shares.

Upon receipt of this Placement Document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Cayman Islands

This document does not constitute a public offer of the Equity Shares, whether by way of sale or subscription, in the Cayman Islands. Each Book Running Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Equity Shares to any member of the public in the Cayman Islands.

People's Republic of China

This Placement Document may not be circulated or distributed in the People's Republic of China (the "**PRC**") and the Equity Shares may not be offered or sold directly or indirectly to any resident of the PRC, or offered or sold to any person for reoffering or resale directly or indirectly to any resident of the PRC except pursuant to applicable laws and regulations of the PRC. Neither this offering circular nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Denmark

The Equity Shares have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Securities Trading Act, Consolidation Act No. 843 of September 7, 2005, as amended from time to time, and any orders issued thereunder.

European Economic Area

In relation to each Member State of the EEA Area which has implemented the Directive 2003/71/EC (and any amendment thereto, including Directive 2010/73/EU 2010, to the extent implemented in each relevant EEA Member State) and any relevant implementing measure in each relevant EEA Member State (the "**Prospectus Directive**") (each a "**Relevant Member State**"), an offer to the public of any Equity Shares may not be made in that Relevant Member State, except if the Equity Shares are offered to the public in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the publication by our Company or any of the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Directive and each person who initially acquires Equity Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Book Running Lead Managers and our Company that it is a "qualified

investor" within the meaning of the law in that relevant EEA Member State which has implemented Article 2(1)(e) of the Prospectus Directive.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information of the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Offering have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant Member State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale. Our Company, its directors, the Book Running Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Book Running Lead Managers of such fact in writing may, with the consent of the Book Running Lead Managers, be permitted to subscribe for or purchase Equity Shares in the Issue.

France

This Placement Document has not been prepared in the context of a public offering of financial securities in France within the meaning of Article L. 411-1 of the French Code *monétaire et financier* and Title I of Book II of the *Règlement Général of the Autorité des Marchés Financiers* (the "**AMF**") and, therefore, has not been approved by, registered or filed with the AMF and does not require a prospectus to be submitted for approval to the AMF. Consequently, each of the Book Running Lead Managers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Equity Shares to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Placement Document or any other offering material relating to the Equity Shares and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers)* and/or (ii) to qualified investors (*investisseurs qualifiés)* acting on their own account, as defined in, and in accordance with, Articles L.411-2, D.411-1, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code monétaire et financier. No re-transfer, directly or indirectly, of the Equity Shares in France, other than in compliance with applicable laws and regulations and in particular those relating to a public offering (which are, in particular, embodied in articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 and seq. of the French Code *monétaire et financier)* shall be made.

Germany

The offering is not a public offering in the Federal Republic of Germany. The Equity Shares may be offered and sold in the Federal Republic of Germany only in accordance with the provisions of the Securities Prospectus Act (*Wertpapierprospektgesetz*) of the Federal Republic of Germany (the "**German Securities Prospectus Act**") and any other applicable German law. Consequently, in Germany the Equity Shares will only be available to, and this document and any other offering material in relation to the Equity Shares is directed only at, persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2 No. 6 of the German Securities Prospectus Act. Any resale of the Equity Shares in Germany may only be made in accordance with the German Securities Prospectus Act and other applicable laws. Our Company has not, and does not intend to, file a securities prospectus with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) ("**BaFin**") or obtain a notification to BaFin from another competent authority of a member state of the European Economic Area, with which a securities prospectus may have been filed, pursuant to Section 17(3) of the German Securities Prospectus Act.

Hong Kong

The Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and

Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (shoninzu muke kanyu), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Jordan

The Equity Shares are being offered in Jordan on a cross border basis based on a private one-on-one contacts to no more than 30 pre-identified potential investors and accordingly the Equity Shares will not be registered with the Jordanian Securities Commission and a local prospectus is not required. This Placement Document may not be used for a public offering in Jordan of the Equity Shares.

Republic of Korea

We are not making any representation with respect to the eligibility of any recipients of this document to acquire the Equity Shares therein under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Equity Shares have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea (the "**FSCMA**"). Accordingly, the Equity Shares may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law of Korea and its Enforcement Decree), for a period of one year from the date of issuance of the Equity Shares, except (i) where relevant requirements are satisfied, the Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of qualified professional investors as specified in the FSCMA, its Enforcement Decree and the Regulation on Securities Issuance and Disclosure promulgated thereunder, or (ii) as otherwise permitted under applicable Korean laws and regulations.

Furthermore, the Equity Shares may not be re-sold to Korea residents unless the purchaser of the Equity Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval

requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Equity Shares.

Kuwait

This document is not for circulation in Kuwait and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in Kuwait. The Equity Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority, the Ministry of Commerce and Industry or the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990 and the implementing regulations thereto (as amended), Ministerial Order No. 113 of 1992 and Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Luxembourg

The Equity Shares offered in the Preliminary Placement Document may not be offered, sold or delivered to the public within the Grand Duchy of Luxembourg. This document is only intended for institutional investors. It is personal to each offeree and does not constitute an offer to any other person or to the public generally in Luxembourg to subscribe for or otherwise acquire the Equity Shares. Distribution of the Preliminary Placement Document and this Placement Document to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without prior written consent of the Bank, is prohibited.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Placement Document is subject to Malaysian laws. This Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered, distributed or sold, directly or indirectly, in Mauritius or to any resident of Mauritius, except as permitted by applicable Mauritius law, including but not limited to the Mauritius Securities Act. No offer or distribution of securities will be made to the public in Mauritius.

New Zealand

No action has been or will be taken by the Book Running Lead Managers which would permit a public offering of any of the Equity Shares, or possession or distribution of any offering material in relation to the Equity Shares to the public in New Zealand other than pursuant to the exemptions set out below. Each Book Running Lead Manager represents and agrees, that:

(i). it has not offered, sold or delivered and will not directly or indirectly offer, sell or deliver any of the Equity Shares; and

(ii). it will not distribute any Preliminary Placement Document or advertisement in relation to any offer of the Equity Shares;

in New Zealand other than:

- to persons who are each required to pay a minimum subscription price for the Equity Shares of at least NZ$500,000 (disregarding any amount lent by the offeror, the Company or any associated person of the offeror or the Company); or
- in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand.

Each Book Running Lead Manager will be deemed to represent and agree that it has not offered or sold, and will not offer or sell, any of the Equity Shares to persons whom it believes to be persons to whom any amounts payable on the Equity Shares are or would be subject to New Zealand resident withholding tax, unless such persons certify that they hold a valid certificate of exemption for New Zealand resident withholding tax purposes and provide a New Zealand tax file number to such Book Running Lead Manager (in which event the Book Running Lead Manager shall provide details thereof to our Company.

The Netherlands

The Equity Shares are not and may not be offered in the Netherlands other than to persons or entities who or which are qualified investors as defined in Section 1:1 Dutch Financial Supervision Act (*Wet op het financieel toezicht)* (which incorporates the term "qualified investors" as used in the Prospectus Directive).

Norway

This Placement Document has not been approved by or registered with any Norwegian securities regulators pursuant to the Norwegian Securities Trading Act 1997. Accordingly, neither this Placement Document nor any other offering material relating to the Equity Shares constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act 1997 and is only made to qualified professional investors pursuant to the Norwegian Regulation of December 9, 2005 regarding exemption from the obligation to publish a prospectus or otherwise only in circumstances where an exemption from the obligation to publish a prospectus under the Norwegian Securities Trading Act 1997 is available.

Sultanate of Oman

This document does not constitute a public offer of securities in the Sultanate of Oman, as contemplated by the Commercial Companies Law of Oman (Royal Decree No. 4/1974) or the Capital Market Law of Oman (Royal Decree No. 80/1998) and Ministerial Decision No.1/2009 or an offer to sell or the solicitation of any offer to buy non- Omani securities in the Sultanate of Oman.

This document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this document is not intended to lead to the making of any contract within the territory or under the laws of the Sultanate of Oman.

The Capital Market Authority and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this document or for the performance of our Company or the Equity Shares nor shall

they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

Qatar (excluding the Qatar Financial Centre)

This document and the offering of the Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Equity Shares in the State of Qatar. Accordingly, the Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Equity Shares and distribution of this document is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This document is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the "**QFC**"), and accordingly should not be construed as such. This document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to "Sophisticated Investors" (as defined in Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the "**KSA Regulations**")) for the purposes of Article 9 of the KSA Regulations. Each Book Running Lead Manager has represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial adviser.

The offer of Equity Shares shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Equity Shares are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

This Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Book Running Lead Manager has represented, warranted and agreed that it has not offered or sold any Equity Shares or caused the Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Equity Shares or cause the Equity Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Placement Document or any other document or material in connection with the offer or sale, or invitation for

subscription or purchase, of the Equity Shares, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(2) where no consideration is or will be given for the transfer;
(3) where the transfer is by operation of law;
(4) as specified in Section 276(7) of the SFA; or
(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

South Africa

Due to restrictions under the securities laws of South Africa, the Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

i. the offer, transfer, sale, renunciation or delivery is to:

(a) persons whose ordinary business is to deal in securities, as principal or agent;
(b) the South African Public Investment Corporation;
(c) persons or entities regulated by the Reserve Bank of South Africa;
(d) authorised financial service providers under South African law;
(e) financial institutions recognised as such under South African law;
(f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
(g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000.

No "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "**South African Companies Act**")) in South Africa is being made in connection with the issue of the Equity Shares. Accordingly, this document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and the South African Companies Act Regulations of 2011 and has not been approved by, or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the Equity Shares in South Africa constitutes an offer of the Equity Shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from "offers to the public" set out in section 96(1)(a) or (b) of the South African Companies Act.

Accordingly, this document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) or (b) of the South African Companies Act (such persons being referred to as "**SA Relevant Persons**"). Any investment or investment activity to which this document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA Relevant Persons.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002 (as amended or re-enacted) and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of the Equity Shares is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

No South African resident or offshore subsidiary of a South African resident may subscribe for or purchase any of the Equity Shares or beneficially own or hold any of the Equity Shares unless specific approval has been obtained from the financial surveillance department of the South African Reserve Bank (the "**SARB**") by such persons or such subscription, purchase or beneficial holding or ownership is otherwise permitted under the South African Exchange Control Regulations or the rulings promulgated thereunder (including, without limitation, the rulings issued by the SARB providing for foreign investment allowances applicable to persons who are residents of South Africa under the applicable exchange control laws of South Africa).

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under Article 652a or Article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under Articles 27 ff. of the SIX Listing Manual or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the Issue may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Equity Shares or the Issue or us have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"), and the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the Equity Shares.

The Equity Shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This document, as well as any other offering or marketing material relating to the Equity Shares, is confidential and it is exclusively for the use of the individually addressed investors in connection with the offer of the Equity Shares in Switzerland and it does not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the Issue described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in or from Switzerland.

United Arab Emirates (excluding the Dubai International Financial Centre)

This document has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the "**UAE**") or any other authority in any of the free zones established and operating in the UAE. The Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of such securities.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

(i). an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**"); and

(ii). made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module of the DFSA rulebook.

United Kingdom

Each Book Running Lead Manager, severally and not jointly, has represented and warranted that:

(i). it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") in connection with the offer or sale of the Equity Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

Any investment or investment activity to which this document relates is directed only at, available only to, and will be engaged in only with (i) persons who are outside the United Kingdom (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (iv) or persons to whom it can otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it or any of its contents.

United States

The Equity Shares have not been and will not be registered under the Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' (as defined in Regulation S) in reliance on Regulations S and the applicable laws of the jurisdiction where those offers and sales are made. For further information, see "***Transfer Restrictions***" on page 255.

TRANSFER RESTRICTIONS

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "***Selling Restrictions***" on page 244.

U.S. TRANSFER RESTRICTIONS

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Each purchaser of the Equity Shares outside the United States is deemed to have represented, agreed and acknowledged as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and is located outside the United States (within the meaning of Regulation S) or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is not located outside the United States (within the meaning of Regulation S).

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- The Equity Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Equity Shares have not been and will not be registered under the Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the Securities Act.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the BRLMs for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in this Issue for its own investment and not

with a view to distribution.

- It has been provided access to the Preliminary Placement Document this Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and each of the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the BRLMs liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

- If such person is a dealer (as such term is defined under the Securities Act), it may not resell the Equity Shares in the United States prior to 40 days from the commencement of the offering of the Equity Shares.

It acknowledges that the Company and the BRLMs and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLMs. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the SCRR. On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Rules**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, FPI, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 govern the voluntary and compulsory delisting of equity shares from the stock exchanges.

The SCRR requires all listed companies to maintain a minimum public shareholding of 25%, subject to certain time bound exceptions. Our Company is in compliance with this requirement.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Our Company is in compliance with this minimum public shareholding.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI

Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Prohibition of Insider Trading Regulations

The Insider Trading Regulations prohibit and penalize insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information, subject to certain limited exceptions.

The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

Set out below is certain information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorized share capital of our Company as on the date of this Placement Document is ₹ 1,43,84,96,800, divided into 12,37,00,000 equity shares of ₹ 10 each and 5,90,000 preference shares of ₹ 341.52 each. Our issued subscribed and paid up equity share capital as on the date of this Placement Document is ₹ 51,29,08,450 divided in to 5,12,90,845 equity shares of ₹ 10 each.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

The Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared; (iv) the balance of reserves after withdrawal must not be below 15% of paid-up share capital as appearing in the latest audited financial statement. In accordance with the SEBI Listing Regulations, dividend declared by a company has to be on a per share basis only.

According to the Articles of Association, the Shareholders of our Company in a general meeting may declare dividend to be paid to the members according to their respective rights and interest in the profits which shall not exceed the amount of the dividend recommended by the Board, but the Company in a general meeting may declare a smaller dividend. However, the board of directors is not obligated to recommend a dividend. The decision of the board of directors and Shareholders may depend on a number of factors, including but not limited to the company's profits, capital requirements and overall financial condition. The profits of our Company shall, subject to any special rights relating thereto created or authorized to be created under our Articles of Association, be divisible among our Shareholders in proportion to the amount of capital paid-up on the equity shares held by them respectively. The Board may also, from time to time, without the sanction of the Shareholders of our Company in general meeting, pay to the Shareholders of our Company, such interim dividends as appear to be justified by the position of our Company. Under the Companies Act, 2013 dividends can only be paid in cash to Shareholders listed on the register of shareholders or to the order of such registered shareholders or to his bankers. No Shareholder is entitled to a dividend while unpaid calls on any of his shares are outstanding.

Dividend must be paid within 30 days from the date of its declaration. Unclaimed dividend shall not be forfeited by our Company unless the claim thereof becomes barred by law. In terms of the provisions of the Companies Act, our Company shall credit such unclaimed dividends to the unpaid dividend account of our Company, and any money transferred to the unclaimed dividend account of our Company which remains unpaid and unclaimed for a period of seven years from the date they became due for payment, shall be transferred by our Company to the 'Investor Education and Protection Fund', established by the Central Government.

Issue of bonus shares and Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act, 2013 permits the board of directors, if so approved by the Shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its Shareholders, in the form of fully paid up bonus shares, which are similar to a stock dividend. Bonus shares are distributed to Shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The Shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. The relevant provisions of the SEBI ICDR Regulations prescribe that no company shall, pending conversion of outstanding convertible securities, fully or partly convertible debt instruments, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion. Further, as per the Companies Act, 2013, for the issuance of bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Our Company, in a general meeting by way of an ordinary resolution, may upon the recommendation of the Board, resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of our Company's reserve accounts or to the credit of the statement of profit and loss account or otherwise available for distribution, among such Shareholders as would be entitled to receive dividends, provided that any sum standing to the credit of a share premium account or capital redemption reserve fund may only be applied in paying up of unissued equity shares to be issued to our Company's Shareholders as fully paid bonus shares.

Pre-Emptive Rights and Alteration of Share Capital

The Companies Act, 2013 and our Articles of Association give the Shareholders the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include: a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the Shareholders and the company.

Under Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our Company's Shareholders in a general meeting.

Our Articles of Association provide that our Company may from time to time, by ordinary resolution:

- Increase its share capital by such amount as it thinks expedient by creating new shares;
- Consolidate and divide all or any of its share capital into shares of larger amount than the existing shares;
- Sub-divide all or any of its existing shares into shares of smaller amount than is fixed by our Memorandum of Association so, however, that in the sub-division the proportion between the amount paid and any amount unpaid on each reduced share shall be the same as it was in the case of shares from which the reduced shares are derived; and
- Cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Preference Shares

Subject to Section 55 of the Companies Act 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution

authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014.

Subject to the provisions of section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares of one or more classes which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as determined in the resolution authorizing the issuance.

General Meetings of Shareholders

There are two types of general meetings of the Shareholders:

(i) Annual General Meeting, and
(ii) Extraordinary General Meeting

In accordance with Section 96 of the Companies Act, 2013 a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months.

The Board may, whenever it thinks fit, call an Extraordinary General Meeting and an Extraordinary General Meeting shall on the requisition of members or in case of default by the Board, may be called by such requisitionists as provided by Section 100 of the Companies Act, 2013. Since our Company has more than 5,000 members, thirty members personally present shall constitute the quorum for a general meeting, as provided under Section 103 of the Companies Act, 2013. If the quorum is not present within half an hour of the scheduled time for holding of the general meeting, the meeting, convened upon requisition of members shall be dissolved, but in any other case it shall stand adjourned and reconvened to the same day in the next week.

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the Shareholders entitled to vote. A document may be served by the company on any member thereof and the notice of every meeting of the company shall be given to every member in any manner authorized by and as provided in Sections 20 and 101 of the Companies Act, 2013.

According to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the Shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company. On a show of hands, every member holding equity shares and present in person shall have one vote. On a poll, every member holding equity shares therein shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, anyone of such persons may vote at any meeting either personally or by his proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting, that the vote of the first named person of such joint holders in the register of members, who tenders a vote whether in person or proxy shall be accepted to the exclusion of the votes of the other joint holders.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. The

Companies Act, 2013 provides that to amend the articles of association of a company, a special resolution is required to be passed in a general meeting.

Section 47 of the Companies Act 2013 provides that any preference shareholder present at any meeting of our Company, shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. However, where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

Under the Companies Act, 2013 and our Articles of Association, every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, shall be signed by an officer or any attorney duly authorized by it. The proxy so appointed shall have no right to speak at such meeting and shall not be entitled to vote except on poll.

The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer of the share shall have been received by our Company at the Registered Office before the meeting.

Registration of Transfers and Register of Members

Every person whose name is entered as a member in the Register of the Members shall be entitled to receive within two months after allotment or within fifteen days after the application for registration of transfer or transmission or within such other period as the condition for such issue shall provide: (a) one certificate for all his shares without payment of any charges; (b) several certificates, each for or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

Our Company shall keep its Register of Members at its Registered Office and shall enter the particulars of every transfer or transmission of equity shares. Subject to the provisions of Section 91 of the Companies Act, 2013, the Board shall have the power to close the Register of Members for such periods, not exceeding 45 days in aggregate in a year and 30 days at any one time, subject to giving of previous notice of at least seven days or such lesser period as may be specified by SEBI. Under the SEBI Listing Regulations, our Company may, upon at least seven working days' advance notice to such Stock Exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of equity shares and the delivery of certificates in respect thereof may continue while the register of members is closed.

Directors

The Articles of Association of our Company provide that unless otherwise determined by the Shareholders of our Company at a general meeting, the number of directors of our Company shall not be less than three and not be more than 15, provided that the Company may appoint more than 15 directors after passing a special resolution. The directors shall be appointed by our Company in a general meeting subject to the provisions of the Companies Act, 2013, and the Articles of Association. Pursuant to the Companies Act, 2013, not less than two-thirds of the total numbers of directors shall be persons whose period of office is subject to retirement by rotation and one third of such directors, or if their number is not three or a multiple of three, the number nearest to one-third, shall retire from office at every annual general meeting. The directors to retire are those who have been the longest in the office since their last appointment.

The directors have the power to appoint any other persons as an addition to the Board but any director so appointed shall hold office only up to the date of the next following annual general meeting of our Company but shall be eligible for re-election at such meeting. A casual vacancy in the Board (for instance, due to the death or resignation of a director) who is appointed by the Shareholders can be filled by the Board of Directors at a meeting of the Board, and the person so appointed shall hold office only until the date which the director in whose place he is appointed would have held office. Subject to the provisions of Section 161 of the Companies Act, 2013, the board of directors shall also have the power to appoint any person to act as an alternate director for a director during the latter's absence for a period of not less than three months from India.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the Shareholders of a company. This includes financial information about the company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and is sent to the Shareholders of the company. Under Section 137 the Companies Act, 2013, a company must file the financial statements with the Registrar of Companies within 30 days from the date of the annual general meeting. As required under the SEBI Listing Regulations, copies of such balance sheet and the statement of profit and loss account are required to be simultaneously sent to the stock exchanges on which the shares of the company making such filings are listed. A listed company must also publish its financial results in at least one English language daily newspaper circulating the whole or substantially the whole of India and also in a newspaper published in the language of the region where the registered office of such company is situated. Our Company submits certain information online, including its financial results and the shareholding pattern statement, in accordance with the requirements of the SEBI Listing Regulations and as may be specified by SEBI from time to time.

Transfer and Transmission of shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), which are, however, exempt from stamp duty.

Under Section 58 of the Companies Act, 2013, if a public company without sufficient cause refuses to register a transfer of shares within 30 days from the date on which the instrument or intimation of transfer is delivered to the company, the transferee may, within a period of 60 days of such refusal or where no intimation has been received from the company, within 90 days of the delivery of the instrument of transfer, appeal to the National Company Law Tribunal seeking to register the transfer of shares.

Pursuant to the SEBI Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, our Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Companies Act, 2013 provides that the shares or debentures of a publicly listed company shall be freely transferable. However, the Board of Directors may, under our Articles of Association, subject to Section 58 of the Companies Act, 2013 and the SCRA, at any time in its absolute discretion decline to register transfer of shares. Notice of such refusal must be sent to the transferee within two months of the date on which the transfer was lodged with our Company.

According to our Articles of Association, a nominee on becoming entitled to shares by reason of the death of the holder(s) shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, except that he shall not, before being registered as a member in respect of the shares, be entitled to exercise any rights conferred by membership in relation to meetings of the company. Further, any person who becomes entitled to shares by reason of death or insolvency of a member, or by any other lawful means other than by a transfer, may with the consent of the Board upon producing such evidence as may be required by the board, either be registered as holder of shares or make such transfer as the deceased or insolvent member would have made.

Acquisition by our Company of its own equity shares

Sections 68, 69 and 70 of the Companies Act, 2013 read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 relate to the power of a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back has been authorized by the articles of association of the company;
- a special resolution has been passed in a general meeting of the company authorizing the buy-back. Under the Companies (Management and Administration) Rules, 2014, such resolution authorizing buy-back has to be passed through a postal ballot;

- the buy-back is for less than 25% of the total paid-up capital and free reserves of the Company, provided that the buy-back of equity shares in any financial year shall not exceed 25% of its total paid-up equity capital in that financial year;

- the ratio of the aggregate of secured and unsecured debts owed by the company after buy-back is not more than twice the paid-up capital and its free reserves;

- all the shares or other specified securities for buy-back are fully paid-up; and

- the buy-back is in accordance with the regulations made by SEBI in this behalf.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of securities for six months subject to certain exceptions. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be. Under Section 70 of the Companies Act, 2013, a company is also prohibited from purchasing its own shares or other specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company or group of investment companies or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a Shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act, 2013. Subject to certain conditions, a company is also prohibited from giving, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person for any shares in the company or its holding company.

Winding up

The Company shall be wound up in accordance with the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 (to the extent application).

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA

The information provided below sets out the possible tax benefits available to the Company and its shareholders, in a summary manner only, under the direct tax laws presently in force in India (i.e. applicable for Financial Year ('FY') 2019-20 relevant to the assessment year ('AY') 2020-21). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the applicable regulations. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is linked to the fulfillment of such conditions.

This is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force (as on date of this Report) in India. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT IN THE SHARES PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL.

A. UNDER THE INCOME TAX ACT, 1961 ('THE ACT')

1. Levy of Income-tax

Levy of income-tax and provisions under the Act are dependent on the residential status of the tax payer. The provisions relevant for determination of the residential status of a tax payer are summarized herein below:

1.1 Residential status

Under the Act, "Non-Resident" means a person who is not a resident in India.

a. Residential status of an individual

As per the provisions of the Act, an individual is considered to be a resident in India during any FY if he or she is present in India for:

(a) a period or periods aggregating to 182 days or more in that FY; or
(b) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or In the case of a citizen of India or a person of Indian origin living outside India who comes on a visit to India in any previous year, the limit of 60 days under point (b) above shall be read as 182 days.

In the case of a citizen of India who leaves India for employment outside India or as a member of the crew of an Indian ship in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

Further if an individual fulfills the conditions prescribed under Section 6(6) of the Act, he/she shall be regarded as 'Resident but not ordinarily resident'.

b. Residential status of a Company

A Company is resident in India if it is formed and incorporated under the Companies Act, 1956/2013 or the place of effective management, in that year, is situated in India.

For this purpose, the place of effective management (POEM) means a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made. Circular 6/2017 issued by Central Board of Direct Taxes introduces a series of new sub-test to address unintended consequences of POEM, based on whether a company has active business outside India.

A company is considered to have active business outside India when (a) its passive income (understood as an aggregation of sale and purchase transactions between related parties, royalty, interest, dividend, capital gains) is less than 50% of its total income; and (b) the number of employees in India, value of assets in India and payroll expenses relating to Indian employees is less than fifty percent of the company's total employees, assets and payroll expenses, respectively. The determination of these factors is based on an average of the data pertaining to the relevant financial year and two previous years. A company having an active business outside India is presumed to be non-resident as long as majority of its board meetings are held abroad. For all other companies, the investigation of residence would involve identification of (a) persons who are responsible for management decisions and (b) place where decisions are actually made.

Companies having turnover or gross receipts less than INR 500 million will not come under the scrutiny of POEM.

c. Residential status of a Hindu undivided family ('HUF'), firm or AOP –

A HUF, firm or other association of persons or every other artificial person is resident in India except where, during that year, the control and management of its affairs is situated wholly outside India.

1.2 Scope of taxation

In general, a person who is Resident and Ordinary Resident "ROR" in India in a FY is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India, is subject to tax in India.

Income earned from the equity shares of the Company would be considered to accrue or arise in India and would be taxable in the hands of all categories of tax payers irrespective of their residential status unless specifically exempt (e.g. Dividend received from Indian Companies up to Rs 1 million). However, a relief may be available under applicable Double Taxation Avoidance Agreement ('DTAA') to certain non-residents/ investors.

2. Special tax benefits available to the Company

2.1 Deduction under section 80JJAA of IT Act

An assessee to whom section 44AB applies may claim a deduction equal to 30% of the additional employee cost incurred in the course of its business for 3AYs including the AY in which additional employees are taken on board, subject to the conditions.

Deduction under the said section shall be available to the assessee in the year of providing employment to the prescribed number of additional employees, subject to fulfillment of the conditions specified therein.

3. Special tax benefits available to the Shareholders

Dividend received from an Indian company is exempt from tax. In the case of a specified assessee, the dividend shall be chargeable to tax at the rate of 10%, if the aggregate amount of dividend received from a domestic company during the year exceeds Rs 1 million (Section 115BBDA). Specified assessee" means a person other than:

(i) a domestic company; or
(ii) a fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or
(iii) a trust or institution registered under section 12A or section 12AA.

4. General tax benefit to the Company

4.1. Business or Professional Income:

The computation of business income normally is based on the profits shown in the financial statements, after adjusting for exempt income, non-deductible expenditure, special deductions and unabsorbed losses and depreciation. The central government has also issued certain income computation and disclosure standards relating

to particular taxpayers or classes of income besides provisions of Income Tax Act, 1961 for tax on business income under the head Profit and Gains from Business and Profession.

4.2. Tax on Dividend Income received from Domestic Company:

Dividends earned from investment in shares of Indian Company are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

4.3. Exemption of Dividend Income received from units of Mutual Funds:

Income earned from investment in units of a specified Mutual Fund is exempt from tax under section 10(35) of the Act. However, as per section 94(7) of the Act, losses arising from the sale/ redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent such loss does not exceed the amount of income claimed exempt.

Further, as per section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus, and is allotted bonus units without any payment on the basis of holding original units on the record date and such person sells/ redeems the original units within nine months of the record date, then the loss arising from sale/ redemption of the original units will be ignored for the purpose of computing income chargeable to tax and the amount of loss ignored shall be regarded as the cost of acquisition of the bonus units.

4.4. Foreign Company Dividend Income:

As per section 115BBD of the Act, dividend income received by an Indian Company from a specified foreign Company i.e. in which the Indian Company holds twenty-six per cent or more in nominal value of the equity share capital, will be taxable @ 15% on gross basis (plus applicable surcharge and education cess).

4.5. Income from buy back of shares

Exemption u/s 10(34A) of the Act

As per section 10(34A) of the Act, any income arising to the Company being a shareholder, on account of buy back of shares (listed or unlisted) by a company as referred to in section 115QA of the Act will be exempt from tax. Such income is also exempt from tax while computing book profit for the purpose of determination of MAT liability. As per Section 115QA, any amount of distributed income by the company on buy-back of shares from a shareholder shall be charged to tax and such company shall be liable to pay additional income-tax at the rate of twenty per cent on the distributed income.

However, in view of TLA Ordinance 2019, such a company would not be liable to pay any buyback tax on shared (listed), if public announcement as per SEBI regulations in respect of the same was made prior to July 5, 2019.

4.6. Tax on Long-term Capital Gain:

Long-term capital gains and tax on the same would arise in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of more than 12 months prior to the date of transfer of such shares in case of shares of a company listed on a Recognised Stock Exchange in India and the transaction is chargeable to Securities Transaction Tax;	In accordance with section 112A of the Act, the tax payable on the capital gains exceeding Rs.0.10 million shall be calculated at the rate of 10% without indexation benefit as provided in the second proviso to section 48 of the Act.

(ii) Unlisted Shares: Where the equity shares in a company are held for a period of more than 24 months in case of shares of unlisted companies prior to the date of transfer of the shares	In accordance with section 112 of the Act, taxable long-term capital gains are subject to tax at a rate of 20% (plus applicable surcharge and education cess) after indexation benefit, as provided in the second proviso to section 48 of the Act.

In accordance with and subject to the provisions of section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

i. Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index (only for Resident shareholder of unlisted company) notified by the Central Government; and

ii. Expenditure incurred wholly and exclusively in connection with the transfer of shares

4.7. Tax on Short-term Capital Gain:

Short-term capital gains and tax on the same would arise in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of not more than 12 months prior to the date of transfer where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to Securities Transaction Tax.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a rate of 15% (plus applicable surcharge and education cess).
(ii) Unlisted Shares: Where the equity shares in a company are held for a period of not more than 24 months in case of shares of other companies prior to the date of transfer of the shares.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a normal rate of tax i.e. 30% (plus applicable surcharge and education cess).

4.8. Allowable Deduction/Amortisation:

a. Under Section 35(1)(i) and Section 35(1)(iv) of the Act, in respect of any revenue or capital expenditure incurred respectively, other than expenditure on the acquisition of any land, on scientific research related to the business of the company are allowed as deduction against the income of Company.

b. Under Section 35(1)(ii) of the Act, any sum paid to a research association which has as its object, the undertaking of scientific research or to a university, college or other institution to be used for scientific research is eligible for weighted deduction to the extent of one and three-fourth times (175%) of the sum so paid. This weighted deduction is available to amounts paid to approved research association, university, college or institution.

c. Under Section 35(1)(iia) of the Act any sum paid to a company registered in India which has as its main object the conduct of scientific research and development and is approved by the prescribed authority and fulfills such conditions as may be prescribed shall be liable to deduction at one and one fourth times (125%) of the amount so paid.

d. Where the Company pays any sum to a National Laboratory or a University or an Indian Institute of Technology or specified person referred to in section 35(2AA) of the Act with a specific direction that the said sum shall be used for scientific research undertaken under a programme approved in this behalf by prescribed authority, the deduction shall be allowed of a sum equal to two times (200%) of the sum so paid.

As per section 35AC of the Act, a deduction of the amount of expenditure incurred by way of payment of any sum to a public sector company or a local authority or to an association or institution approved by the National committee for carrying out any eligible project or scheme, is allowable while computing income from profits and gains of business or profession.

e. In case the Company or any of its subsidiary companies is engaged in any of the specified businesses as prescribed in Section 35AD of the Act, there shall be allowed a deduction of 100% or 150% of the capital expenditure incurred except cost of land, goodwill or any financial instruments depending on the type and nature of the business and the date on which such business commenced as prescribed in Section 35AD.

f. As per section 35CCD of the Act, a weighted deduction to the extent of one and one-half times (150%) of the amount of expenditure incurred (other than cost of land and building) on any skill development project notified by the Board, is allowable while computing income from profits and gains of business or profession. However, this deduction is restricted to amount of expenditure with effect from assessment year beginning on or after the first day of April, 2021.

g. Subject to certain conditions, Section 35D of the Act provides for deduction of specified preliminary expenditure incurred before the commencement of the business or after the commencement of business in connection with the extension of the undertaking or in connection with the setting up a new unit. The deduction allowable is equal to one-fifth of such expenditure incurred for each of the five successive previous years beginning with the previous year in which the business commences.

h. Under Section 35DD of the Act, the Company will be entitled to a deduction equal to 1/5th of the expenditure incurred in connection with Amalgamation or Demerger of an undertaking by way of amortization over a period of 5 successive years, beginning with the previous year in which the amalgamation or demerger takes place.

i. Under Section 35DDA of the Act, the company is entitled to a deduction equal to 1/5th of the expenditure incurred in connection Voluntary Retirement Scheme by way of amortization over a period of 5 successive years.

j. As per Rule 9A (2) of Income Tax Rules, 1962 the film producer is entitled to 100% deduction of the entire cost of production of the film, if

- the film producer sells all rights of exhibition of the film; or
- the film producer –
  - ✓ himself exhibits the film on a commercial basis in all or some of the areas; or
  - ✓ sells the rights of exhibition of the film in respect of some of the areas; or
  - ✓ himself exhibits the film on a commercial basis in certain areas and sells the rights of exhibition of the film in respect of all or some of the remaining areas,

  and the film is released for exhibition on a commercial basis at least [ninety] days before the end of such previous year.

k. As per Rule 9A (3) of Income Tax Rules, 1962, the film producer is entitled to deduction of the cost of production of the film to the extent so far as it does not exceed the amount realised by the film producer by exhibiting the film on a commercial basis or the amount for which the rights of exhibition are sold or, as the case may be, the aggregate of the amounts realised by the film producer by exhibiting the film and by the sale of the rights of exhibition and the balance, if any, shall be carried forward to the next following previous year and allowed as a deduction in that year, if the film producer –
  - ✓ himself exhibits the film on a commercial basis in all or some of the areas; or
  - ✓ sells the rights of exhibition of the film in respect of some of the areas; or
  - ✓ himself exhibits the film on a commercial basis in certain areas and sells the rights of exhibition of the film in respect of all or some of the remaining areas,

  and the film is not released for exhibition on a commercial basis at least [ninety] days before the end of such previous year.

l. As per Rule 9A (4) of Income Tax Rules, 1962, where, during the previous year in which a feature film is certified for release by the Board of Film Censors, the film producer does not himself exhibit the film on a commercial basis or does not sell the rights of exhibition of the film, no deduction shall be allowed

in respect of the cost of production of the film in computing the profits and gains of such previous year; and the entire cost of production of the film shall be carried forward to the next following previous year and allowed as a deduction in that year.

m. As per Rule 9B (2) of Income Tax Rules, 1962, the film distributor is entitled to 100% deduction of the entire cost of acquisition of the film, if

- the film distributor sells all rights of exhibition of the film; or
- the film distributor –
  - ✓ himself exhibits the film on a commercial basis in all or some of the areas; or
  - ✓ sells the rights of exhibition of the film in respect of some of the areas; or
  - ✓ himself exhibits the film on a commercial basis in certain areas and sells the rights of exhibition of the film in respect of all or some of the remaining areas,

  and the film is released for exhibition on a commercial basis at least [ninety] days before the end of such previous year.

n. As per Rule 9B (3) of Income Tax Rules, 1962, the film distributor is entitled to deduction of cost of acquisition of the film to the extent so far as it does not exceed the amount realised by the film distributor by exhibiting the film on a commercial basis or the amount for which the rights of exhibition are sold or, as the case may be, the aggregate of the amounts realised by the film distributor by exhibiting the film and by the sale of the rights of exhibition and the balance, if any, shall be carried forward to the next following previous year and allowed as a deduction in that year, if the film distributor-
   - ✓ himself exhibits the film on a commercial basis in all or some of the areas; or
   - ✓ sells the rights of exhibition of the film in respect of some of the areas; or
   - ✓ himself exhibits the film on a commercial basis in certain areas and sells the rights of exhibition of the film in respect of all or some of the remaining areas,

   and the film is not released for exhibition on a commercial basis at least [ninety] days before the end of such previous year.

o. As per Rule 9B(4) of Income Tax Rules, 1962, where during the previous year in which a feature film is acquired by the film distributor, he does not himself exhibit the film on a commercial basis or does not sell the rights of exhibition of the film, no deduction shall be allowed in respect of the cost of acquisition of the film in computing the profits and gains of such previous year; and the entire cost of acquisition shall be carried forward to the next following previous year and allowed as a deduction in that year

4.9. Exemption on interest, premium on redemption or other payment on notified securities, bonds certificates issued by the Central Government:

Income by way of interest, premium on redemption or other payment on notified securities, bonds, certificates issued by the Central Government is exempt from tax under section 10(15) of the Act in accordance with and subject to the conditions and limits as may be specified in notifications.

4.10. Depreciation Allowance:

The depreciation rates in respect of Motor Cars is 15%, furniture & fittings is 10%, Intangible assets is 25%, Computers 40%, Buildings (Residential) is 5% and Buildings (Others) is 10%.

For Motor Cars acquired on or after August 23, 2019 but before April 1, 2020 and is put to use before April 1, 2020, the rate of depreciation is 30%.

Section 32AC of the Act provides for one-time additional deduction at the rate of 15% on new assets acquired and installed by the assessee subject to fulfilment of certain conditions

4.11. Set off and Carry forwarding of Losses:

The loss under the head “Profit and Gains from Business or Profession” other than loss from speculative business can be set-off against all heads of income other than head “Salaries” and the excess loss after set-off, if any can be carried forward for set-off against the income under the head “Profit and Gains from Business or Profession” of the next eight Assessment Years.

4.12. Set off and Carry forwarding of Unabsorbed Depreciation:

The unabsorbed depreciation, if any, can be adjusted against any other income and can be carried forward indefinitely for set-off against the income of future years.

4.13. Allowability of Carry forwarding the MAT Credit:

As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (MAT) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years. The amount of MAT credit available shall be the difference between MAT payable under section 115JB of the Act and taxes payable on total income computed under normal provisions of the Act.

The Finance Act, 2017 has amended the above provision with effect from AY 2018-19 to provide that MAT credit shall be available for set-off up to fifteen years succeeding the Assessment Year in which MAT credit arises.

As per clarification provide vide Circular No. 29/2019 dated October 2, 2019, MAT credit being carried forward from earlier assessment years will be lapsed in case the option under Section 115BAA is exercised.

4.14. Deduction for Donations:

The Company is entitled to a deduction under Section 80G of the Act in respect of amounts contributed as donations to various charitable institutions and funds covered under that Section, in respect of such amounts and subject to the fulfillment of conditions prescribed therein. No deduction shall be allowed under Section 80G of the Act for any sum exceeding Rs.2,000 unless such sum is paid by any mode other than cash. The various donations specified in section 80G are eligible for a deduction of up to either 100% or 50% with or without restriction, as provided in section 80G

4.15. Allowability of Bad debts:

Under section 36(1)(vii), any bad debt or part thereof written off as irrecoverable in the accounts is allowable as a deduction from the total income.

4.16. Disallowance of expenditures incurred on exempted Income:

Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible expenditure. The Assessing Officer may make disallowance under section 14A read with Rule 8D of the Income-tax Rules, 1962 ('the Rules'), if he is not satisfied with the correctness of the claim of the assessee in respect of such expenditure. However, disallowances can't exceed the exempt income.

4.17. Corporate Social Responsibility:

As per the explanation to Section 37 of the Act, any expenditure incurred by the Company on the activities relating to Corporate Social Responsibility ('CSR') referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by the Company for the purpose of the business or profession. However, CSR expenditure which is of the nature described in provisions of Sections 30 to 36 and Section 80G of the Act shall be allowed as deduction under respective sections, subject to fulfillment of conditions, if any, specified therein.

4.18. Dividend Distribution Tax (DDT):

In accordance with section 115-O of the Act, any amount declared, distributed or paid by the Company to shareholders, whether out of current or accumulated profits, shall be charged to additional income tax at the rate of 15% plus applicable surcharge on Income tax of 12% and the health & education cess of 4%.

In view of the amendment brought in by Finance (No.2) Act, 2014, for the purpose of determining the tax on distributed profits payable in accordance with Section 115-O of the Act, the amount of dividends on or after 1 April 2003 needs to be increased to such amount as would, after reduction of tax on such increased amount at the

specified rate, be equal to the net distributed profits. Resultantly, the effective rate of tax will be 17.647 percent (plus applicable surcharge & cess) of the amount of dividends declared, distributed or paid by the Company.

4.19. Application of provisions of DDT to Deemed Dividend:

Dividend distributed by a domestic company is subject to Dividend Distribution Tax payable by such company. Prior to amendment by Finance Act 2018, deemed dividend under sub-clause (e) of clause (22) of section of 2 the Act used to taxed in the hands of the recipient at the applicable marginal rate. The Finance Act 2018 has deleted the Explanation to Chapter XII-D occurring after section 115Q of the Act so as to bring deemed dividends also under the scope of Dividend Distribution Tax under section 115-O. Further, such deemed dividend is required to be taxed at the rate of 30% (without grossing up and also to be increased by surcharge and health & education cess) in order to prevent camouflaging dividend in various ways such as loans and advances as per the provisions of section 115-O of the Act. This amendment relating to imposition of Dividend Distribution Tax on deemed dividend will apply to transactions referred to in sub-clause (e) of clause (22) of section 2 of the Act undertaken on or after 1st April 2018.

4.20. Availing the benefit of (DTAA):

In respect of FIIs, the tax rates and consequent taxation mentioned above will be further subject to benefits, if any, available under the DTAA between India and the country of residence of the FII. As per Section 90(2) of the Act, the provisions of the Act or the DTAA, whichever are more beneficial to the taxpayer, would be applicable. Thus, FIIs can opt to be governed by the provisions of the Act or the applicable tax treaty, whichever is more beneficial.

As per section 90(4) of the Act, the FIIs shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of their being a resident in any country outside India, is obtained by them from the government of that country i.e. Tax Residency Certificate. As per section 90(5) of the Act, the FIIs shall be required to provide such other information, as may be notified.

4.21. General Anti Avoidance Rules (GAAR):

The General Anti Avoidance Rule (GAAR) was introduced in the Income-tax Act by the Finance Act, 2012 and was proposed to be made effective 1 April 2013. The FA 2015 makes the provisions of GAAR applicable prospectively from 1 April 2017. Further, investments made up to 31 March 2017 would be protected from the applicability of GAAR. Rule 10U(1)(a) has provided that if the tax benefit is Rs. 30 million or less, for assessment year, then GAAR will not apply

4.22. Corporate Tax Rates:

a. The tax rate is 30%. The surcharge on Income tax is 7%, if the total income exceeds Rs.10.0 million and, 12% if the total income exceeds Rs.100.0 million. Health & Education cess (H&EC) is 4% on tax & surcharge.

b. In case of companies having turnover of less than Rs. 4.00 billion in Financial Year 2017-18, the tax rate will be 25% plus surcharge and H&EC for Financial Year 2019-20.

c. As per Taxation Laws (Amendment) Ordinance, 2019 ("TLA Ordinance 2019"), the Company has option to avail lower rate of 22% (plus surcharge @ 10% and H&EC @ 4% making 25.168% as effective tax rate) under newly inserted section 115BAA in which case, the Company will need to forego specified tax incentives. This option can be exercised for any assessment year beginning with assessment year 2020-21 onwards. Further, as per the aforementioned TLA Ordinance 2019, the option of such reduced tax rates, once exercised for any previous year cannot be subsequently withdrawn for the same or any other previous year. The following specific tax incentives are not available for lower tax rate availed under Section 115BAA:

   i. Claiming any deduction especially available for units established in special economic zones under section 10AA
   ii. Claiming additional depreciation under section 32 and investment allowance under section 32AD towards new plant and machinery made in notified backward areas in the states of Andhra Pradesh, Bihar, Telangana, and West Bengal

iii. Claiming deduction under section 33AB for tea, coffee and rubber manufacturing companies
iv. Claiming deduction towards deposits made towards site restoration fund under section 33ABA by companies engaged in extraction or production of petroleum or natural gas or both in India
v. Claiming a deduction for expenditure made for scientific research under section 35
vi. Claiming a deduction for the capital expenditure incurred by any specified business under section 35AD
vii. Claiming a deduction for the expenditure incurred on an agriculture extension project under section 35CCC or on skill development project under section 35CCD
viii. Claiming deduction under chapter VI-A in respect to certain incomes, which are allowed under section 80IA, 80IAB, 80IAC, 80IB and so on, except deduction under section 80JJAA
ix. Claiming a set-off of any loss carried forward from earlier years, if such losses were incurred in respect of the aforementioned deductions

4.23. Minimum Alternate Tax:

a. A Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961, is imposed at 15% (plus the surcharge and H&EC) on the adjusted book profits, if the tax payable as per normal provisions is lower than MAT.

b. The provisions of Section 115JB shall not apply if the tax payer is a domestic company and has availed option for lower rate of tax under Section 115BAA or Section 115BAB newly inserted by TLA Ordinance 2019.

5. General Tax Benefits to the Shareholders of the Company

5.1. Residents

a. Exemption and Taxability on Dividend Income received from Domestic Company

Dividends earned from investment in shares of Indian Company are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Income tax Act, 1961 (hereinafter referred to as 'the Act').

However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.
However, as per section 115BBDA of the Act, the income earned by way of dividend in excess of Rs.1 million is chargeable to tax at the rate of 10% on gross basis in the hands of **all resident assessees** except domestic company and certain funds, trusts, institutions, etc.

b. Disallowance of expenditures incurred on exempted Income:

Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income (ie dividend/exempt long-term capital gains) is not a tax-deductible expenditure. However, disallowances can't exceed the exempt income.

c. Allowance of Securities Transaction Tax (STT) paid by a shareholder:

Under section 36(1)(xv) of the Act, Securities Transaction Tax paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession". However, no deduction will be allowed in computing the income chargeable to tax as capital gains for such amount paid on account of STT as per Section 48 of the Act.

d. Set off of losses under the head "Capital Gain":

As per the provision of Section 71(3), if there is a loss under the head "Capital Gains", it cannot be set-off with the income under any other head. Section 74 provides that the short-term capital loss can be set-off against both

Short-term and Long-term capital gain. But Long-term capital loss cannot be set-off against short-term capital gain. The unabsorbed short-term capital loss can be carried forward for next eight assessment years and can be set off against any capital gains in subsequent years. The unabsorbed Long-term capital loss can be carried forward for next eight assessment years and can be set off only against Long-term capital gains in subsequent years

e. Tax on Long-term Capital Gain:

Long-term capital gains and tax on the same would arise to a resident shareholder in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of more than 12 months prior to the date of transfer of the shares in case of shares of a company listed on a Recognised Stock Exchange in India and the transaction is chargeable to Securities Transaction Tax.	In accordance with section 112A of the Act, the tax payable on the capital gains exceeding Rs.0.10 million shall be calculated at the rate of 10% without indexation benefit as provided in the second proviso to section 48 of the Act.
(ii) Unlisted Shares: Where the equity shares in a company are held for a period of more than 24 months in case of shares of other companies prior to the date of transfer of the shares	In accordance with section 112 of the Act, taxable long-term capital gains are subject to tax at a rate of 20% (plus applicable surcharge and education cess) after indexation benefit, as provided in the second proviso to section 48 of the Act.

In accordance with and subject to the provisions of section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:
i. Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index (only for Resident shareholder of unlisted company) notified by the Central Government; and

ii. Expenditure incurred wholly and exclusively in connection with the transfer of shares

Further, section 55(2)(ac) inserted by Finance Act 2018 further provides that cost of acquisition of specified capital asset referred to in section 112A acquired prior to 1 February 2018 shall be higher of

- Cost of acquisition of such asset and
- Lower of –

  (A) The Fair Market Value of such asset

  (B) Full value of consideration received or accruing as a result of transfer of capital asset

f. Tax on Short-term Capital Gain:

Short-term capital gains and tax on the same would arise to a resident shareholder in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of not more than 12 months prior to the date of transfer where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to Securities Transaction Tax.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a rate of 15% (plus applicable surcharge and education cess).
(ii) Unlisted Shares: Where the equity shares in a company are held for a period of not more than 24 months in case of shares of other companies prior to the date of transfer of the shares	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a normal rate of tax i.e. 30% (plus applicable surcharge and education cess).

g. Exemption from Capital Gains:

- Under section 54EC of the Act, Long-term capital gain arising on the transfer of long-term capital assets, being land or building is exempt from tax to the extent the same is invested in long-term specified asset within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million). The capital gain shall not be charged to tax subject to certain conditions specified in this section.

  The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

- In accordance with section 54F, long-term capital gains arising on the transfer of shares of the Company held by an individual and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual-

  - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

  - purchases another residential house within a period of one year after the date of transfer of the shares; or

  - constructs another residential house within a period of three years after the date of transfer of the shares; and

  - the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head “Income from house property”.

  - If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

  If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head “Capital Gains” of the year in which the residential house is transferred.

h. Tax on property received without inadequate consideration:

If an individual or HUF receives any property, which includes shares, without consideration, the aggregate fair market value of which exceeds Rs. 50,000, the whole of the fair market value of such property will be considered as income in the hands of the recipient. Similarly, if an individual or HUF receives any property, which includes shares, for consideration which is less than the fair market value of the property by an amount exceeding Rs. 50,000, the fair market value of such property as exceeds the consideration will be considered as income in the hands of the recipient

The Finance Act, 2017 has inserted a new clause under sub-section (2) of section 56 of the Act to provide that receipt of any sum of money or any property by any person from any person after 01st April 2017, without consideration or for inadequate consideration in excess of Rs. 50,000 shall be chargeable to tax in the hands of the recipient under the head "Income from other sources". These amendments have become applicable with effect from 1st April 2018 and accordingly, applicable in relation to the assessment year 2018-19 and subsequent assessment years

The Finance Act 2018 has further amended section 56(2)(x) to provide that no adjustments shall be made in a case where the variation between stamp duty value and the sale consideration is not more than the higher of following amounts namely:

(i) Amount of fifty thousand rupees and
(ii) five percent of the sale consideration.

These amendments will take effect from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

The Finance (No.2) Act, 2019 has amended Section 2(24)((xviia) to provide that income arising from any sum of money paid, or any property situate in India transferred, on or after 5th July, 2019 by a person resident in India to a person outside India shall be deemed to accrue or arise in India. This amendment will take effect from 1st April, 2020 and will, accordingly, apply in relation to the assessment year 2020-21 and subsequent assessment years.

i. Tax Rates for Individuals, HUFs, BOI and Association of Persons:

Slab of income (Rs.)	**Rate of tax (%)**
Up to Rs.0.25 million	**Nil**
Rs.0.251 million to Rs.0.50 million	**5%**
Rs.0.501 million to Rs.1 million	**20%**
Above Rs.1 million	**30%**

Notes:

(i) In respect of senior citizens resident in India, the basic exemption limit is Rs.0.30 million.

(ii) In case super senior citizen who is of the age of eighty years or more, the basic exemption is Rs.0.50 million.

(iii) Surcharge on income tax shall be as follows:

Limits	STCG u/s 111A	LTCG u/s 112A	Any Other income*
Up to Rs. 5 million	Nil	Nil	Nil
More than Rs. 5 million but up to Rs. 10 million	10%	10%	10%
More than Rs. 10 million but up to Rs. 20 million	15%	15%	15%
More than Rs. 20 million but up to Rs. 50 million	15%	15%	25%
More than Rs. 50 million	15%	15%	37%

*The Finance (No. 2) Act, 2019has been amended to withdraw the enhanced surcharge, i.e., 25% or 37%, as the case may be from income chargeable to tax under section 111A and 112A. Hence, the maximum rate of surcharge on tax payable on such incomes shall be 15%. However, where other income of a person does not exceed Rs. 2 crores but after including the incomes as referred to in section 111A and 112A, the total income exceeds Rs. 2 crores then irrespective of the amount of other income, surcharge shall be levied at the rate of 15% on the amount of tax payable on both normal income as well as income referred to in section 111A and 112A.

The surcharge shall be subject to marginal relief:

a. Where income exceeds Rs. 5 million, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of Rs. 5 million by more than the amount of income that exceeds Rs. 50 lakhs.

b. where income exceeds Rs. 10 million, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of Rs. 10 million by more than the amount of income that exceeds Rs. 10 million

c. where income exceeds Rs. 20 million, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of Rs. 20 million by more than the amount of income that exceeds Rs. 20 million

d. where income exceeds Rs. 50 million rupees, the total amount payable as income-tax and surcharge shall not exceed total amount payable as income-tax on total income of Rs. 50 million rupees by more than the amount of income that exceeds Rs. 50 million rupees

(iv) Health & Education Cess will be levied at the rate of 4% on income tax and surcharge.

(v) Rebate under Section 87A: The rebate is available to a resident individual if his total income does not exceed Rs. 5,00,000. The amount of rebate shall be 100% of income-tax or Rs. 12,500, whichever is less.

5.2. Non-Residents

a. Taxability on Dividend Income received from Domestic Company:

Dividends earned from investment in shares of Indian Company are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Income tax Act, 1961 (hereinafter referred to as 'the Act'). The dividend shall be chargeable to tax at the rate of 10%, if the aggregate amount of dividend received from a domestic company during the year exceeds Rs 1 million (Section 115BBDA).

However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

b. Benefit of Double Tax Avoidance Agreement (DTAA/ Tax Treaty):

As per the provisions of Section 90, the Non-Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

c. Computation of Capital Gains on Investment made in foreign currency:

In accordance with section 48, capital gains arising out of transfer of capital assets being shares in the company shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment thereafter in, and sale of, shares and debentures of, an Indian company including the Company.

d. Tax on Long-term Capital Gain:

Long-term capital gains and tax on the same would arise to a non-resident shareholder in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of more than 12 months prior to the date of transfer of the shares in case of shares of a company listed on a Recognised Stock Exchange in India and the transaction is chargeable to Securities Transaction Tax.	In accordance with section 112A of the Act, the tax payable on the capital gains exceeding Rs.0.10 million shall be calculated at the rate of 10% without indexation benefit as provided in the second proviso to section 48 of the Act.

(ii) Unlisted Shares: Where the equity shares in a company are held for a period of more than 24 months in case of shares of other companies prior to the date of transfer of the shares	In accordance with section 112 of the Act, taxable long-term capital gains are subject to tax at a rate of 10% (plus applicable surcharge and education cess). In case of non-resident shareholder, the indexation benefit as provided in the second proviso to section 48 of the Act is not available.

In accordance with and subject to the provisions of section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

(a) Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index (only for Resident shareholder of unlisted company) notified by the Central Government; and

(b) Expenditure incurred wholly and exclusively in connection with the transfer of shares.
Section 55(2)(ac) inserted by Finance Act 2018 further provides that cost of acquisition of specified capital asset referred to in section 112A acquired prior to 1 February 2018 shall be higher of –

- Cost of acquisition of such asset and
- Lower of ---

(A) The fair market value of such asset
(B) Full value of consideration received or accruing as a result of transfer of capital asset

e. Tax on Short-term Capital Gain:

Short-term capital gains and tax on the same would arise to a non-resident shareholder in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of not more than 12 months prior to the date of transfer where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to Securities Transaction Tax.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a rate of 15% (plus applicable surcharge and education cess).
(ii) Unlisted Shares: Where the equity shares in a company are held for a period of not more than 24 months in case of shares of other companies prior to the date of transfer of the shares.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a normal rate of tax i.e. 30% (plus applicable surcharge and education cess).

f. Exemption from Capital Gains:

- Under section 54EC of the Act, Long-term capital gain arising on the transfer of long-term capital assets, being land or building is exempt from tax to the extent the same is invested in long-term specified asset within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million). The capital gain shall not be charged to tax subject to certain conditions specified in this section.

  The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

- In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the Company held by an individual and on which Securities Transaction Tax is not payable, shall be exempt

from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual-

- owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
- purchases another residential house within a period of one year after the date of transfer of the shares; or
- constructs another residential house within a period of three years after the date of transfer of the shares; and
- the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

5.3. Non-Resident Indians

A Non-Resident Indian has the option to be governed by the provisions of Chapter XII-A of the Income-tax Act, 1961 which reads as under:

In accordance with section 115-I, where a Non-Resident Indian opts not to be governed by the provisions of Chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Income-tax Act, 1961.

a. Filing of Return of Income in India:

In accordance with section 115G, it is not necessary for a Non-Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange or both, and the tax deductible has been deducted at source from such income under the provisions of Chapter XVII-B of the Income-tax Act, 1961.

b. Benefit of Double Tax Avoidance Agreement (DTAA/ Tax Treaty):

As per the provisions of Section 90, the NRI shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

c. Exemption on Dividend Income received from Domestic Company:

In accordance with section 10(34), dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax. The dividend shall be chargeable to tax at the rate of 10%, if the aggregate amount of dividend received from a domestic company during the year exceeds Rs 1 million (Section 115BBDA).

d. Tax on Long-term Capital Gain:

- In accordance with section 115E, income from investment or income from long-term capital gains on transfer of assets other than specified asset shall be taxable at the rate of 20% (plus education cess).

Income by way of long-term capital gains in respect of a specified asset (as defined in Section 115C(f) of the Income-tax Act, 1961), shall be chargeable at 10% (plus education cess).

- In accordance with section 115F, subject to the conditions and to the extent specified therein, long-term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax, if the net consideration is invested within six months of the date of transfer in any specified new asset and such specified assets is not converted or transferred into money within a period of three years from the date of acquisition.

e. Tax on Short-term Capital Gain:

Short-term capital gains and tax on the same would arise to a non-resident shareholder in the following cases:

Nature and period of holding of Shares	Tax Treatment
(i) Listed Shares: Where the equity shares in a company are held for a period of not more than 12 months prior to the date of transfer where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to Securities Transaction Tax	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a rate of 15% (plus applicable surcharge and education cess).
(ii) Unlisted Shares: Where the equity shares in a company are held for a period of not more than 24 months in case of shares of other companies prior to the date of transfer of the shares.	In accordance with section 111A of the Act, taxable short-term capital gains are subject to tax at a normal rate of tax i.e. 30% (plus applicable surcharge and education cess).

If the provisions of Section 111A are not applicable to the short-term capital gains, then the tax will be chargeable at the applicable normal rates plus surcharge and education cess.

f. Exemption from Capital Gains:

- Under section 54EC of the Act, Long-term capital gain arising on the transfer of long-term capital assets, being land or building is exempt from tax to the extent the same is invested in long-term specified asset within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million). The capital gain shall not be charged to tax subject to certain conditions specified in this section.

  The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

- In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual or Hindu Undivided Family-

  - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

  - purchases another residential house within a period of one year after the date of transfer of the shares; or

  - constructs another residential house within a period of three years after the date of transfer of the shares; and

- the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

g. Transfer of assets

The Finance Act 2018 has amended the section 47 of the Act so as to provide that transactions in the following assets, by a non-resident on a recognized stock exchange located in any International Financial Services Centre shall not be regarded as transfer, if the consideration is paid or payable in foreign currency:— (i) bond or Global Depository Receipt, as referred to in sub-section (1) of section 115AC; or 12 (ii) rupee denominated bond of an Indian company; or (iii) derivative. This amendment will take effect, from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

The Finance (No.2) Act, 2019 has further amended Section 47 to include Category III Alternative Investment Fund (AIF), of which all the unit holders are non-resident, subject to fulfillment of specified conditions

5.4. Foreign Institutional Investors (FIIs*)*

a. Exemption on Dividend Income received from Domestic Company:

In accordance with section 10(34), dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax in the hands of Foreign Institutional Investors (FIIs). The dividend shall be chargeable to tax at the rate of 10%, if the aggregate amount of dividend received from a domestic company during the year exceeds Rs 1 million (Section 115BBDA).

b. Tax on Capital Gains:

In accordance with section 115AD, FIIs will be taxed at 10% (plus applicable surcharge and education cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if Securities Transaction Tax is not payable on the transfer of the shares and at 15% (plus applicable surcharge and education cess) in accordance with section 111A on short-term capital gains arising on the sale of the shares of the Company which is subject to Securities Transaction Tax. If the provisions of Section 111A are not applicable to the short-term capital gains, then the tax will be charged at the rate of 30% plus applicable surcharge and education cess, as applicable.

Section 112A of the Act provides that where the total income, includes any income chargeable under the head "Capital gains", arising from the transfer of a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, subject to the conditions specified under the section, the tax payable on the capital gains exceeding Rs.0.10 million shall be calculated at the rate of 10%.

c. Benefit of Double Tax Avoidance Agreement (DTAA/ Tax Treaty):

As per the provisions of Section 90, the Non-Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

d. No TDS on capital gain arising from the transfer of securities referred to in section 115AD:

Under section 196D (2) of the Income-tax Act, 1961, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD. As per Section

115AD, the expression "securities" shall have the meaning assigned to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).

e. Exemption from Capital Gains:

Under section 54EC of the Act, Long-term capital gain arising on the transfer of long-term capital assets, being land or building is exempt from tax to the extent the same is invested in long-term specified asset within a period of six months from the date of such transfer (up to a maximum limit of Rs 5.0 million). The capital gain shall not be charged to tax subject to certain conditions specified in this section.

The definition of long-term specified asset, for making any investment under the section on or after the 1st day of April 2018, shall mean any bond, redeemable after five years and issued on or after 1st day of April 2018 by the National Highways Authority of India or by the Rural Electrification Corporation Limited or any other bond notified by the Central Government in this behalf. This amendment will take effect, from 1st April 2019 and will, accordingly, apply in relation to the assessment year 2019-20 and subsequent assessment years.

5.5. Persons carrying on business or profession in shares and securities.

Under section 36(1)(xv) of the Act, Securities Transaction Tax paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head “Profits and gains of business or profession”.

A non-resident taxpayer has an option to be governed by the provisions of the Income-tax Act, 1961 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial (section 90(2) of the Act).

5.6. Mutual Funds

Under section 10(23D) of the Act, exemption is available in respect of income (including capital gains arising on transfer of shares of the Company) of a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 or such other Mutual fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to the conditions as the Central Government may specify by notification.

However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of Section 115R of the Act. However, w.e.f. 1 October 2014, for the purpose of determining additional income tax, the amount of distributed income shall be increased to such amount as would after reduction of additional income tax on such increased amount at the rate specified be equal to the amount of income distributed by mutual fund.

The Finance (No. 2) Act, 2019 has amended Section 115R, to provide that no additional income-tax shall be chargeable in respect of any amount of income distributed, on or after the 1st day of September, 2019, by a Mutual Fund of which all the unit holders are non-residents and which fulfills certain other specified conditions. This amendment will take effect, from September 1, 2019

5.7. Venture Capital Companies/Funds

In terms of section 10(23FB) of the Act, income of:

Venture Capital company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992; and

Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992, from investment in a Venture Capital Undertaking, is exempt from income tax,

Exemption available under the Act is subject to investment in domestic company whose shares are not listed, and which is engaged in certain ‘specified’ business/ industry

5.8. Investment Funds

a. Under section 10(23FBA) of the Act, any income except for income under the head "Profits and Gains of Business/ Profession" of Venture Capital Funds, registered as category-I or category-II Alternative Investment Fund under the Securities and Exchange Board of India (Alternate Investment Fund) regulations, 2012 would be exempt from income tax, subject to conditions specified therein

As per section 115UB of the Act, any income accruing or arising to or received by a person from his investment in investment funds would be taxable in his hands in the same manner as if it were the income accruing/ arising/ received by such person had directly made the investments.

LEGAL PROCEEDINGS

*Our Company, Subsidiaries, Joint Venture, Directors and Promoters are involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes, writ petitions, criminal complaints, civil suits, and petitions pending before various authorities. There is no outstanding legal proceeding which has been considered material in accordance with our Company's "Policy on Disclosure of Material Events" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board pursuant to its resolution dated January 29, 2016 ("**Policy of Materiality**") or in accordance with the revised "Policy on Disclosure of Material Events"adopted by the Board pursuant to its resolution dated October 17, 2019 ("**Revised Policy of Materiality**").*

Notwithstanding the criteria provided in the Revised Policy of Materiality adopted by our Company, including the quantitative criteria wherein an event would be considered material if the impact of occurrence of such event would exceed 10% of the consolidated turnover of our Company for the immediately preceding Financial Year, and solely for the purposes of this Issue, our Company has disclosed in this section all outstanding, (i) criminal proceedings initiated against the Company, its Subsidiaries, Joint Venture, Promoters and Directors; and (ii) civil and tax proceedings involving the Company, its Subsidiaries, Joint Venture, Promoters and Directors, where the amount involved in such proceedings exceeds ₹ 1,000 lakhs.

Further, other than as disclosed in this section (i) there is no litigation considered as material in our opinion; (ii) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years preceding the year of this Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act or the Companies Act, 1956 in the last three years preceding the year of this Placement Document involving our Company, our Subsidiaries or Joint Venture. Further, there were no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document for our Company, its Subsidiaries and Joint Venture; (iv) there are no defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon, as of the date of this Placement Document; (v) there are no material frauds committed against our Company in the last three Fiscal years; (vi) there are no defaults in the annual filings of our Company under the Companies Act and the rules made thereunder; and (vii) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

A. *Outstanding litigation involving our Company*

I. Outstanding Criminal Proceedings against our Company

(i) Bata India Limited (the "**Complainant**') filed a criminal complaint in 2017, in the court of the Chief Metropolitan Magistrate, Saket District Court, New Delhi ("**Chief Metropolitan Magistrate**") against the producers, directors and actors of a bollywood movie named 'Jolly LLB 2' and against several multiplexes, including our Company and single screen theatres that exhibited the trailer of this movie across India (collectively, the "**Accused Persons**") alleging, among others, that the Accused Persons have committed the offence of criminal defamation under the Indian Penal Code, 1860 by depicting the Complainant's brand 'Bata' in bad taste in one of the dialogues from the trailer of the movie, thereby commercially disparaging and tarnishing the brand image and reputation of the Complainant. Our Company has been impleaded as one of the Accused Persons, for playing the trailer of the movie at one of its cinema multiplexes at Select City Walk Mall, Saket.

Subsequently, our Company has filed a criminal miscellaneous petition in the High Court of Delhi, at New Delhi, for setting aside of an order dated February 8, 2017 passed by the Chief Metropolitan Magistrate summoning the Accused Persons on the ground that, exhibition of a trailer/movie is purely contractual and commercial, devoid of any intention to deliberately cause harm to the reputation of the Complainant as our Company has nothing to do with the contents of the trailer/movie that it exhibits and thus our Company has been erroneously impleaded as a party to the complaint.

(ii) A complaint had been filed by the Legal Metrology Office before the Court of the Metropolitan Magistrate, Evening Court, Karkardooma Courts, Delhi ("**Metropolitan Magistrate**"), in 2017, against our Company and others, alleging non-compliance with the Legal Metrology Act, 2009 on grounds of selling food articles in our cinemas at Shalimar Bagh, New Delhi and Prashant Vihar, New Delhi, without mentioning their quantity on the box. It was also alleged that we have sold a certain drinking water bottle and an energy drink by charging on the higher side. Our Company has filed a written statement responding against the allegations made in the complaint and has, among other things, sought that summons should not be issued to our Company, as (i) the food articles were sold in a loose container, which do not come under the purview of the Packaged Commodities Rules, 2011 and (ii) the Legal Metrology Act, 2009 permits sale of products on maximum retail price.

(iii) A complaint was initiated by the Senior Inspector of Legal Metrology, Ernakulam before the First Class Judicial Magistrate Court – IX, Kakkanad ("**Judicial Magistrate**") against one of our Promoters, Ajay Bijli (in his capacity as the Managing Director of our Company) alleging offences under the Legal Metrology Act, 2009, Legal Metrology (Packaged Commodities) Rules, 2011 ("**Packaged Commodities Rules**") and the Kerala Legal Metrology (Enforcement) Rules, 2012 on account of sale of packaged drinking water without legible details as prescribed under the Packaged Commodities Rules and sale of popcorn and soft drink in paper containers. The Judicial Magistrate took cognizance of the matter and accordingly issued summons. Subsequently, our Company, Ajay Bijli and certain other employees filed a criminal miscellaneous petition in the High Court of Kerala at Ernakulam ("**Kerala High Court**") challenging the proceedings before the Judicial Magistrate and sought for stay on the ongoing proceedings before the Judicial Magistrate until disposal of the criminal miscellaneous petition. By an order dated July 18, 2017, the Kerala high Court has granted stay on the proceedings before the Judicial Magistrate until disposal of the criminal miscellaneous petition.

(iv) A first information report has been filed by Manish Kumar Singh against certain employees of our Company before the Judicial Magistrate, 1st Class, Kanpur alleging commission of offence under sections 171H and 188 of the Indian Penal Code, 1860 on the grounds that our Company continued to display election campaigning advertisements pertaining to a particular political party at its multiplex in South X-Mall, Kanpur beyond the duration for which the permit for campaigning had been granted.

(v) Manu Prashant Vig, a director of Bluefox Motion Pictures Private Limited ("**Complainant**"), filed an application under the Code of Criminal Procedure ("**Code**") before the Additional Chief Metropolitan Magistrate-III, Kanpur ("**ACMM-III**") praying for lodging a first information report ("**FIR**") against one of our Promoters, Ajay Bijli and Shalu Sabharwal, an employee of our Company (together, the "**Accused**") alleging amongst others, criminal breach of trust, cheating and dishonestly inducing delivery of property, forgery of valuable security by the Accused. Pursuant to an order dated August 14, 2019 ("**Impugned Order**") of the ACMM-III, an FIR dated August 25, 2019 was registered against the Accused with the Juhi police station, Kanpur. Subsequently, the Accused filed a writ petition in the High Court of Judicature at Allahabad ("**Allahabad High Court**") praying for quashing of the Impugned Order and the FIR, along with directions in nature of mandamus to not arrest the Accused. By an order dated September 17, 2019, the Allahabad High Court has directed that the Accused will not be arrested until submission of the police report.

(vi) A show cause notice dated May 7, 2019 addressed to the principal officer of our Company was issued by the Assistant Commissioner of Income Tax ("**ACIT**") under section 276B of the Income Tax Act, 1961 ("**Act**") alleging default in payment of tax deducted at source ("**TDS**") by our Company in fiscals 2013 and 2014. Our Company, in its response dated May 16, 2019 stated on its behalf and on behalf of the principal officers that the delay in payment of TDS was not deliberate and sought for further details of the alleged default.

Subsequently, by notices each dated June 7, 2019 the ACIT directed each of our Directors to show cause as to why they should not be treated as "Principal Officer" within the meaning of section 2(35) of the Act and why a prosecution should not be initiated against them as being the person responsible for commitment of the alleged default. The Directors through their responses, each dated June 13, 2019, stated that they are not entrusted with responsibilities related to TDS deductions and payments and that Sunil Bhatnagar, senior vice president – liasoning and Brijesh Arora, chief accounts officer, are the persons responsible for deducting/collecting tax at source and for accounts functions of our Company, respectively. It was further stated in these responses that Ajay Bijli and Sanjeev Kumar have been held to be principal officers by a previous ACIT for TDS defaults in the same fiscals and reiterated that the delay in payment of TDS was not deliberate and sought for further details of the alleged default.

II. Outstanding Tax Proceedings

1. *Tax proceedings initiated by our Company*

(i) Our Company has approached various forums across different states in India for the continuation of entertainment tax exemption benefits that we were entitled to, prior to the implementation of the Goods and Services Tax Act, 2017 in India. These proceedings are pending at different stages of adjudication before various courts in India.

(a) An entertainment tax retention scheme ("**Scheme**") was introduced in the state of Uttar Pradesh. Under such Scheme, our Company had received certain exemptions from the payment of entertainment tax for a period of five years, in respect of two of its multiplex cinema halls in Noida, PVR Logix and PVR Mall of India. The applications for enrolment filed by our Company were accepted pursuant to orders dated October 17, 2016 and December 22, 2016 passed by the Uttar Pradesh Government ("**Orders**"), but the exemptions were applicable retrospectively. In the interim, our Company had deposited an aggregate sum of ₹ 1,144.06 lakhs. Subsequently, pursuant to the introduction of the Uttar Pradesh Goods and Services Tax Act ("**UPGST Act**"), the Uttar Pradesh Entertainment and Betting Tax Act, 1979 ("**UP Entertainment Tax Act**") was repealed, thus rescinding all the exemptions granted. Further, with the introduction of the Central Goods and Services Tax Act, 2017 ("**CGST Act**"), the power of the states to levy entertainment tax and *inter alia* provide any subsidies previously granted under the UP Entertainment Tax Act was eliminated.

Aggrieved by the abolition and rescission of entertainment tax exemptions, our Company has filed a writ petition before the High Court of Judicature, at Allahabad ("**Allahabad High Court**") in 2018 against the Union of India, the State Government of Uttar Pradesh and the District Magistrate, Entertainment Tax Department, Gautam Budh Nagar (collectively, the "**Respondents**") praying for the: (i) continuation of tax benefits by allowing a refund of state GST and the central GST paid or retention of state GST and central GST collected on the sale of tickets, under the UPGST Act and the CGST Act for the period as required to recover the amounts specified in the Orders; and (ii) refund of an amount of ₹ 1,144.06 lakhs that had been deposited by our Company. Subsequently, the government of Uttar Pradesh issued a notification dated December 3, 2018 pursuant to which, we received a partial reimbursement of the total amount being claimed by us from the government of Uttar Pradesh. Our Company has filed an amended petition praying for, among other things, extension of the time period of the exemption from paying taxes under the Scheme to be able to meet the investment already made by us in Uttar Pradesh and an interest on the refunded amount.

(b) An industrial policy was introduced in the state of Punjab in 2003 and certain notifications under it, which provided for, among other things, concessions and benefits to multiplex cinemas and also exempted them from paying entertainment tax for a certain period of time. Subsequently, with the introduction of GST, the requirement to pay entertainment tax and the underlying legislation was repealed. However, the earlier notifications granting exemptions from payment of entertainment tax have not been rescinded and thus, our Company shall still be entitled to the exemption benefits.

Our Company has filed a writ petition in July 2018, before the High Court for the States of Punjab and Haryana, at Chandigarh ("**Punjab and Haryana High Court**") praying for the issuance of a writ of mandamus directing the State of Punjab, the Union of India, the Commissioner of State Taxes, Punjab and the Punjab Bureau of Investment Promotion (collectively, the "**Respondents**") to (i) extend the benefit of tax being collected by them as state GST post the introduction of the Punjab GST Act, 2017, in accordance with the industrial policy of Punjab and the notifications thereunder, for the exemption from the payment of entertainment tax; and (ii) devise a mechanism to reimburse the amount of state GST that has already been collected. It has also been prayed that as long as the writ is outstanding, our Company should be permitted to not pay the state GST component of GST being charged from our Company. The amount involved, as assessed by our Company, is ₹ 1,000 lakhs.

(ii) The Finance Act, 1994 was amended by the Finance Act, 2010 pursuant to which service tax was made payable for renting of immoveable property for commercial use retrospectively with effect from 2007 (the "**Amendment**"). Home Solutions Retail India Private Limited ("**Home Solutions**') and Retailers Association of India (of which we are a member) ("**Retailers Association**" and together with Home Solutions, the "**Petitioners**") filed two such writ petitions against the Union of India and others ("**Respondents**") in the High Court of Delhi ("**Delhi High Court**") challenging the Amendment on grounds

that among others, that the act of merely renting of immoveable property without any added element of service or value addition is merely a transaction of conveyance, not liable to be taxed under service tax legislation which came to be rejected by the Delhi High Court ("**Impugned Judgment**"). Subsequently, a special leave petition was filed before the Supreme Court of India ("**Supreme Court**") against the Impugned Judgement and the Supreme Court admitted such petition while allowing the Petitioners to file individual applications for interim reliefs.

In accordance with the above, our Company filed a special leave petition against the Respondents, in the Supreme Court, seeking a stay against the Impugned Judgment. The aggregate amount that has been claimed pursuant to the Impugned Judgement, as service tax on renting of immoveable property, is ₹ 2,734.61 lakhs, out of which we have already paid 50% of the amount, pursuant to the Supreme Court order dated October 14, 2011 in the Impugned Judgement, wherein, the Supreme Court clarified that no stay was granted on the imposition of service tax under the Finance Act, 1994 (post the amendment by the Finance Act, 2010) in so far as the future liability towards service tax with effect from October 2011 was concerned and ordered that no coercive steps should be taken for recovery of arrears of service tax due on or before September 30, 2011.

2. *Tax proceedings initiated against our Company*

Direct Taxes

The Assistant Commissioner of Income Tax, New Delhi ("**ACT**") had passed an assessment order dated December 30, 2017 for the assessment year 2015-16, raising an income tax demand aggregating ₹ 1,260.05 lakhs from our Company. The ACT, pursuant to the assessment order, has disallowed certain amounts claimed by us as expenditure and subsidies along with levying interest under relevant sections of the Income Tax Act, 1961, and has demanded for these to be treated as taxable. We have filed an appeal dated January 29, 2018 before the Commissioner of Income Tax (Appeals)-7, New Delhi, against the demand raised by the ACT.

Indirect Taxes

(i) Our Company is involved in certain entertainment tax proceedings wherein certain demands have been made against us by the relevant state tax authorities, in respect of payment of entertainment tax. We have objected to such demands that have been made and these proceedings are pending at different stages of adjudication before various courts and tribunals in India.

(ii) The Additional Director General, Directorate General of Central Excise Intelligence, Bangalore Zonal Unit and the Commissioner of Service Tax, Service Tax Commissionerate Delhi III ("**Commissioners of Service Tax**") issued demand-cum-show cause notices to our Company, dated October 13, 2014 and October 15, 2015 (together, "**Show Cause Notices**"), respectively, on grounds of non-payment of applicable service tax amounting to ₹ 3,666.50 lakhs for Fiscals 2014 and 2015, on the supply of food and beverages from the food outlets inside our Company's multiplexes. Subsequently, the Commissioner of Service Tax, Service Tax Commissionerate Delhi III passed an order dated May 25, 2017 directing our Company to pay the amount of service tax demanded, along with penalty and interest on the grounds, among others, that our Company evaded payment of service tax. Our Company has filed an appeal dated August 30, 2017 before the Customs Excise and Service Tax Appellate Tribunal challenging the Order.

Subsequently, the Assistant Commissioner, Central Goods & Service Tax, Vasant Kunj, New Delhi issued a show cause notice dated March 9, 2018 ("**Subsequent Notice**"), seeking details on whether our Company has made due payments under the Show Cause Notices, among others. Our Company, in its response dated May 10, 2018 to the Subsequent Notice stated that the sale of food and beverages by our Company was purely in the nature of sales and hence, we are not liable to pay service tax. In our response, as required under the Subsequent Notice, we have submitted the details of the sales made on account of sale of food and beverages as requested for Fiscal 2017 and from April 2017 to June 2017, along with the details of the alleged service tax amount due on these sales, which as per the Company's assessment was ₹ 3,497.68 lakhs.

(iii) The Office of the Commissioner, Central Tax, Delhi South Commissionerate has issued a demand notice dated March 19, 2018 to our Company alleging non-filing of service tax returns and non-payment of service tax amounting to ₹ 2,180.09 lakhs (inclusive of cess, to the extent ascertainable) for Fiscal 2016 for the supply of food and beverages from the counters of food and beverages of our Company at its multiplexes. Our Company has submitted a reply dated April 19, 2018 before the Commissioner of Central Tax, Delhi

South Commissionerate contesting the demand of service tax on the grounds, among others, that the sale of food and beverages by our Company constitutes 'off the counter sale' and involves no element of 'service' as is alleged for the purpose of levy of service tax for Fiscal 2016, and has prayed for a personal hearing in the matter before any decision is taken.

(iv) The Commissioner of Service Tax, Audit-II, Mumbai has issued a demand-cum-show cause notice dated April 17, 2015 to Cinemax India Limited ("**Cinemax**") (a company that was amalgamated with our Company with effect from April 1, 2013) alleging that Cinemax has evaded the payment of service tax amounting to ₹ 1,888.75 lakhs (for the period from October 2009 to March 2010 and for Fiscals 2011 and 2012), on the revenue earned by it pursuant to the revenue sharing arrangements entered into with distributors and sub-distributors, for the purpose of screening of films and providing other business support services. Further, the Office of the Commissioner of Central Goods and Services Tax and Central Excise, Thane has passed an order dated December 17, 2018 issued on January 15, 2019 confirming the levy of the above mentioned service tax amount on Cinemax and ordering Cinemax to pay the same, along with a penalty of ₹ 1,888.84 lakhs along with recovery of late fee and interest aggregating to a total demand of ₹ 3,778.59 lakhs. Our Company is in the process of filing an appeal.

(v) Our Company filed a writ petition against the State of Chhattisgarh ("**State**"), the Commissioner (Department of Excise, Chhattisgarh) and others (together, the "**Respondents**") in the High Court of Chhattisgarh ("**Chhattisgarh High Court**") praying for refund of the entertainment tax paid by it for operation of three multiplexes in the state of Chhattisgarh and challenging rules 4 and 5 of the Chhattisgarh Naye Cinemagharo ke Nirman ko Protsahan Yojna ke Sahayata Anudaan Niyam, 1982 (the "**Rules**"). Meanwhile, the state excise authority passed an order on December 5, 2017 rejecting our Company's demand for refund ("**Order I**"). However, the Chhattisgarh High Court passed an order on November 16, 2018 stating, among other things, that under the Rules, our Company is entitled to a refund of the entertainment tax paid by it since our Company falls under the definition of "owner" under the Rules. Accordingly, the Chhattisgarh High Court quashed Order I and directed the Respondents to issue a fresh order in the matter ("Order II"). The State filed a special leave petition in the Supreme Court of India which was subsequently withdrawn pursuant to an order dated July 26, 2019 with liberty to apply for review. The aggregate amount of refund claimed by our Company is approximately ₹ 1,994.00 lakhs, excluding interest.

(vi) SPI Cinemas (now amalgamated with our company) has filed five writ petitions before the High Court of Judicature at Madras ("**Madras High Court**") praying for a writ of certiorari to be issued for setting aside the orders passed by the Commercial Tax Officer, Office of the Assistant Commissioner, Chennai ("**CTO**") levying entertainment tax on the convenience fees charged by SPI Cinemas for online ticket bookings for the Fiscals 2011 to 2015. It has been contended by SPI Cinemas that in terms of the Tamil Nadu Entertainment Tax Act, 1939, only ticket charges received in relation to admissions to cinema halls, are subject to levy of entertainment tax, and charges received from online booking of tickets are amounts that are charged additionally for the convenience provided to the patrons to book their tickets from anywhere and these are not charges for being admitted to the cinema halls. The CTO has made an aggregate demand of ₹ 2,313.71 lakhs. The Madras High Court has subsequently stayed the recovery of entertainment tax by the CTO for the years 2007-08 to 2009-10 and 2010-11 to 2014-15.

III. Other litigation

1. *Multiplex industry related litigation involving our Company*

(i) Multiplex Association of India (the "**MAI**", and the "**Petitioner Association**") and Prahlad Singh (on behalf of our Company, as the General Manager, Legal) (together, the "**Petitioners**") have filed a special leave petition in the Supreme Court of India ("**Supreme Court**") seeking a stay against an order of the High Court of Jammu and Kashmir (the "**J&K High Court**") dated July 18, 2018 (the "**Order**"). The J&K High Court, among other things, directed the cinema hall owners in the state of Jammu and Kashmir to remove prohibitions on cinemagoers from carrying their own food articles and water inside the theatre. The Order was passed pursuant to a public interest litigation petition filed in May 2018 seeking that cinema halls in the state of Jammu & Kashmir be prohibited from restraining cinemagoers from taking outside eatables inside the cinema halls, among other things. The Petitioners have sought a stay against the Order on the grounds of, among others, that the Order would: (i) impair the safety, security, health and hygiene of the larger public visiting the cinema halls; (ii) serve as a restriction on the freedom of the Petitioners to carry on their business, trade and profession; and (iii) also have a bearing on the cost of operations of the cinema halls which would

ultimately lead the members of the Petitioner Association to increase the prices of movie tickets. By an order dated August 10, 2018, the Supreme Court has stayed the Order.

In addition to the matter disclosed above, similar petitions have been filed before various high courts, which are pending at various stages, wherein, it has been prayed that patrons should be permitted to bring their own food and water into the cinema halls and also in certain cases, food and beverages sold in the multiplexes should be banned. In order to avoid different judgements from different courts, the Petitioners filed transfer petitions before the Supreme Court and by way of an order dated September 7, 2018, the Supreme Court has stayed the matters pending before certain high courts; and has also ordered for these matters to be heard along with the special leave petition that has been filed by the petitioners against the Order.

(ii) Multiplex Association of India (the "**Petitioner Association**"), of which our Company is a member, has filed a writ petition in the High Court of Bombay ("**Bombay High Court**") against the state of Maharashtra and others (the "**Respondents**") challenging an amendment to the Maharashtra Entertainment Duty Act, 1923 ("**Maharashtra Entertainment Duty Act**") and the circulars that were issued, among other things, to direct the members of the Petitioner Association to submit information with regard to the online convenience fees collected and implement the amendment (the "**Amendment**") which has imposed a maximum limit of ₹ 10 on the amount of online convenience fees that members of the Petitioner Association can charge from patrons on online sale of cinema tickets and has made amounts charged over and above this limit chargeable to entertainment duty under the Maharashtra Entertainment Duty Act. The Petitioner Association has filed the writ petition for quashing and setting aside of the Amendment on the grounds of, among others, that it is arbitrary and in violation of the Indian constitution since the Respondents do not have the legislative competence to have passed the Amendment to levy entertainment tax on the said convenience fees on which service tax is already levied under the Finance Act, 1994 (as amended) across all states and that it differentiates the members of the Petitioner Association from other similarly placed online service providers. The Bombay High Court has admitted the writ petition and has subsequently adjourned the matter sine die.

(iii) Multiplex Association of India (the "**Petitioner Association**") has filed a writ petition in the High Court of Karnataka ("**Karnataka High Court**") against the state of Karnataka and the Under Secretary & PIO Kannada Cultural and Information Department, Government of Karnataka (together, the "**Respondents**") challenging an order dated May 2, 2017 which has imposed a cap of ₹ 200 (exclusive of tax) on the price of cinema tickets, of all languages, issued by all the multiplexes and single screen theatres in Karnataka, excluding gold class, IMAX and 4DX screens ("**Impugned Order**"). The Petitioner Association has filed a writ petition seeking for a stay on the effect and operation of the Impugned Order on the grounds of, among others, that the Impugned Order: (i) has been issued without jurisdiction as the Respondents are not empowered to regulate the price of admission fees in cinema halls under the Karnataka Cinema (Regulation) Act, 1964; (ii) is arbitrary and discriminatory as it imposes a price cap restricting the admission price of cinemas while other similar forms of visual entertainment are not regulated; (iii) does not consider the cost variances as regards differently placed theatres; and (iv) is a violation of the Petitioner Association's fundamental right to trade and carry on its business. The Karnataka High Court has subsequently passed an interim order on May 11, 2017, pending disposal of the above mentioned writ petition, stating that the price cap of ₹ 200 shall not be applicable on weekends and other state holidays in Karnataka.

(iv) A consumer complaint has been filed by Vijay Gopal ("**Complainant**") in February 2019 before the District Consumer Forum, Hyderabad ("**Consumer Court**") against our Company, Big Tree Entertainment Private Limited ("**Big Tree**") and others (collectively, the "**Respondents**") claiming an amount of ₹ 30,000 on the allegation of collusion by our Company with Big Tree for charging 14-18% extra for each ticket as internet handling fee and shifting such operating cost on the consumers. The Complainant has further prayed that the Respondents must refrain from shifting the internet handling fees on to the consumers; and that such a practice should be declared as an unfair trade practice. Our Company, in its reply, has sought dismissal of this complaint, on the grounds among others that (i) the allegation of collusion between our Company and Big Tree is meritless and unsubstantiated since the provision of services by Big Tree for sale of tickets online has no co-relation with the service of selling tickets by our Company at its premises, and (ii) the Complainant has provided no proof to establish unfair trade practice by our Company due to which the jurisdiction of the Consumer Court cannot be invoked.

In addition to the matter disclosed above, similar consumer complaints, alleging unfair trade practice and illegal charge of additional internet handling fees, have been filed in the respective District Consumer Disputes Redressal Forums, which are pending at various stages

(v) Chennupati Mani Nagender through the Consumer Guidance Society, Vijaywada (together, the "**Complainants**") had filed a complaint against our Company, Pearl Beverages Limited, Red Bull Private Limited and the Controller (Legal Metrology Department, Vijaywada) (together, the "**Accused**") before the District Consumer Disputes Redressal Forum – II, Vijaywada, Andhra Pradesh (the "**Forum**") alleging that the sale of beverages and other items at our multiplex in Vijaywada at amounts in excess of the MRP, amounts to unfair trade practice. Subsequently, the Forum passed an order wherein the Forum directed our Company to, amongst other things, provide beverages and other items of third parties at its multiplexes at the same price as is charged in the ordinary market so as to prevent dual pricing of products, to permit the consumers to carry outside packaged food and bottled water and to also deposit an amount of ₹ 5 lakhs to the credit of the Andhra Pradesh state consumer welfare fund as penalty for alleged implementation of dual pricing (the "**Order**"). Aggrieved by the Judgement, our Company filed an appeal before the Andhra Pradesh State Consumer Disputes Redressal Commission, Vijaywada, praying, among other things, for setting aside of the Judgement. The Forum disposed of our appeal of by its order dated January 10, 2019 ("**Order I**") on the grounds, among others, that dual pricing of products is not permissible and that our Company cannot charge different prices for beverages based on the location of the multiplexes. The Forum also differentiated its direction to allow outside food and beverages from the order of the High Court of Jammu and Kashmir ("**J&K High Court**") on the same subject matter, on the grounds that the J&K High Court order was much broader in scope and that the Forum has only directed to allow "packaged beverages and eatables". Our Company filed a revision petition before the National Consumer Disputes Redressal Commission, New Delhi ("**NCDRC**") against Order I, pursuant to which the NCDRC has granted a stay on the Forum's direction to permit consumers to carry outside food and bottled water through its order dated March 19, 2019.

In addition to the matter disclosed above, similar consumer complaint alleging dual pricing has been filed against SPI Cinemas (now amalgamated with our company) alleging before the State Consumer Redressal Commission, Mumbai.

(vi) The Deputy Commissioner of Ujjain Municipal Corporation passed an order dated May 3, 2019 ("**Impugned Order**") wherein our Company was directed to deposit 'registration or permission fee' and 'advertisement fee' for display of advertisement during the display of movies in the cinema halls. The Impugned Order further stated that such fee is liable to be paid on per-month and per-screen basis. Our Company has filed a writ petition in the High Court of Madhya Pradesh seeking to quash the Impugned Order and hold the applicable provisions of law imposing the liability to pay the said 'registration or permission fee' and 'advertisement fee' as *ultra vires* the Constitution of India. Additionally, our Company has also sought interim relief, among others, by way of stay on the operation and enforcement of the Impugned Order.

B. *Outstanding litigation involving our Directors*

Other than as disclosed above in "- ***Outstanding Criminal Proceedings against our Company***", there are no outstanding legal proceedings involving our Directors in their capacity as directors on our Board.

I. Outstanding Criminal Proceedings against our Directors

Renuka Ramnath

1. R. Subramanian (the "**Complainant**") filed three criminal complaints against Renuka Ramnath in 2013, in her capacity as a director on the board of directors of Subhiksha Trading Services Limited, in the Additional Chief Metropolitan Magistrate Court, Egmore, Chennai under section 629 of the Companies Act, 1956 (section 449 of the Companies Act) in relation to imposition of penalty for giving false evidence. Renuka Ramnath has filed written objections against such complaints challenging the *locus standi* of the Complainant and has also filed three petitions in the Madras High Court, seeking quashing of the summons served upon her on account of the complaints. The Madras High Court has ordered a stay on the trial court proceedings against Renuka Ramnath.

2. Municipal Corporation of Greater Mumbai filed a criminal complaint against several persons, Renuka Ramnath being one of the named persons, in her capacity as a director in Mogae Media Private Limited ("**Mogae Media**") in the 41st Metropolitan Magistrate Court, Shindewadi, Dadar, Mumbai under section 52 of the Bombay Shops and Establishment Act, 1948 for non-maintenance of the employment and leave register and for not displaying the name of the establishment in Marathi by Mogae Media. The trial court passed an order of issuance of process against Renuka Ramnath pursuant to which Renuka Ramnath filed a petition in the High Court of Bombay ("**Bombay High Court**") seeking quashing of the issuance of process.

The Bombay High Court by its order dated January 30, 2019 has stayed the issuance of process against Renuka Ramnath.

3. A show cause notice was issued by the Employee's Provident Fund Organisation, Chennai to Renuka Ramnath in her capacity as a director on the board of directors of Subhiksha Trading Services Limited ("**Subhiksha Trading**"), in relation to alleged non-payment of provident fund dues in respect of Subhiksha Trading under section 14 of the Employees Provident Fund Miscellaneous Provisions Act, 1952 (the "**Notice**"). A reply dated December 17, 2014 has been filed by Renuka Ramnath stating, among other things that since the Regional Provident Fund Commissioner had exonerated her from any liability regarding payment of provident fund dues and had held the principal employer, i.e., the managing director of Subhiksha Trading responsible for the same, the Notice against her ought to be withdrawn.

4. Serious Fraud Investigation Office, Ministry of Corporate Affairs, Government of India has filed a criminal complaint against Renuka Ramnath in her capacity as a director on the board of Subhiksha Trading Services Limited in the XV Additional Court of City Civil, Singaravelar Maligai, Chennai alleging the commission of an offence under sections 159, 166, 210 and 220 of the Companies Act, 1956 on the grounds that Subhiksha Trading Services Limited has not filed annual returns and has not held any annual general meeting since 2007 and has not filed its financial statements since Fiscal 2008. A petition has been filed by Renuka Ramnath in the High Court of Judicature at Madras ("**High Court of Madras**") seeking to quash the criminal complaint against her. By an order dated July 22, 2019, the High Court of Madras has stayed the proceedings against Renuka Ramnath.

5. Municipal Corporation of Greater Mumbai has filed a criminal complaint against Renuka Ramnath in her capacity as a nominee director on the board of Welspun India Limited in the Metropolitan Magistrate's 41st Court (the "**Court**"), Shindewadi, Dadar, Mumbai alleging the commission of offence under sections 394(1)(a)(ii) and 471 of the Mumbai Municipal Corporation Act, 1888 on the grounds of carrying on the activities of a tailoring shop without obtaining a license from the Mumbai Municipal Corporation. The Court has issued an order of issuance of process, against which a writ petition has been filed in the High Court of Bombay ("**Bombay High Court**") by Renuka Ramnath and a few others, seeking quashing of the order. The Bombay High Court has stayed the proceedings against Renuka Ramnath.

Vikram Bakshi

1. Deepak Khosla has filed a criminal complaint in the District Court of Saket (the "**District Court**") against Vikram Bakshi and others (the "**Accused**"), alleging the commission of offence of perjury on the grounds that Vikram Bakshi, while filing his application under section 17 of the Arbitration and Conciliation Act, 1996 and statement of claim before the Arbitral Tribunal appointed by the High Court of Delhi (the "**Delhi High Court**"), made false statements regarding the transfer of shares of Montreaux Resorts Private Limited from Sonia Khosla to himself. The District Court issued summons to the Accused by its order dated June 22, 2017 (the "**Order**"). The Order has been stayed by the Delhi High Court on August 3, 2017. Subsequently, the Accused filed a petition under section 482 of the Code of Criminal Procedure, 1973 ("**CrPC**") in the Delhi High Court stating, among other things, that Deepak Khosla in his complaint has concealed material facts and that no false statement was made by Vikram Bakshi.

2. Deepak Khosla has filed a criminal complaint against Connaught Plaza Restaurant Private Limited ("**CPRL**") and others, including Vikram Bakshi in his capacity as a former partner in CPRL (the "**Accused**"), in the District Court of Saket (the "**District Court**"), alleging that Vikram Bakshi had siphoned off money from CPRL for discharging his personal liabilities and the management of McDonald India Private Limited had conspired with him in siphoning the said funds (the "**Complaint**"). The District Court issued summons to the Accused by its order dated February 6, 2017 (the "**Order**"). The Order has been stayed by the Delhi High Court on March 20, 2017. Subsequently, the Accused filed a petition under section 482 of the CrPC in the High Court of Delhi (the "**Delhi High Court**") stating, among other things, that the Complaint is malicious and vindictive and has been filed without any *locus standi* since Deepak Khosla has no association with CPRL.

3. Deepak Khosla and others (the "**Complainants**") have filed a criminal complaint against Vikram Bakshi and others (the "**Accused**") in the Tis Hazari District Court, Delhi (the "**District Court**"), alleging, among other things, that the Accused have forged the forms 32 that were filed with the relevant registrar of companies for the appointment of the nominees of Vikram Bakshi as additional directors on the board of Montreaux Resorts Private Limited. The District Court issued summons to the Accused by its order dated

December 3, 2009 (the "**Order 1**"). Subsequently, the Accused filed a petition under section 482 of the CrPC in the High Court of Delhi (the "**Delhi High Court**") stating, among other things, that the complaint is malicious and that the forms filed with registrar of companies are genuine and therefore, the Order 1 should be quashed. By an order dated July 16, 2019, the Delhi High Court set aside the Order 1 and remanded the matter before the Metropolitan Magistrate, West, Tis Hazari, New Delhi, which pursuant to its order dated September 9, 2019 ("**Order 2**") has issued summons against the Accused. Subsequently, the Accused has filed a petition before the Delhi High Court praying to set aside the Order 2.

4. Deepak Khosla has filed certain criminal miscellaneous applications against Vikram Bakshi and others, in the High Court of Delhi, under section 340(2) of the Code of Criminal Procedure, 1973, alleging that certain false claims and statements were made with respect to the directorship of Vinod Surha and Wadia Prakash in Montreaux Resorts Private Limited before the Company Law Board in 2008 (the "**Applications**"). Vikram Bakshi in his replies, challenged the maintainability of the Applications on the grounds, among others, that Deepak Khosla concealed material facts and approached the Delhi High Court without filing a complaint before the Company Law Board. The Delhi High Court by its order dated April 24, 2012 adjourned these matters sine die.

5. Deepak Khosla and others have filed certain criminal miscellaneous applications against Vikram Bakshi and others, in the High Court of Delhi under section 340 of the Code of Criminal Procedure, 1973. The proceedings in these matters have been adjourned sine die and no notice has been issued by the High Court of Delhi.

II. Outstanding Civil Proceedings against our Directors

Renuka Ramnath

1. A show cause notice was issued by the Trade Development Officer, Ministry of Commerce to Renuka Ramnath in her capacity as a director on the board of directors of Videocon Appliances Limited ("**Videocon**") under section 14 of the Foreign Trade (Development and Regulation) Act, 1992 (the "**Foreign Trade Act**") alleging failure on the part of Videocon to submit documents in relation to fulfilment of its export obligations under section 11(2) of Foreign Trade Act and in terms of a license dated July 3, 2009 issued for export of products outside India. Renuka Ramnath filed two replies dated July 3, 2014 and December 16, 2014 before the Ministry of Commerce and Industry, Government of India, ("**Ministry of Commerce and Industry**") stating that she has resigned as a director of Videocon with effect from September 30, 2002 (which was prior to the date of issuance of the license to Videocon for export of products outside India) and thus, was wrongfully impleaded in her capacity as a director on the board of directors of Videocon.

2. A show cause notice dated June 15, 2017 was issued by the Enforcement Directorate, Department of Revenue, Ministry of Finance, Government of India (the "**Enforcement Directorate**") to Indian Energy Exchange Limited ("**IEX**") and Renuka Ramnath in her capacity as a director on the board of directors of IEX, alleging delay in reduction of stake by one of the shareholders of IEX as was required to be done for compliance with the Foreign Exchange Management Act, 1999. While IEX has completed the compounding process in respect of this, the Enforcement Directorate has not closed the matter against Renuka Ramnath and other directors on the board of directors of IEX. IEX has made representations before the Enforcement Directorate to waive the requirement of the directors of IEX to compound for an offence that IEX has already completed the compounding process for.

Vikram Bakshi

1. Housing and Urban Development Corporation Ltd. (**"HUDCO"**) has initiated a recovery proceeding before the Recovery Officer, Debt Recovery Tribunal-II (the "**RO-DRT**") against Ascot Hotels & Resorts Limited ("**Ascot**") and others, including Vikram Bakshi in his capacity as a director on the board of Ascot, for recovery of an amount of ₹ 6,862.91 lakhs on account of the loan given by HUDCO to Ascot for development of a commercial project and has also prayed for an attachment of certain shares held by Vikram Bakshi in Connaught Plaza Restaurants Private Limited ("**CPRL**"). On February 2, 2016, the RO-DRT issued interim directions restraining Vikram Bakshi from transferring any of the shares held by him in CPRL until further orders were passed by the RO-DRT. Subsequently, Ascot has filed an appeal challenging the orders of the RO-DRT. The said appeal has been admitted subject to payment of 50% of the amount determined for recovery.

C. ***Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years***

A show cause notice dated November 22, 2016 had been issued against our Company and one of our Promoters, Ajay Bijli by SEBI alleging violation of certain provisions of the erstwhile Listing Agreement and the SEBI Listing Regulations. Ajay Bijli was alleged to have committed violation of Clause 49D of the erstwhile Listing Agreement and corresponding Regulation 17(5) of the SEBI Listing Regulations pertaining to the code of conduct for Board of Directors, in connection with certain performance based incentives to be granted to Ajay Bijli pursuant to separate incentive fee side agreements dated March 8, 2013, March 6, 2013 and April 29, 2013 with Multiples Private Equity Fund I Ltd., Multiples Private Equity Fund and L Capital Eco Ltd. ("**Investors**"), respectively by Ajay Bijli (such agreements, the "**Agreements**"). In terms of the Agreements, Ajay Bijli was entitled to receive a percentage of the profit that will be earned by the Investors on the sale of Equity Shares held by them. Further, the Company was alleged to have violated Clause 36 of the erstwhile Listing Agreement and corresponding Regulation 30 of the SEBI Listing Regulations pertaining to non-disclosure of material events to the Stock Exchanges, since the Stock Exchanges had not been intimated about the execution of the Agreements which according to SEBI was a material event requiring disclosure in terms of Regulation 30 of the SEBI Listing Regulations.

Subsequently, the Agreements were terminated and Ajay Bijli and our Company filed for a common settlement application dated January 16, 2017 without admitting or denying the allegations and consequently, paid an amount of ₹ 20.40 lakhs and ₹ 2.81 lakhs, respectively, towards settlement charges under a settlement order dated January 24, 2018 passed by the SEBI.

D. ***Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.***

There are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited consolidated and standalone financial statements for the last five Fiscals preceding the date of this Placement Document

E. ***Other matters***

Defaults in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon.

As on the date of this Placement Document, our Company has no outstanding defaults in relation to dues payable to holders of any debentures and interest thereon, or in respect of deposits and interest thereon, or in repayment of loans obtained from any bank or financial institution and interest thereon.

Further, as of October 17, 2019, the Company was not in default of repayment of statutory dues.

INDEPENDENT STATUTORY AUDITORS

Our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and our Statement of Unaudited Financial Results included in this Placement Document, have been reviewed by B S R & Co. LLP, independent auditors, as stated in their reports appearing herein, which includes an *Other Matter* paragraph, that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors. With respect to the Ind AS Unaudited Interim Condensed Consolidated Financial Statements, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on the interim financial information. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied. With respect to the statement of Unaudited Financial Results, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial results. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied.

Our Fiscal 2019 Ind AS Audited Consolidated Financial Statements and our Fiscal 2018 Ind AS Audited Consolidated Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, independent auditors, as stated in their reports appearing herein, which includes an *Other Matter* paragraph, that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors.

The Fiscal 2019 SPI Audited Standalone Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, independent auditors, as stated in their report appearing herein, which includes an *Other Matter* paragraph that states that the report, as it relates to the previous years prior to the transition to Ind AS, is based upon reports issued by other auditors.

B S R & Co. LLP, our current statutory auditors and B S R & Associates LLP (**"B S R & Associates"**), are part of a network registered with the Institute of Chartered Accountants of India ("**ICAI**"), and each of these two audit firms is separately registered with ICAI. It has been reported that, in connection with certain alleged lapses identified by the Serious Fraud Investigation Office in one of its audit assignments, the Ministry of Corporate Affairs in India has filed petition/ applications with the National Company Law Tribunal, seeking an order under Section 140(5) of the Companies Act to impose a restriction on B S R & Associates from being appointed as an auditor of any company for a five-year period, (the "**Proposed Restriction**") and certain other orders. B S R & Associates has in proceedings before Bombay High Court challenged the validity of Section 140(5) of the Companies Act. Pursuant to the order of Bombay High Court, the proceedings under Section 140(5) of the Companies Act with NCLT have been stayed until further orders. The matter is currently sub-judice. The Proposed Restriction, if imposed, would prevent B S R & Associates from being appointed as an auditor of any company for a period of five years. Since B S R & Co. LLP and B S R & Associates are separately registered with the ICAI, the Proposed Restriction, if imposed on B S R & Associates is not expected to impact B S R & Co. LLP's role as statutory auditors of the Company.

The Fiscal 2017 Ind AS Audited Consolidated Financial Statements included in this Placement Document have been audited by Prior Period Statutory Auditors.

For details of our financial statements and audit reports thereon issued by our existing Statutory Auditors and the Prior Period Statutory Auditors, see, "***Financial Information***" on page 296.

FINANCIAL INFORMATION

B S R & Co. LLP

Chartered Accountants

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To
Board of Directors of **PVR Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of PVR Limited ("the Company") for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*", prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Jiten Chopra
Partner
ICAI Membership No.: 092894
ICAI UDIN: 19092894AAAACJ6118

Place: Abu Dhabi, UAE
Date: 17 October, 2019

PVR LIMITED

CIN: L74899DL1995PLC067827
Registered office: 61, Basant Lok, Vasant Vihar, New Delhi - 110 057, India
Corporate office: Block A, 4th floor, Building No.9, DLF Cyber City, Phase - III, Gurugram - 122002, Haryana, India
Email: Investorrelations@pvrcinemas.com Website: www.pvrcinemas.com

PVR

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

(Rs. in lakhs, except per share data)

S.No.	Particulars	STANDALONE					
		3 months ended			6 months ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)*	(Unaudited)*	(Unaudited)	(Unaudited)*	(Audited) *
1	**Income**						
	Revenue from operations	91,597	86,751	69,907	1,78,348	1,37,950	3,03,935
	Other income	760	659	556	1,419	949	3,150
	Total income	**92,357**	**87,410**	**70,463**	**1,79,767**	**1,38,899**	**3,07,085**
2	**Expenses**						
	Movie exhibition cost	21,848	20,220	16,680	42,068	33,786	71,165
	Consumption of food and beverages	7,177	7,082	5,386	14,259	10,426	23,514
	Employee benefits expense	10,193	10,299	7,447	20,492	14,665	32,686
	Finance costs	11,104	13,134	2,976	24,238	5,053	12,775
	Depreciation and amortisation expense	13,710	12,381	4,164	26,091	7,930	18,164
	Other expenses	20,932	21,509	28,337	42,441	53,900	1,18,944
	Total expenses	**84,964**	**84,625**	**64,990**	**1,69,589**	**1,25,760**	**2,77,248**
3	**Profit before tax (1-2)**	**7,393**	**2,785**	**5,473**	**10,178**	**13,139**	**29,837**
4	**Tax expense**						
	Current tax	3,705	872	600	4,577	2,950	6,816
	Deferred tax	(1,174)	147	1,356	(1,027)	1,702	4,012
	Total tax expense	**2,531**	**1,019**	**1,956**	**3,550**	**4,652**	**10,828**
5	**Net profit after tax (3-4)**	**4,862**	**1,766**	**3,517**	**6,628**	**8,487**	**19,009**
6	Other comprehensive income/(expense) (net of tax)						
	Items that will not be re-classified to profit or loss	(526)	(295)	(427)	(821)	(856)	(1,252)
	Items that will be re-classified to profit or loss	-	-	-	-	-	-
7	**Total comprehensive income (5+6)**	**4,336**	**1,471**	**3,090**	**5,807**	**7,631**	**17,757**
8	**Paid-up equity share capital (face value of Rs. 10 each, fully paid)**	**4,838**	**4,677**	**4,674**	**4,838**	**4,674**	**4,674**
9	**Other equity as shown in the audited balance sheet as at ***						**1,42,898**
10	**Earnings per share on net profit after tax (fully paid up equity share of Rs. 10 each) (refer note 6)**						
	Basic earnings per share	10.32	3.78	7.53	14.10	18.16	40.67
	Diluted earnings per share	10.00	3.63	7.33	13.63	17.89	39.58

* Refer note 2

Notes to the Statement of unaudited standalone financial results for the quarter and six months ended September 30, 2019:-

1 The above unaudited standalone financial results for the quarter and six months ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 17, 2019. The Statutory Auditors of PVR Limited ("the Company") have carried out limited review of the above unaudited standalone financial results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have issued an unmodified limited review opinion report.

2 The Hon'ble Principal Bench of The National Company Law Tribunal at New Delhi vide its Order dated August 23, 2019 has approved the Scheme of Amalgamation ("Scheme") between the Company, SPI Cinemas Private Limited ("SPI") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder, effective from the appointed date of August 17, 2018. With effect from the appointed date and upon the Scheme becoming effective, entire business of SPI including its assets, properties, rights, benefits, interests and liabilities has been transferred to and vested in the Company, as a going concern.

The Company has given effect to the accounting treatment in the books of accounts as per acquisition method per Indian Accounting Standard (Ind AS) 103 "Business Combinations", as prescribed by Section 133 of the Companies Act, 2013. Consequently, the standalone financial results for the year ended March 31, 2019, quarter ended June 30, 2019 and quarter ended and six months ended September 30, 2018, which were earlier approved by the Board of Directors at their meetings held on May 10, 2019, July 25, 2019 and October 25, 2018 respectively have been represented only to give effect to the Scheme.

Further, during the current quarter, the Company has issued and allotted 15,99,974 equity shares to S S Theatres LLP (SPI shareholder) in accordance with the Scheme.

PVR LIMITED PVR

PVR LIMITED

CIN: L74899DL1995PLC067827
Registered office: 61, Basant Lok, Vasant Vihar, New Delhi - 110 057, India
Corporate office: Block A, 4th floor, Building No.9, DLF Cyber City, Phase - III, Gurugram - 122002, Haryana, India
Email: Investorrelations@pvrcinemas.com **Website:** www.pvrcinemas.com

PVR

3 With effect from April 1, 2019, the Company has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (April 1, 2019). Accordingly, the Company is not required to restate the comparative information for the year ended March 31, 2019, quarter and six months ended September 30, 2018.

On April 1, 2019, the Company has recognised, a lease liability amounting to Rs 327,416 lakhs measured at the present value of the remaining lease payments and Right-of-Use (ROU) asset amounting to Rs 249,229 lakhs at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. This has resulted in an adjustment to the opening balance of retained earnings amounting to Rs 50,866 lakhs (net of deferred taxes amounting to Rs 27,322 lakhs).

The major impact of adopting Ind AS 116 on the standalone financial results for the quarter and six months ended September 30, 2019 are as follows:

Particulars	Quarter ended September 30,2019			Six months ended September 30,2019		
	Amount without adoption of Ind AS 116	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Amount as reported with adoption of Ind AS 116	Amount without adoption of Ind AS 116	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Amount as reported with adoption of Ind AS 116
Finance costs	3,895	7,209	11,104	8,031	16,207	24,238
Depreciation and amortisation expense	5,746	7,964	13,710	11,040	15,051	26,091
Other expenses (Rent)	33,290	(12,358)	20,932	66,782	(24,341)	42,441
Profit before tax	**10,207**	**(2,814)**	**7,393**	**17,095**	**(6,917)**	**10,178**

4 Results for the quarter and six months ended September 30, 2019 are not strictly comparable with quarter and six months ended September 30, 2018 on account of adoption of Ind AS 116 'Leases' and acquisition of SPI Cinemas Private Limited.

5 During the six months ended September 30, 2019, the Company has allotted 38,500 equity shares in accordance with PVR ESOS 2017 to the employees to the Company.

6 Earnings per share is not annualised for the quarter ended September 30, 2019, June 30, 2019 and September 30, 2018 and six months ended September 30, 2019 and September 30, 2018.

7 The above unaudited standalone financial results for the quarter and six months ended September 30, 2019 are available on the BSE Limited website (URL:www.bseindia.com/corporates), National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website (URL: https://www.pvrcinemas.com/corporate).

For and on behalf of the Board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
Gurugram
October 17, 2019

PVR LIMITED PVR

PVR LIMITED

CIN: L74899DL1995PLC067827
Regd. Office: 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India
Corporate Office: Block A, 4th floor, Building No.9, DLF Cyber City, Phase - III, Gurugram - 122002, Haryana, India

PVR

UNAUDITED STANDALONE BALANCE SHEET AS AT SEPTEMBER 30, 2019

(Rs. in lakhs)

Particulars		STANDALONE	
		September 30, 2019	March 31, 2019
		Unaudited	Audited*
Assets			
Non-current assets			
Property, plant and equipment		1,58,522	1,48,485
Capital work-in-progress		13,941	21,257
Right-of-use assets		2,74,137	-
Goodwill		1,04,256	1,04,383
Other intangible assets		17,383	17,990
Financial assets			
Investments in subsidiaries		5,769	4,769
Other investments		50	885
Loans		24,462	22,751
Other financial assets		2,136	2,239
Deferred tax assets (net)		22,990	-
Income tax assets (net)		3,363	3,263
Other non current assets		9,102	18,012
Total non-current assets	A	6,36,111	3,44,034
Current assets			
Inventories		3,422	2,888
Financial assets			
Investments		123	108
Trade receivables		13,923	17,200
Cash and cash equivalents		6,916	2,144
Bank balances other than cash and cash equivalents, above		1,446	597
Loans		8,303	2,908
Other financial assets		5,701	2,144
Other current assets		7,846	7,656
Total current assets	B	47,680	35,645
Total assets [A+B]		6,83,791	3,79,679
Equity and liabilities			
Equity			
Equity share capital		4,838	4,674
Other equity		97,244	1,42,898
Total equity	A	1,02,082	1,47,572
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings		1,08,079	1,01,876
Lease liabilities		3,30,449	-
Other financial liabilities		10,895	4,217
Provisions		1,786	1,719
Deferred tax liabilities (net)		-	2,591
Other non-current liabilities		14,098	18,499
Total non-current liabilities	B	4,65,307	1,28,902
Current liabilities			
Financial liabilities			
Borrowings		14,298	8,339
Lease liabilities		17,673	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		32,811	35,632
Other financial liabilities		22,877	36,089
Provisions		429	310
Other current liabilities		28,314	22,835
Total current liabilities	C	1,16,402	1,03,205
Total equity and liabilities [A+B+C]		6,83,791	3,79,679
*** Refer note 2**			

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PVR

UNAUDITED STANDALONE STATEMENT OF CASH FLOWS FOR SIX MONTHS ENDED SEPTEMBER 30, 2019

(Rs. in lakhs)

Particulars		STANDALONE	
		September 30, 2019	September 30, 2018
		Unaudited	Unaudited
Cash flows from operating activities			
Profit before tax		**10,178**	**13,139**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		10,143	7,540
Amortisation of intangible assets		897	391
Amortisation of Right-of-use assets		15,051	-
Allowance for doubtful debts and advances		317	450
Bad debts/advances written off		56	-
Net (gain)/ loss on disposal of property, plant and equipment		(54)	46
Interest income		(947)	(470)
Finance costs		23,657	4,696
Share based payment expense		86	183
Convenience fees (Time value of money adjustment)		(1,141)	(305)
Liabilities written back		(3)	(2)
Rent expenses (pertaining to deferred rent)		-	527
		58,241	**26,195**
Working capital adjustments:			
Increase/(Decrease) in provisions		183	136
Increase/(Decrease) in trade and other payables		(3,503)	33,758
Decrease/(Increase) in trade receivables		2,982	793
Decrease/(Increase) in inventories		(535)	(501)
Decrease/(Increase) in loans and advances and other assets		(5,373)	(1,255)
Cash generated from operations		**51,996**	**59,127**
Direct taxes paid (net of refunds)		(1,909)	(3,368)
Net cash flows from/(used in) operating activities	A	**50,087**	**55,759**
Cash flows from investing activities			
Purchase of PPE, intangible assets, CWIP and capital advances		(18,760)	(20,981)
Proceeds from sale of PPE		80	-
Security deposits given to Mall Developers		(877)	(2,271)
Payment towards acquisition of SPI Cinemas Private Limited (refer note 2)		-	(53,560)
Investment in subsidiaries		(1,000)	(338)
Loan repaid/(given) - body corporate		-	76
Loans given to subsidiaries		(5,384)	(508)
Interest received on deposits		283	47
Fixed deposits with banks		(750)	(550)
Net cash flows from/(used in) investing activities	B	**(26,409)**	**(78,086)**
Cash flows from financing activities			
Proceeds from issue of shares		612	-
Proceeds from long-term borrowings		16,419	35,000
Repayment of long-term borrowings		(10,973)	(5,876)
Proceeds from short-term borrowings		30,000	15,000
Repayment of short-term borrowings		(25,000)	(10,400)
Repayment of lease liabilities		(23,618)	-
Payment of dividend		(935)	-
Interest paid on borrowings		(6,346)	(3,708)
Net cash flows from/(used in) financing activities	C	**(19,841)**	**30,016**
Net (decrease)/increase in cash and cash equivalents (A + B + C)		**3,837**	**7,689**
Cash and cash equivalents at the beginning of the year		(1,240)	1,746
Add: Cash acquired on acquisition of SPI Cinemas Private Limited (refer note 2)		-	918
Cash and cash equivalents at the end of the year		**2,597**	**10,353**

Components of cash and cash equivalents at the end of the period			
Cash on hand		353	1,034
Balance with banks:			
On current accounts		4,063	8,569
On deposits with original maturity of less than three months		-	772
Investments in Mutual fund		2,500	-
Cash and cash equivalents		**6,916**	**10,375**
Less: Secured bank overdraft		(4,319)	(22)
Total cash and cash equivalents		**2,597**	**10,353**

The Unaudited Standalone Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 'Statement of Cash Flows'.

PVR LIMITED PVR

B S R & Co. LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

To
Board of Directors of **PVR Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of PVR Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its joint ventures for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*", prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

   Subsidiaries
   SPI Entertainment Projects (Tirupati) Private Limited
   PVR Pictures Limited
   Zea Maize Private Limited
   P V R Lanka Limited
   PVR Middle East FZ-LLC

   Joint ventures
   PVR Pictures International Pte. Limited (upto 17 September 2019)
   Vkaao Entertainment Private Limited

JL

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement includes the financial information of three subsidiaries which have not been reviewed, whose financial information reflect total assets of Rs. 3,447 lakhs as at 30 September 2019 and total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 19 lakhs and Rs. 35 lakhs and total comprehensive loss of Rs. 26 lakhs and Rs. 60 lakhs for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, and net cash outflows of Rs. 111 lakhs for the period from 01 April 2019 to 30 September 2019, as considered in the Statement. Further, the Statement also includes the Group's share of net loss after tax of Rs. 16 lakhs and Rs. 26 lakhs and total comprehensive loss of Rs. 16 lakhs and Rs. 26 lakhs for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, as considered in the unaudited consolidated financial results, in respect of two joint ventures, based on their financial information which have not been reviewed. According to the information and explanations given to us by the management, this financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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

Jiten Chopra
Partner
ICAI Membership No.: 092894
ICAI UDIN: 19092894AAAACK5570

Place: Abu Dhabi, UAE
Date: 17 October, 2019

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PVR

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

(Rs. in lakhs, except per share data)

S.No.	Particulars	CONSOLIDATED					
		3 months ended			6 months ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)*	(Unaudited)*	(Unaudited)	(Unaudited)*	(Audited)*
1	**Income**						
	Revenue from operations	97,318	88,039	70,855	1,85,357	1,40,482	3,08,556
	Other income	622	677	610	1,299	1,036	3,314
	Total income	**97,940**	**88,716**	**71,465**	**1,86,656**	**1,41,518**	**3,11,870**
2	**Expenses**						
	Movie exhibition cost	19,802	19,911	16,503	39,713	33,134	70,193
	Consumption of food and beverages	7,275	7,161	5,431	14,436	10,510	23,874
	Employee benefits expense	10,494	10,565	7,698	21,059	15,116	33,726
	Finance costs	11,113	13,143	2,982	24,256	5,063	12,801
	Depreciation and amortisation expense	13,952	12,586	4,478	26,538	8,491	19,128
	Other expenses	27,939	22,544	28,822	50,483	55,600	1,22,130
	Total expenses	**90,575**	**85,910**	**65,914**	**1,76,485**	**1,27,914**	**2,81,852**
3	**Profit before share of non-controlling interests, share in net profit/(loss) of joint ventures and tax (1-2)**	**7,365**	**2,806**	**5,551**	**10,171**	**13,604**	**30,018**
4	Share in net profit/(loss) of joint ventures	(16)	(10)	(15)	(26)	(33)	(115)
5	**Profit before tax (3+4)**	**7,349**	**2,796**	**5,536**	**10,145**	**13,571**	**29,903**
6	**Tax expense**						
	Current tax	3,681	896	623	4,577	3,067	6,877
	Deferred tax	(1,099)	147	1,374	(952)	1,761	4,086
	Total tax expense	**2,582**	**1,043**	**1,997**	**3,625**	**4,828**	**10,963**
7	**Net profit after tax (5-6)**	**4,767**	**1,753**	**3,539**	**6,520**	**8,743**	**18,940**
8	**Non-controlling interests**	**21**	**4**	**8**	**25**	**19**	**43**
9	**Net profit after taxes and after adjustment of non-controlling interests (7+8)**	**4,788**	**1,757**	**3,547**	**6,545**	**8,762**	**18,983**
10	**Other comprehensive income/(expense) (net of tax)**						
	Items that will not be re-classified to profit or loss	(525)	(295)	(427)	(820)	(856)	(1,277)
	Items that will be re-classified to profit or loss	(10)	(15)	(2)	(25)	2	(22)
11	**Total comprehensive income**	**4,253**	**1,447**	**3,118**	**5,700**	**7,908**	**17,684**
	Net profit attributable to:						
	Owners of the Company	4,788	1,757	3,547	6,545	8,762	18,983
	Non-controlling interests	(21)	(4)	(8)	(25)	(19)	(43)
	Other comprehensive income attributable to:						
	Owners of the Company	(535)	(310)	(429)	(845)	(854)	(1,299)
	Non-controlling interests	-	-	-	-	-	-
	Total comprehensive income attributable to:						
	Owners of the Company	4,253	1,447	3,118	5,700	7,908	17,684
	Non-controlling interests	(21)	(4)	(8)	(25)	(19)	(43)
12	**Paid-up equity share capital (face value of Rs. 10 each, fully paid)**	**4,838**	**4,677**	**4,674**	**4,838**	**4,674**	**4,674**
13	**Other equity as shown in the audited balance sheet as at ***						**1,44,895**
14	**Earnings per share on net profit after tax (fully paid up equity share of Rs. 10 each) (refer note 7)**						
	(a) Basic earnings per share	10.17	3.76	7.59	13.93	18.75	40.62
	(b) Diluted earnings per share	9.84	3.61	7.38	13.45	18.47	39.52

* Refer note 3

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Notes to the Statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2019:-

1 The Chief Operating Decision Maker (CODM) review the performance of the Group and its joint ventures for Movie exhibition and others. The requisite segment reporting related disclosures for all period presented is as follows:

(Rs. in lakhs)

S.No.	Particulars	3 months ended			6 months ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)*	(Unaudited)*	(Unaudited)	(Unaudited)*	(Audited)*
1	**Segment Revenues**						
	Movie exhibition	91,477	86,276	69,664	1,77,753	1,37,639	3,02,843
	Others (includes Movie production, distribution & gaming etc.)	8,636	3,156	2,194	11,792	4,858	11,079
	Inter segment revenues/elimination	(2,173)	(716)	(393)	(2,889)	(979)	(2,052)
	Total	**97,940**	**88,716**	**71,465**	**1,86,656**	**1,41,518**	**3,11,870**
2	**Segment Results**						
	Movie exhibition	7,417	2,584	5,265	10,001	12,747	29,160
	Others (includes Movie production, distribution & gaming etc.)	(22)	230	271	208	824	743
	Inter segment revenues/elimination	(46)	(18)	-	(64)	-	-
	Total	7,349	2,796	5,536	10,145	13,571	29,903
	Profit before tax	**7,349**	**2,796**	**5,536**	**10,145**	**13,571**	**29,903**
3	**Segment Assets**						
	Movie exhibition	6,38,887	6,81,800	3,44,864	6,38,887	3,44,864	3,63,740
	Others (includes Movie production, distribution & gaming etc.)	12,794	8,995	6,639	12,794	6,639	7,178
	Total	**6,51,681**	**6,90,795**	**3,51,503**	**6,51,681**	**3,51,503**	**3,70,918**
	Unallocable assets	37,259	37,346	17,787	37,259	17,787	14,168
4	**Segment Liabilities**						
	Movie exhibition	4,43,906	4,86,135	92,952	4,43,906	92,952	1,00,654
	Others (includes Movie production, distribution & gaming etc.)	2,911	1,944	1,938	2,911	1,938	2,079
	Total	**4,46,817**	**4,88,079**	**94,890**	**4,46,817**	**94,890**	**1,02,733**
	Unallocable liabilities	1,38,136	1,40,618	1,34,724	1,38,136	1,34,724	1,32,737

2 The above unaudited consolidated financial results for the quarter and Six months ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 17, 2019. The Statutory Auditors of PVR Limited ("the Company") have carried out limited review of the above unaudited consolidated financial results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have issued an unmodified review opinion report.

3 The Hon'ble Principal Bench of The National Company Law Tribunal at New Delhi vide its Order dated August 23, 2019 has approved the Scheme of Amalgamation ("Scheme") between the Company, SPI Cinemas Private Limited ("SPI") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder, effective from the appointed date of August 17, 2018. With effect from the appointed date and upon the Scheme becoming effective, entire business of SPI including its assets, properties, rights, benefits, interests and liabilities has been transferred to and vested in the Company, as a going concern.

The Company has given effect to the accounting treatment in the books of accounts as per acquisition method per Indian Accounting Standard (Ind AS) 103 "Business Combinations", as prescribed by Section 133 of the Companies Act, 2013. Consequently, the standalone financial results for the year ended March 31, 2019, quarter ended June 30, 2019 and quarter ended and six months ended September 30, 2018, which were earlier approved by the Board of Directors at their meetings held on May 10, 2019, July 25, 2019 and October 25, 2018 respectively have been represented only to give effect to the Scheme.

Further, during the current quarter, the Company has issued and allotted 15,99,974 equity shares to S S Theatres LLP (SPI shareholder) in accordance with the Scheme.

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4 With effect from April 1, 2019, the Group has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (April 1, 2019). Accordingly, the Group is not required to restate the comparative information for the year ended March 31, 2019, quarter and six months ended September 30, 2018.

On April 1, 2019, the Group has recognised, a lease liability amounting to Rs 327,453 lakhs measured at the present value of the remaining lease payments and Right-of-Use (ROU) asset amounting to Rs 249,262 lakhs at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. This has resulted in an adjustment to the opening balance of retained earnings amounting to Rs 50,868 lakhs (net of deferred taxes amounting to Rs 27,323 lakhs).

The major impact of adopting Ind AS 116 on the consolidated financial results for the quarter and Six months ended September 30, 2019 are as follows:

Particulars	Quarter ended September 30,2019			Six months ended September 30,2019		
	Amount without adoption of Ind AS 116	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Amount as reported with adoption of Ind AS 116	Amount without adoption of Ind AS 116	Changes due to adoption of Ind AS 116 [Increase /(decrease)]	Amount as reported with adoption of Ind AS 116
Finance costs	3,904	7,209	11,113	8,048	16,208	24,256
Depreciation and amortisation expenses	5,982	7,970	13,952	11,475	15,063	26,538
Other expenses (Rent)	40,305	(12,366)	27,939	74,838	(24,355)	50,483
Profit before tax	**10,162**	**(2,814)**	**7,349**	**17,061**	**(6,916)**	**10,145**

5 During the six months ended September 30, 2019, the Company has allotted 38,500 equity shares in accordance with PVR ESOS 2017 to the employees to the Company.

6 Results for the quarter and six months ended September 30, 2019 are not strictly comparable with quarter and six months ended September 30, 2018 on account of adoption of Ind AS 116 'Leases' and acquisition of SPI Cinemas Private Limited.

7 Earnings per share is not annualised for the quarter ended September 30, 2019, June 30, 2019 and September 30, 2018 and six months ended September 30, 2019 and September 30, 2018.

8 The above unaudited consolidated financial results includes financial information of the Company and its subsidiaries (collectively referred to as "Group") namely PVR Pictures Limited, P V R Lanka Limited, Zea Maize Private Limited, SPI Entertainment Projects (Tirupati) Private Limited and PVR Middle East FZ-LLC. The consolidated net profit presented includes Group's share of profit/loss from Joint ventures namely Vkaao Entertainment Private Limited and PVR Pictures International Pte Limited (upto September 17, 2019).

9 The above unaudited consolidated financial results for the quarter and six months ended September 30, 2019 are available on the BSE Limited website (URL:www.bseindia.com/corporates), National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website (URL: https://www.pvrcinemas.com/corporate).

For and on behalf of the Board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
Gurugram
October 17,2019

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PVR

UNAUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2019

(Rs. in lakhs)

Particulars		CONSOLIDATED	
		September 30, 2019	March 31, 2019
		Unaudited	Audited*
ASSETS			
Non-current assets			
Property, plant and equipment		1,59,017	1,48,997
Capital work-in-progress		16,082	22,080
Right-of-use assets		2,74,161	-
Goodwill		1,05,204	1,05,330
Other intangible assets		19,819	19,921
Financial assets			
Equity accounted investees		86	112
Investments		50	885
Loans		24,713	23,005
Other financial assets		2,138	2,242
Deferred tax assets (net)		22,989	1,068
Income tax assets (net)		3,752	3,650
Other non current assets		10,215	18,460
Total non-current assets	A	**6,38,226**	**3,45,750**
Current assets			
Inventories		3,560	3,034
Financial assets			
Investments		123	108
Trade receivables		15,902	18,386
Cash and cash equivalents		7,582	2,817
Bank balances other than cash and cash equivalents, above		1,446	597
Loans		1,178	1,183
Other financial assets		5,701	2,145
Other current assets		15,222	11,066
Total current assets	B	**50,714**	**39,336**
Total assets [A+B]		**6,88,940**	**3,85,086**
Equity and liabilities			
Equity			
Equity share capital		4,838	4,674
Other equity		99,129	1,44,895
Equity attributable to equity holders of the Parent Company		**1,03,967**	**1,49,569**
Non-controlling interests		20	46
Total equity	A	**1,03,987**	**1,49,615**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings		1,08,079	1,01,876
Lease liabilities		3,30,476	-
Other financial liabilities		10,900	4,217
Provisions		1,906	1,825
Deferred tax liabilities (net)		145	3,731
Other non-current liabilities		14,098	18,499
Total non-current liabilities	B	**4,65,604**	**1,30,148**
Current liabilities			
Financial liabilities			
Borrowings		14,474	8,515
Lease liabilities		17,673	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		34,637	36,771
Other financial liabilities		22,885	36,100
Provisions		432	321
Other current liabilities		29,248	23,616
Total current liabilities	C	**1,19,349**	**1,05,323**
Total equity and liabilities [A+B+C]		**6,88,940**	**3,85,086**
* Refer note 3			

PVR LIMITED PVR

PVR LIMITED

CIN: L74899DL1995PLC067827
Regd. Office: 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India
Corporate Office: Block A, 4th floor, Building No-9, DLF Cyber City, Phase - III, Gurugram - 122002, Haryana, India

PVR

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR SIX MONTHS ENDED SEPTEMBER 30, 2019

(Rs. in lakhs)

Particulars		CONSOLIDATED	
		September 30, 2019	September 30, 2018
		Unaudited	Unaudited
Cash flows from operating activities			
Profit before tax		10,145	13,571
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment		10,186	7,642
Amortisation of intangible assets		1,288	849
Amortisation of Right-of-use assets		15,064	-
Net (gain)/ loss on disposal of property, plant and equipment		(69)	46
Interest income		(834)	(461)
Allowance for doubtful debts and advances		332	444
Bad debts/advances written off		56	-
Finance costs		23,669	4,624
Equity-settled share-based payments		86	183
Liabilities written back		(3)	(2)
Rent expenses (pertaining to deferred rent)		-	526
Share of loss of equity accounted investees		26	33
Convenience fees (Time value of money adjustment)		(1,141)	(305)
		58,804	27,150
Working capital adjustments:			
Increase/(Decrease) in provisions		189	163
Increase/(Decrease) in trade & other payables		(2,662)	32,747
Decrease/(Increase) in trade receivables		2,157	1,173
Decrease/(Increase) in inventories		(526)	(544)
Decrease/(Increase) in loans and advances and other assets		(9,308)	(1,874)
Cash generated from operations		48,654	58,815
Direct taxes paid (net of refunds)		(1,913)	(3,504)
Net cash flows from/(used in) operating activities	A	46,741	55,312
Cash flows from investing activities			
Purchase of PPE, Intangible assets, CWIP and Capital advance		(21,672)	(21,278)
Payment towards acquisition of SPI Cinemas Private Limited (refer note 3)		-	(53,560)
Security deposits given to Mall Developers		(852)	(2,252)
Proceeds from sale of PPE		80	-
Loan repaid by body Corporate		-	208
Interest received		150	30
Fixed deposits with banks		(750)	(550)
Net cash flow from/(used in) investing activities	B	(23,044)	(77,402)
Cash flows from financing activities			
Proceeds from issue of shares		612	-
Proceeds from long-term borrowings		16,419	35,000
Repayment of long-term borrowings		(10,973)	(5,876)
Proceeds from short-term borrowings		30,000	15,000
Repayment of short-term borrowings		(25,000)	(10,400)
Repayment of lease liabilities		(23,633)	-
Payment of dividend		(935)	-
Interest paid on borrowings		(6,358)	(4,895)
Net cash flows from/(used in) financing activities	C	(19,868)	28,829
Net (decrease)/increase in cash and cash equivalents (A + B + C)		3,829	6,739
Cash and cash equivalents at the beginning of the year		(743)	2,676
Add: Cash acquired on acquisition of SPI Cinemas Private Limited (refer note 3)		-	918
Cash and cash equivalents at the end of the year		3,086	10,332

Components of cash and cash equivalents at the end of the period			
Cash on hand		356	1,044
Balance with banks:			
On current accounts		-	773
On deposits with original maturity of less than three months		4,726	8,782
Investments in Mutual fund		2,500	
Cash and cash equivalents		7,582	10,599
Less: Secured bank overdraft		(4,496)	(267)
Total cash and cash equivalents		3,086	10,332

The Unaudited Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 'Statement of Cash Flows'.

PVR LIMITED PVR

B S R & Co. LLP
Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

Report on Review of Interim Condensed Consolidated Financial Statements

To
Board of Directors of **PVR Limited**

Introduction

We have reviewed the accompanying Interim Condensed Consolidated Financial Statements of PVR Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "the Group"), its joint ventures, which comprise the Interim Condensed Consolidated Balance Sheet as at 30 September 2019, and the Interim Condensed Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the six months period then ended, the Interim Condensed Consolidated Statement of Changes in Equity and the Interim Condensed Consolidated Statement of Cash Flows for the period then ended, and notes to the Interim Condensed Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "Interim Condensed Consolidated Financial Statements") and other explanatory information as required by Indian Accounting Standard (Ind AS) 34 "*Interim Financial Reporting*".

The Interim Condensed Consolidated Financial Statements is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Interim Condensed Consolidated Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matter

The Interim Condensed Consolidated Financial Statements includes the financial information of three subsidiaries which have not been reviewed, whose financial information reflect total assets of Rs. 3,447 lakhs as at 30 September 2019 and total revenue of Rs. Nil, total net loss after tax of Rs. 35 lakhs, total comprehensive loss of Rs. 60 lakhs and net cash outflows of Rs. 111 lakhs for the six months period ended 30 September 2019, as considered in the Interim Condensed Consolidated Financial Statements. Further, the Interim Condensed Consolidated Financial Statements also includes the Group's share of net loss after tax of Rs. 26 lakhs and total comprehensive loss of Rs. 26 lakhs for the six months period ended 30 September 2019, as considered in the Interim Condensed Consolidated Financial Statements, in respect of two joint ventures, based on their financial information which have not been reviewed. The unaudited financial information of these subsidiaries and joint ventures have been furnished to us by the Management of the Company and our conclusion on the Interim Condensed Consolidated Financial Statements, to the extent they have been derived from such unaudited financial information of these subsidiaries and joint ventures, is based solely on such unaudited financial information. According to the information and explanations given to us by the management, this financial information is not material to the Group.

Our conclusion on the Interim Condensed Consolidated Financial Statements is not modified in respect of the above matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements as at and for the six months period ended 30 September 2019 are not prepared, in all material respects, in accordance with requirements of Ind AS 34 "*Interim Financial Reporting*".

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

Sd/-
Jiten Chopra
Partner
ICAI Membership No.: 092894
ICAI UDIN: 19092894AAAACS6480

Place: Gurugram
Date: 22 October 2019

PVR Limited
Interim Condensed Consolidated Balance Sheet as at September 30, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Note	September 30, 2019	March 31, 2019*
Assets			
Non-current assets			
Property, plant and equipment	3	1,59,017	1,48,997
Capital work-in-progress	3	16,082	22,080
Right-of-use assets	4	2,74,161	-
Goodwill	4	1,05,204	1,05,330
Other intangible assets	4	19,819	19,921
Financial assets			
Equity accounted investees		86	112
Investments		50	885
Loans		24,713	23,005
Other financial assets		2,138	2,242
Deferred tax assets (net)		22,989	1,068
Income tax assets (net)		3,752	3,650
Other non current assets		10,215	18,460
Total non-current assets (A)		**6,38,226**	**3,45,750**
Current assets			
Inventories		3,560	3,034
Financial assets			
Investments		123	108
Trade receivables		15,902	18,386
Cash and cash equivalents		7,582	2,817
Bank balances other than cash and cash equivalents, above		1,446	597
Loans		1,178	1,183
Other financial assets		5,701	2,145
Other current assets		15,222	11,066
Total current assets (B)		**50,714**	**39,336**
Total assets (A+B)		**6,88,940**	**3,85,086**
Equity and liabilities			
Equity			
Equity share capital		4,838	4,674
Other equity		99,129	1,44,895
Equity attributable to equity holders of the Parent Company		1,03,967	**1,49,569**
Non-controlling interests		20	46
Total equity (A)		1,03,987	**1,49,615**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	5	1,08,079	1,01,876
Lease liabilities	7	3,30,476	-
Other financial liabilities	8	10,900	4,217
Provisions		1,906	1,825
Deferred tax liabilities (net)		145	3,731
Other non-current liabilities	9	14,098	18,499
Total non-current liabilities (B)		4,65,604	**1,30,148**
Current liabilities			
Financial liabilities			
Borrowings	6	14,474	8,515
Lease liabilities	7	17,673	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		34,637	36,771
Other financial liabilities	8	22,885	36,100
Provisions		432	321
Other current liabilities	9	29,248	23,616
Total current liabilities (C)		**1,19,349**	**1,05,323**
Total equity and liabilities (A+B+C)		**6,88,940**	**3,85,086**

* Refer note 20

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

As per report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W / W-100022

Sd/-
Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: October 22, 2019

For and on behalf of the board of Directors of PVR Limited

Sd/-
Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sd/-
Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Sd/-
Pankaj Dhawan
Company Secretary
ICSI M.No: F3170

Sd/-
Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: October 22, 2019

PVR Limited
Interim Condensed Consolidated Statement of Profit and Loss for the six months period ended September 30, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Notes	September 30, 2019	September 30, 2018*
Income			
Revenue from operations	10	1,85,357	1,40,482
Other income	11	1,299	1,036
Total Income		**1,86,656**	**1,41,518**
Expenses			
Movie exhibition cost		39,713	33,134
Consumption of food and beverages		14,436	10,510
Employee benefits expense		21,059	15,116
Finance costs	12	24,256	5,063
Depreciation and amortisation expense	13	26,538	8,491
Other operating expenses	14	50,483	55,600
Total expenses		**1,76,485**	**1,27,914**
Profit before share of profit/(loss) of equity accounted investees, exceptional item and tax		**10,171**	**13,604**
Share of profit/(loss) of equity accounted investees (net of tax)		(26)	(33)
Profit before tax		**10,145**	**13,571**
Tax expense			
Current tax		4,577	3,067
Deferred tax (including MAT credit entitlement)		(952)	1,761
Total tax expenses		**3,625**	**4,828**
Net profit after tax		**6,520**	**8,743**
Non-controlling interests		25	19
Net profit after tax and after adjustment of non controlling interests		**6,545**	**8,762**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent period		(820)	(856)
Items that will be reclassified to profit or loss in subsequent period		(25)	2
Other Comprehensive Income for the period (net of tax)		**(845)**	**(854)**
Total comprehensive income for the period (comprising profit and Other Comprehensive Income)		**5,700**	**7,908**
Net Profit attributable to:			
Owners of the Company		6,545	8,762
Non-controlling interests		(25)	(19)
Other Comprehensive Income attributable to:			
Owners of the Company		(845)	(854)
Non-controlling interests		-	-
Total Comprehensive Income attributable to:			
Owners of the Company		5,700	7,908
Non-controlling interests		(25)	(19)
Earnings per equity share on net profit after tax	15		
[Nominal Value of share Rs. 10 each (September 30, 2018: Rs.10 each)]			
Basic		13.93	18.75
Diluted		13.45	18.47
* Refer note 20			
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements
As per report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W / W-100022

Sd/-
Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: October 22, 2019

For and on behalf of the board of Directors of PVR Limited

Sd/-
Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sd/-
Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Sd/-
Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Sd/-
Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: October 22, 2019

PVR Limited
Interim Condensed Consolidated Statement of Changes in Equity for the six months period ended September 30, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

	September 30, 2019	September 30, 2018
A. Equity Share Capital		
Balance at the beginning of the period	4,674	4,674
Changes in equity share capital during the period	164	-
Balance at the end of the period	**4,838**	4,674

B. Other Equity

Particulars	Reserves and Surplus						Share pending issuance	Share aaplication money pending allotment	Other comprehensive income			Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve (DRR)	General reserve	Share options outstanding account	Retained Earnings			Re-measurement gains/(loss) on defined benefit plans	Exchange difference in translating foreign subsidiary	Gain/(loss) on equity instruments designated at FVTOCI	
At March 31, 2018	**602**	**47,124**	**7,285**	**4,563**	**305**	**44,098**	**-**	**-**	**(227)**	**-**	**(888)**	**1,02,862**
Profit for the period	-	-	-	-	-	8,764	-	-	-	-	-	8,764
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	(856)	-	-	(856)
Total Comprehensive Income	**602**	**47,124**	**7,285**	**4,563**	**305**	**52,862**	**-**	**-**	**(1,083)**	**-**	**(888)**	**1,10,770**
Adjustment on adoption of IND AS 115	-	-	-	-	-	(21)	-	-	-	-	-	(21)
Employee stock compensation for options granted	-	-	-	-	189	-	-	-	-	-	-	189
Transfer to Debenture redemption reserve	-	-	1,169	-	-	(1,169)	-	-	-	-	-	-
Dividends (including CDT)	-	-	-	-	-	(1,127)	-	-	-	-	-	(1,127)
Goodwill created on account of additional investment in Zea Maize Private Limited	-	-	-	110	-	-	-	-	-	-	-	110
At September 30, 2018	**602**	**47,124**	**8,454**	**4,673**	**494**	**50,545**	**-**	**-**	**(1,083)**	**-**	**(888)**	**1,09,921**
At March 31, 2019	**602**	**47,124**	**7,930**	**4,716**	**611**	**61,327**	**24,999**	**-**	**(630)**	**(22)**	**(1,762)**	**1,44,895**
Adjustment on adoption of IND AS 116 (refer note 21)	-	-	-	-	-	(50,871)	-	-	-	-	-	(50,871)
Adjusted balance as at March 31, 2019	**602**	**47,124**	**7,930**	**4,716**	**611**	**10,456**	**24,999**	**-**	**(630)**	**(22)**	**(1,762)**	**94,024**
Profit for the period	-	-	-	-	-	6,545	-	-	-	-	-	6,545
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	-	(25)	(820)	(845)
Total Comprehensive Income	**602**	**47,124**	**7,930**	**4,716**	**611**	**17,001**	**24,999**	**-**	**(630)**	**(47)**	**(2,582)**	**99,724**
Employee stock compensation for options granted	-	535	-	-	89	-	-	-	-	-	-	624
Transfer from Debenture redemption reserve *	-	-	(7,930)	-	-	7,930	-	-	-	-	-	-
Dividends (including CDT)	-	-	-	-	-	(1,134)	-	-	-	-	-	(1,134)
Securities premium on account of Business combination (refer note 20)	-	24,839	-	-	-	-	(24,999)	-	-	-	-	(160)
Receipt of share application money	-	-	-	-	-	-	-	75	-	-	-	75
At September 30, 2019	**602**	**72,498**	**-**	**4,716**	**700**	**23,797**	**-**	**75**	**(630)**	**(47)**	**(2,582)**	**99,129**

* Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019, the requirement with respect to creation of DRR has been done away with accordingly the outstanding balance of DRR is transferred to retained earnings.

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the Interim Condensed consolidated financial statements

As per report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W / W-100022

Sd/-
Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: October 22, 2019

For and on behalf of the board of Directors of PVR Limited

Sd/-
Ajay Bijli
Chairman cum managing director
DIN: 00531142

Sd/-
Sanjeev Kumar
Joint managing director
DIN: 00208173

Sd/-
Pankaj Dhawan
Company secretary
ICSI M.No: F3170

Sd/-
Nitin Sood
Chief financial officer

Place: Gurugram
Date: October 22, 2019

PVR Limited
Interim Condensed Consolidated Statement of Cash Flows for the six months period ended September 30, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	September 30, 2019	September 30, 2018
Cash flows from operating activities:		
Profit before tax	**10,145**	**13,571**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	10,186	7,642
Amortisation of intangible assets	1,288	849
Amortization of Right of use assets	15,064	-
Net loss on disposal of property, plant and equipment	(69)	46
Interest income	(834)	(461)
Allowance for doubtful debts and advances	332	444
Bad debts/advances written off	56	-
Finance costs	23,669	4,624
Equity-settled share-based payments	86	183
Liabilities written back	(3)	(2)
Rent expenses (pertaining to deferred rent)	-	526
Share of loss of equity accounted investees	26	33
Convenience fees (time value of money adjustment)	(1,141)	(305)
	58,804	**27,150**
Working capital adjustments:		
Increase/(Decrease) in provisions	189	163
Increase/(Decrease) in trade & other payables	(2,662)	32,747
Decrease/(Increase) in trade receivables	2,157	1,173
Decrease/(Increase) in inventories	(526)	(544)
Decrease/(Increase) in loans and advances and other assets	(9,308)	(1,874)
Cash generated from operations	**48,654**	**58,815**
Direct taxes paid (net of refunds)	(1,913)	(3,504)
Net cash flows from/(used in) operating activities (A)	**46,741**	**55,312**
Cash flows investing activities		
Purchase of PPE, Intangible assets, CWIP and Capital advance	(21,672)	(21,278)
Payment for acquisition of SPI Cinemas Private Limited (refer note 20)	-	(53,560)
Security deposits given to Mall Developers	(852)	(2,252)
Proceeds from sale of PPE	80	-
Loan repaid by body corporate	-	208
Interest received	150	30
Fixed deposits with banks	(750)	(550)
Net cash flows from investing activities (B)	**(23,044)**	**(77,402)**
Cash flows from financing activities		
Proceeds from issue of shares	612	-
Proceeds from long term borrowings	16,419	35,000
Repayment of long-term borrowings	(10,973)	(5,876)
Proceeds from short-term borrowings	30,000	15,000
Repayment of short-term borrowings	(25,000)	(10,400)
Repayment of lease liabilities	(23,633)	-
Payment of dividend	(935)	-
Interest paid on borrowings	(6,358)	(4,895)
Net cash flows from financing activities (C)	**(19,868)**	**28,829**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**3,829**	**6,739**
Cash and cash equivalents at the beginning of the year	(743)	2,676
Add : Cash acquired on acquisition of SPI Cinemas Private Limited (refer note 20)	-	918
Cash and cash equivalents at the end of the year	**3,086**	**10,332**

PVR Limited
Interim Condensed Consolidated Statement of Cash Flows for the six months period ended September 30, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Components of cash and cash equivalents at the end of the period

Particulars	September 30, 2019	September 30, 2018
Cash on hand	356	1,044
Balance with banks:		
on deposit with original maturity of less than three months	-	773
on current accounts	4,726	8,782
Investment in Mutual fund	2,500	-
Sub-total	**7,582**	**10,599**
Less: secured bank overdraft	(4,496)	(267)
Total cash and cash equivalents	**3,086**	**10,332**

Note:

1. Interim Condensed Consolidated Statement of Cash Flows has been prepared in accordance with the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

2. Changes in liabilities arising from financing activities :

Particulars	Non - current borrowings[1]	Current borrowings
Opening balance as at April 01, 2019[2]	**1,17,593**	**5,000**
Cash flows during the year:		
- Proceeds	16,419	30,000
- Repayment	(10,973)	(25,000)
Closing balance as at Septemebr 30, 2019[2]	**1,23,039**	**10,000**

[1]Includes current maturities of non-current borrowings.

[2]Opening and closing balance excludes transaction cost.

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the Interim Condensed Consolidated financial statements.

As per report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W / W-100022

Sd/-
Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: October 22, 2019

For and on behalf of the board of Directors of PVR Limited

Sd/-
Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sd/-
Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Sd/-
Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Sd/-
Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: October 22, 2019

1 Reporting entity

PVR Limited ("the Company" or the "Parent Company" is a public limited Company domiciled in India and incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the BSE Limited and National Stock Exchange of India Limited. The Interim Condensed Consolidated Financial Statements of the Company as at and for the six months period ended on September 30, 2019 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in joint ventures. The Group is engaged in the business of movie exhibition, distribution & production and also earns revenue from in-house advertisement, sale of food & beverages, gaming and restaurant business.

(i) The Subsidiaries which are considered in the consolidation and the Company's holdings therein is as under:

S.No.	Subsidiary Company	Country of Incorporation	Parent Company	Percentage of ownership as on September 30, 2019
1	PVR Pictures Limited	India	PVR Limited	100%
2	Zea Maize Private Limited	India	PVR Limited	70% (85.4% through convertible preference shares)
3	SPI Entertainment Projects (Tirupati) Private Limited (w.e.f. August 17, 2018)	India	PVR Limited	100%
4	P V R Lanka Limited	Sri Lanka	PVR Limited	100%
5	PVR Middle East FZ-LLC (w.e.f November 15, 2018)	UAE	PVR Limited	100%

(ii) The joint venture which are considered in the consolidation and the Group's holdings therein is as under:

S.No.	Joint Venture	Country of Incorporation	Shareholder	Percentage of ownership as on September 30, 2019
1	Vkaao Entertainment Private Limited	India	PVR Pictures Limited	50%
2	PVR Pictures International Pte. Limited (till September 17, 2019)	Singapore	PVR Pictures Limited	0%

The management accounts of above subsidiary companies and joint venture which are included in the consolidation are drawn upto the same reporting date as that of the Company i.e. September 30, 2019.

2.1 Basis of preparation

(a) Statement of compliance

These Interim Condensed Consolidated Financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" notified under section 133 of Companies Act, 2013 (the 'Act') and rules thereunder.
These Interim Condensed Consolidated Financial Statements for the period ended September 30, 2019 are approved by the Board of Directors on October 22, 2019.

(b) Functional and presentation currency

These Interim Condensed Consolidated Financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(c) Basis of Measurement

These Interim Condensed Consolidated Financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value

2.2 Basis of consolidation

(i) ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The unaudited financial information of subsidiaries are included in the condensed interim consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) ***Non-controlling interests (NCI)***

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

(iii) ***Loss of control***

When the Group loses control over subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date of control is lost. Any resulting gain or loss is recognised in the Interim Condensed Consolidated Statement of Profit & Loss.

(iv) ***Equity accounted investees***

The Group's interest in equity accounted investees comprise interests in joint ventures. A Joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangements, rather than rights to its assets and obligations for its liabilities.
Interest in joint venture is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Interim Condensed Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

(v) ***Transactions eliminated on consolidation***

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Summary of Significant accounting policies

The Company has followed the same accounting policies in preparation of Interim Condensed Consolidated financial statement as those followed in preparation of annual consolidated financial statements as at and for the year ended March 31, 2019 except in case of adoption of Ind AS 116 "Leases" as detailed below. These Interim Condensed Consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended March 31, 2019.

(i) Leases

Transition

With effect from April 1, 2019, the Group has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (April 1, 2019). Accordingly, the Group is not required to restate the comparative information for the six months ended September 30, 2018.

On transition, the Group recognized right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The Group recognized a lease liability measured at present value of the remaining lease payments. The right of use asset is recognized at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate i.e. 9.50% as at April 01, 2019. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate of initial application.

The Group as a lessee

The Group assesses whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As at the date of commencement of the lease, the Group recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short term leases). For these short term leases, the Group recognises the lease payments as an operating expense on a straight line basis over the period of lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use assets are depreciated from the commencement date on a straight line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borriwing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Interim Condensed Consolidated Balance Sheet and lease payments have been classified as financing cash flows in Interim Condensed Consolidated Statement of Cash Flows

3 Property, plant and equipment

Particulars	Freehold Land	Leasehold Land	Building	Plant and Machinery	Furniture and Fittings	Office Equipment's	Vehicles	Leasehold Improvements	Total	Capital work in progress
At March 31, 2018	2	-	10	66,336	17,896	4,054	553	57,817	**1,46,668**	
Additions	-	-	-	15,503	3,822	797	41	12,175	32,338	
Adjustment on account of Business combination (refer note 20)	-	797	-	9,966	1,691	302	37	8,208	21,001	
Disposals and discard	-	-	-	(912)	(1,294)	(116)	-	(447)	(2,769)	
At March 31, 2019	**2**	**797**	**10**	**90,893**	**22,115**	**5,037**	**631**	**77,753**	**1,97,238**	
Additions										
Additions during the period	-	-	70	8,357	2,299	661	153	8,695	**20,235**	
Disposals and discard	-	-	-	(272)	(318)	(69)	(242)	(398)	(1,299)	
At September 30, 2019	**2**	**797**	**80**	**98,978**	**24,096**	**5,629**	**542**	**86,050**	**2,16,174**	
Depreciation										
At March 31, 2018	-	-	-	14,816	5,485	1,826	290	11,556	33,973	
Charge for the year	-	11	-	7,683	2,677	857	115	5,500	16,843	
Disposals and discard	-	-	-	(892)	(1,122)	(115)	-	(446)	(2,575)	
At March 31, 2019	**-**	**11**	**-**	**21,607**	**7,040**	**2,568**	**405**	**16,610**	**48,241**	
Charge for the period	-	7	1	4,417	1,520	517	49	3,675	10,186	
Disposals and discard	-	-	-	(261)	(305)	(69)	(238)	(397)	(1,270)	
At September 30, 2019	**-**	**18**	**1**	**25,763**	**8,255**	**3,016**	**216**	**19,888**	**57,157**	
Net Block										
At March 31, 2019	**2**	**786**	**10**	**69,286**	**15,075**	**2,469**	**226**	**61,143**	**1,48,997**	**22,080**
At September 30, 2019	**2**	**779**	**79**	**73,215**	**15,841**	**2,613**	**326**	**66,162**	**1,59,017**	**16,082**

Note:

i. Capital work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. Capitalised borrowing cost

The amount of borrowing costs capitalised was Rs. 369 lakhs (six month ended September 30, 2018: 620 lakhs) during the six months period ended September 30, 2019.

4 Intangible assets

Particulars	Goodwill (Including Goodwill on consolidation)	Right of use assets	Other Intangible assets				
			Software Development	Brand	Beneficial Leases Right	Film Rights	Total
	A	B	C	D	E	F	C+D+E+F
At March 31, 2018	43,447	-	2,566	-	-	3,907	**6,473**
Additions	160	-	763	-	-	1,600	**2,363**
Adjustment on account of Business combination (refer note 20)	61,723	-	315	7,263	9,422	-	**17,000**
Disposals and discard	-	-	(12)	-	-	(183)	**(195)**
At March 31, 2019	**1,05,330**	**-**	**3,632**	**7,263**	**9,422**	**5,324**	**25,641**
Additions							
Adjustment on account adoption of Ind As 116 (refer note 21)	-	2,61,346	-	-	-	-	**-**
Additions during the year	-	27,878	291	-	-	895	**1,186**
Adjustment on account of Business Combination (refer note 20)	(126)	-	-	-	-	-	**-**
Disposals and discard	-	-	-	-	-	-	**-**
At September 30, 2019	**1,05,204**	**2,89,224**	**3,923**	**7,263**	**9,422**	**6,219**	**26,827**
Amortisation							
At March 31, 2018	-	-	1,064	-	-	2,566	**3,630**
For the year	-	-	537	298	445	1,005	**2,285**
Deductions/ Adjustments	-	-	(12)	-	-	(183)	**(195)**
At March 31, 2019	**-**	**-**	**1,589**	**298**	**445**	**3,388**	**5,720**
For the period	-	15,063	294	242	361	391	**1,288**
Deductions/ Adjustments	-	-	-	-	-	-	**-**
At September 30, 2019	**-**	**15,063**	**1,883**	**540**	**806**	**3,779**	**7,008**
Net Block							
At March 31, 2019	**1,05,330**	**-**	**2,043**	**6,965**	**8,977**	**1,936**	**19,921**
At September 30, 2019	**1,05,204**	**2,74,161**	**2,040**	**6,723**	**8,616**	**2,440**	**19,819**

Note:
Impairment testing of Goodwill:
Goodwill represents excess of consideration paid over the net assets acquired. This is monitored by the management at the level of cash generating unit (CGU) and is tested annually at year end for impairment.

5 Long term borrowings (at amortised cost)

	Non-current portion		Current maturities	
	September 30, 2019	**March 31, 2019**	**September 30, 2019**	**March 31, 2019**
Debentures				
Secured Rated Listed Non-Convertible Debentures (net of transaction cost)	35,935	40,957	9,300	10,950
Term loans				
Secured term loans from banks	72,144	59,318	5,549	6,225
Other loans				
Secured finance lease obligation from body corporate	-	1,601	-	673
	1,08,079	**1,01,876**	**14,849**	**17,848**
Amount disclosed under the head "other finacial liabilities" (refer note 8)	-	-	(14,849)	(17,848)
	1,08,079	**1,01,876**	-	-

Notes:

a. Secured Rated Listed Non-Convertible Debentures (NCD):

Particulars	Effective Interest Rate	Date of Allotment	Repayment Period	Repayment Ratio	Amount
30 (March 31, 2019: 30) of Rs. 1,000,000 each	11.40%	01-Jan-10	7th to 10th year	20:20:30:30	300
750 (March 31, 2019: 750) of Rs. 1,000,000 each	11.00%	16-Oct-14	4th to 7th year	25:25:25:25	7,500
500 (March 31, 2019: 500) of Rs. 1,000,000 each	11.00%	24-Nov-14	5th to 7th year	30:30:40	5,000
1,000 (March 31, 2019: 1,000) of Rs. 1,000,000 each	10.75%	09-Jan-15	6th and 7th year	50:50	10,000
500 (March 31, 2019: 500) of Rs. 1,000,000 each	7.84%	12-Jan-17	3 Years and 6 months	100	5,000
250 (March 31, 2019: 250) of Rs. 1,000,000 each	8.05%	03-Apr-17	4th year	100	2,500
500 (March 31, 2019: 500) of Rs. 1,000,000 each	8.15%	03-Apr-17	5th year	100	5,000
500 (March 31, 2019: 500) of Rs. 1,000,000 each	7.85%	18-Aug-17	5th year	100	5,000
500 (March 31, 2019: 500) of Rs. 1,000,000 each	8.72%	16-Apr-18	3rd,4th and 5th year	20:40:40	5,000
					45,300

a All Debentures are secured by mortgage on immovable properties (excluding immovable properties at Gujarat, a flat at Bengaluru and assets taken on finance lease) ranking pari passu and secured by first pari passu charge on movable assets of the Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Company both present and future.

b. (i) Term loan from banks are secured by first pari passu charge over all movable and immovable Property, plant and equipment of the Company (excluding immovable properties at Gujarat, a flat at Bengaluru, vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Company both present and future.

(ii) Term Loan from banks carries variable interest rate based on respective bank/ body corporate benchmark rate, effective rate of interest varying in between 8.50%p.a to 9.95% p.a.

(iii) The Parent Company has satisfied all material debt covenants.

c. Above loans are repayable in equal/ unequal monthly/ quarterly instalments as follows:

Particulars	September 30, 2019	March 31, 2019
Secured Rated Listed Non-Convertible Debentures:		
Repayable within 1 year	9,350	11,000
Repayable within 1 - 3 year	33,950	27,000
Repayable after 3 years	2,000	14,000
Term Loans:		
Repayable within 1 year	5,549	6,225
Repayable within 1 - 3 year	22,803	17,330
Repayable after 3 years	49,341	41,988

6 **Short-term borrowings (at amortised cost)**	September 30, 2019	March 31, 2019
Unsecured commercial papers (net of transaction cost)	9,978	4,955
Secured bank overdraft	4,496	3,560
	14,474	**8,515**

Notes:

i. Bank overdraft is secured by first pari passu charge on all current assets of the Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks/ body corporate benchmark rate, effective rate of interest varying in between 8.85% p.a. to 11.00% p.a.

ii. In respect of Commercial Paper maximum amount outstanding during the period was Rs.20,000 lakhs (March 31, 2019 : Rs. 15,000 lakhs) with a maturity period of 3 months, effective rate of interest varying from 6.60% p.a. to 7.55% p.a.

iii. At September 30, 2019, the Group had Rs. 10,597 lakhs (March 31, 2019: Rs. 13,140 lakhs) of undrawn committed borrowing facilities.

7 **Lease liabilities**	Non-current		Current	
	September 30, 2019	March 31, 2019	September 30, 2019	March 31, 2019
Lease liabilities (refer note 21)	3,30,476	-	17,673	-
	3,30,476	**-**	**17,673**	**-**

8 **Other financial liabilities**	Non-current		Current	
	September 30, 2019	March 31, 2019	September 30, 2019	March 31, 2019
Payables on purchase of Property, plant and equipment	-	-	4,854	6,844
Deferred consideration on acquisition of SPI Cinemas Private Limited (refer note 20)	6,667	-	1,675	10,000
Security deposits	4,233	4,217	912	632
Current maturities of long-term borrowings (refer note 5)	-	-	14,849	17,848
Interest accrued but not due on borrowings				
- Debentures	-	-	588	769
Unpaid dividends[1]	-	-	7	7
	10,900	**4,217**	**22,885**	**36,100**

[1]Unclaimed amounts are transferred to Investor Education and Protection Fund after seven years from the due date.

9 **Other liabilities**	Non-current		Current	
	September 30, 2019	March 31, 2019	September 30, 2019	March 31, 2019
Advances from customers	14,098	18,499	21,208	17,620
Employee benefits payables	-	-	2,653	3,642
Statutory dues payable	-	-	5,387	2,354
	14,098	**18,499**	**29,248**	**23,616**

10 Revenue from operations

	September 30, 2019	September 30, 2018
Sale of services [refer (a) below]	1,30,830	99,282
Sale of food and beverages [refer (b) below]	53,615	40,324
Other operating revenue [refer (c) below]	912	876
	1,85,357	1,40,482

(a) Details of services rendered

	September 30, 2019	September 30, 2018
Income from sale of movie tickets	94,843	75,873
Advertisement income	18,539	15,291
Income from movie production and distribution	7,349	2,482
Convenience fees	8,627	4,401
Virtual print fees	1,472	1,235
	1,30,830	99,282

(b) Details of products sold

	September 30, 2019	September 30, 2018
Sale of food and beverages	53,615	40,324
	53,615	**40,324**

(c) Details of other operating revenue

	September 30, 2019	September 30, 2018
Food court income	572	587
Gaming income	311	253
Management fees	29	36
	912	**876**

11 Other income

	September 30, 2019	September 30, 2018
Government grant	148	48
Net gain on redemption of mutual fund investments	6	217
Interest earned on		
Bank deposits	66	68
NSC's investments	5	6
Interest income from financial assets at amortised cost	654	375
Others	111	14
Exchange differences (net)	4	83
Other non-operating income (net) (includes excess liability written back Rs. 3 lakhs (September 30, 2018: Rs.2 lakhs)	305	225
	1,299	**1,036**

12 Finance costs

	September 30, 2019	September 30, 2018
Interest on		
Debentures	2,219	2,743
Term loans	2,946	774
Banks and others	520	943
Interest on lease liability (refer note 21)*	16,329	163
Other financial charges	2,242	440
	24,256	**5,063**

* Includes Interest on finance lease obligation of Rs. 125 lakhs (September 30, 2018: Rs. 163 lakhs)

13 Depreciation and amortisation expense

	September 30, 2019	September 30, 2018
Depreciation on tangible assets	10,186	7,642
Amortisation on Right-of-use assets	15,064	-
Amortisation on intangible assets	1,288	849
	26,538	**8,491**

14 Other operating expenses

	September 30, 2019	September 30, 2018
Rent	4,847	23,766
Less: Rental income from sub-lessees	(63)	(77)
Net rent expenses	**4,784**	**23,689**
Electricity and water charges (net of recovery)	11,590	9,159
Common area maintenance (net of recovery)	7,615	6,115
Repairs and maintenance	6,538	4,910
Movie production, distribution and print charges	7,713	1,128
Marketing expenses	2,910	2,042
Rates and taxes	901	826
Security service charges	1,575	1,294
Travelling and conveyance	1,581	1,427
Legal and professional fees	1,397	2,888
Communication costs	964	529
Loss/(gain) on disposal of PPE and intangible assets (net)	(69)	46
Printing and stationery	281	224
Insurance	289	162
Corporate Social Responsibility (CSR) expenditure	255	191
Allowance for doubtful debts and advances	332	450
Bad Debts/advances written off		-
Less: Utilised from provisions	-	-
Exchange differences (net)	56	-
Directors' sitting fees	5	4
Exchange differences (net)	2	-
Contribution to political parties	1,200	-
Miscellaneous expenses	564	516
	50,483	**55,600**

15 Earnings per share (EPS)

The following reflects the profit and shares data used in the basic and diluted EPS computations:

	September 30, 2019	September 30, 2018
Profit after tax	**6,545**	**8,762**
Weighted number of equity shares of Rs. 10 each outstanding during the period (for basic EPS)	**4,70,06,054**	4,67,38,588
Weighted number of equity shares of Rs. 10 each outstanding during the period (as above)	**4,70,06,054**	4,67,38,588
Add: Effect of stock options	2,77,339	3,00,000
Add: Effect of share isued on amalgamation (refer note 20)	13,55,169	3,93,436
Weighted number of equity shares of Rs. 10 each outstanding during the period	**4,86,38,562**	**4,74,32,024**
Basic earnings per equity share (in Rs.)	13.93	18.75
Diluted earnings per equity share (in Rs.)	13.45	18.47

18 Segment Information

Operating Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company has been identified as being the chief operating decision maker to assess the financial performance and position of the Group and make strategic decisions. The Group is engaged primarily in the business Movie exhibition and Others allied activities (includes Movie production, distribution & gaming etc.).

Chief operating decision maker does not review assets and liabilities at reportable segments level, hence segment disclosure relating to total assets and liabilities have not been provided.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Movie exhibition is primarily the main segment and movie production, distribution & gaming etc. are less than 10% and hence aggregated under "Others".

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Particulars	**Movie exhibition ***		**Others (includes Movie production, distribution & gaming etc.) ****		**Elimination**		**Total**	
	September 30,2019	September 30,2018	**September 30,2019**	September 30,2018	**September 30,2019**	September 30,2018	**September 30,2019**	September 30,2018
Revenue								
Revenue from operations	1,76,198	1,36,639	9,159	3,843	-	-	1,85,357	1,40,482
Inter segment sales	135	50	2,538	920	(2,673)	(970)	-	-
Other income	1,420	950	95	95	(216)	(9)	1,299	1,036
Total Revenue	**1,77,753**	**1,37,639**	**11,792**	**4,858**	**(2,889)**	**(979)**	**1,86,656**	**1,41,518**
Segment Results								
Operating profit	10,001	12,747	208	824	(64)	-	10,145	13,571
Total tax expenses							(3,625)	(4,828)
Net profit after tax	**-**	**-**	**-**	**-**	**-**	**-**	**6,520**	**8,743**
Other information	**September 30,2019**	September 30,2018	**September 30,2019**	September 30,2018	**September 30,2019**	September 30,2018	**September 30,2019**	September 30,2018
Total assets	6,74,156	3,61,158	14,784	8,132	-	-	6,88,940	3,69,290
Unallocated assets	35,269	16,294	1,990	1,493	-	-	37,259	17,787
Total Allocated Assets	**6,38,887**	**3,44,864**	**12,794**	**6,639**	**-**	**-**	**6,51,681**	**3,51,503**
Total liabilities	5,81,721	2,27,458	3,232	2,156	-	-	5,84,953	2,29,614
Unallocated liabilities	1,37,815	1,34,506	321	218	-	-	1,38,136	1,34,724
Total allocated liabilities	**4,43,906**	**92,952**	**2,911**	**1,938**	**-**	**-**	**4,46,817**	**94,890**
Capital Employed (allocable)	1,94,980	2,51,912	9,883	4,701	-	-	2,04,863	2,56,613
Capital Employed (unallocable)							(1,00,876)	(1,16,937)
Capital expenditure	20,112	20,406	1,564	875	-	-	21,676	21,281
Depreciation/amortisation Depreciation	26,091	7,615	447	876	-	-	26,538	8,491
Provision for doubtful debts and advances	317	426	15	24	-	-	332	450

* Revenue from operations include Income from sale of movie tickets - Rs 94,843 lakhs (September 30, 2018: Rs 75,873 lakhs), Advertisement income - Rs 18,539 lakhs (September 30, 2018: Rs 15,291 lakhs), Convenience fees - Rs 8,627 lakhs (September 30, 2018: Rs 4,401 lakhs) , Virtual print fees - Rs 1,472 lakhs (September 30, 2018: Rs 1,235 lakhs), Movie exhibition portion of Sale of food and beverages - Rs 52,688 lakhs (September 30, 2018: Rs 39,803 lakhs), Sale of traded goods - Rs Nil (September 30, 2018: Rs Nil) and Management fees - Rs 29 lakhs (September 30, 2018 - Rs 36 lakhs).

** Revenue from operations include Income from movie production and distribution - Rs 7,349 lakhs (September 30, 2018: Rs 2,482 lakhs) , Gaming Income - Rs 311 lakhs (September 30, 2018: Rs 253 lakhs), Food court Income - Rs 572 lakhs (September 30, 2018: Rs 587 lakhs), Restaurant Income - Rs. 275 lakhs (September 30, 2018: Rs Nil) and remaining portion of Sale of food and beverages - Rs 652 lakhs (September 30, 2018: Rs 521 lakhs)

- **Secondary Segment - Geographical Segment:** Group mainly caters to the needs of the domestic market and the export turnover is less than 10% of the total revenue. Hence no Geographical segment is disclosed.
- The Company does not have revenue more than 10% of total revenue from a single customer.
- "Other segment" and "Movie exhibition segment" financial figures reported above are not strictly comparable from previous year on account of acquisition of SPI Cinemas Private Limited (refer note 20).

16 Capital & Other Commitments

(a) Capital Commitments

Particulars	September 30, 2019	March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	9,330	15,440

(b) Other Commitments

The Parent Company was availing Entertainment tax exemptions, in respect of certain Multiplexes as per the erstwhile State Government schemes & is under obligation to operate respective Multiplexes for a certain number of years.

17 Contingent Liabilities

S.No.	Particulars	September 30, 2019	March 31,2019
a)	Possible exposure against various appeals filed by the Group against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2015, 2014, 2013, 2012,2011, 2010, 2009, 2008, 2007, 2006 respectively. {the Group has paid an amount of Rs. 938 lakhs (March 31, 2019 : Rs. 938 Lakhs) which is appearing under note "Other assets"}	3,049	3,111
b)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before Supreme Court.	334	334
c)	Notice from Entertainment Tax Department Tamil Nadu against short deposit of Entertainment Tax on regional movies.	43	43
d)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823
e)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees.	161	161
f)	Show cause notices raised by Service tax commissionerate, New Delhi and Levy of service tax on 3D glass charges and TM charges for the financial year 2012-13 to 2017-18 and activity of movie distribution for the financial year 2011-12. (the Parent Company has already deposited under protest an amount of Rs. 267 lakhs (March 31,2019 : 267 lakhs))	5,055	5,055
g)	Demand raised with regard to Service tax on food and beverages (the Parent Company has already deposited under protest an amount of Rs.185 lakhs (March 31,2019 : Rs. 185 lakhs))	3,666	3,666
h)	Possible tax exposure of Service tax on sale of food and beverages.	6,032	6,032
i)	Demand of Sales tax under various states VAT Acts where appeal is pending before competent authority (the Parent Company has already deposited under protest an amount of Rs. 32 lakhs (March 31, 2019 : Rs. 27 lakhs))	720	1,367
j)	Demand of Entertainment tax under Rule 22 of Punjab Entertainment Tax (Cinematographs shows) Rules, 1954 (The Parent Company has already deposited under protest an amount of Rs. 40 lakhs (March 31, 2019 : Rs. 40 lakhs))	144	144
k)	Demand of Entertainment Tax in Tamil Nadu on one of the subsidiary in respect of levy of Entertainment Tax on convenience fees	2,314	2,314
l)	Demand of entry tax in the state of Telangana for various material imported into the State (the Parent Company has already deposited under protest an amount of Rs. 25 lakhs (March 31, 2019 : Rs. 25 lakhs))	101	101
m)	Notice from Entertainment Tax Department Andhra Pradesh against short deposit of Entertainment Tax on regional movies.	99	99
n)	Demand under Employees Provident Fund Act, 1952 (The Parent Company has already deposited under protest an amount of Rs. 38 lakhs (March 31, 2019 : Rs. 38 lakhs))	106	106
o)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable

*In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however, as per estimate of management, the amount in aggregate is not material. Based on the discussions with the solicitors, the management believes that the Company has strong chances of success in the cases and hence no provision is considered necessary.

19 Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value & fair value of financial instruments by categories as of September 30, 2019 were as follows:

		Carrying Amount		
Particulars	**Level of hierarchy**	**Amortised Cost**	**Financial Assets/liabilities at fair value through profit or loss**	**Financial Assets/liabilities at fair value through OCI**
Financial Assets:				
Investments - FVTOCI	1	-	-	-
Investments - Amortised cost	2	173	-	-
Loans	-	25,891	-	-
Trade receivables	-	15,902	-	-
Cash and cash equivalent's	-	7,582	-	-
Other bank balances	-	1,446	-	-
Other financial assets	-	7,839	-	-
Total		**58,833**	**-**	**-**
Financial Liabilities:				
Borrowings (including current maturities)				
- Secured Rated Listed Non -Convertible Debentures	1	45,235	-	-
- Other borrowings	3	92,167	-	-
-Lease liabilities	3	3,48,149	-	-
Trade payables	-	34,637	-	-
Other financial liabilities - Deferred consideration (Refer note 20) *	3	8,342	-	-
Other financial liabilities	-	17,260	-	-
Total		**5,45,790**	**-**	**-**

The carrying value & fair value of financial instruments by categories as of March 31, 2019 were as follows:

		Carrying Amount		
Particulars	**Level of hierarchy**	**Amortised Cost**	**Financial Assets/liabilities at fair value through profit or loss**	**Financial Assets/liabilities at fair value through OCI**
Financial Assets:				
Investments - FVTOCI	1	-	-	820
Investments - Amortised cost	2	173	-	-
Loans	-	24,188	-	-
Trade receivables	-	18,386	-	-
Cash and cash equivalents	-	2,817	-	-
Other bank balances	-	597	-	-
Other financial assets	-	4,387	-	-
Total		**50,548**	**-**	**820**
Financial Liabilities:				
Borrowings (including current maturities)				
- Secured Rated Listed Non -Convertible Debentures	1	51,907	-	-
- Other borrowings	3	76,332	-	-
Trade payables	-	36,771	-	-
Other financial liabilities - Deferred consideration (refer note 20)	3	10,000	-	-
Other financial liabilities	-	12,469	-	-
Total		**1,87,479**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- There is no significant estimate involved in level 3. Further, the deferred consideration is based on the present value of the expected cash outflows discounted using risk adjusted discount rate i.e 9.50% p.a. The estimated fair value of deferred consideration would increase/decrease if the expected cash outflows were higher/lower or the risk adjusted discount rate was higher/lower.

20 Business Combination

Amalgamation of SPI Cinemas Private Limited with PVR Limited :

During the previous year, the Board of Directors in its meeting held on August 12, 2018, approved the acquisition of SPI Cinemas Private Limited ("SPI") via Share Purchase Agreement (SPA) signed on August 12, 2018 by way of acquisition of 71.69% equity shares in SPI for a cash consideration (including deferred consideration) of Rs. 63,560 lakhs and for the balance 28.31% stake, through issue of 1,599,974 equity shares of the Company to SPI shareholders in the ratio of 1: 18.19 equity shares in the Company, pursuant to the proposed scheme of amalgamation. Consequent to above, on fulfilment of condition precedent in the said SPA, on August 17, 2018, the Company completed the acquisition of 71.69% shareholding in SPI. The scheme of amalgamation got approved by National Stock Exchange of India Limited, BSE Limited, by the members, secured and unsecured creditors of the Company and unsecured creditors of SPI in the NCLT convened meetings on April 24, 2019.

Pursuant to an application filed with National Company Law Tribunal for final order on aforesaid matter, the Hon'ble Principal Bench of The National Company Law Tribunal at New Delhi vide its Order dated August 23, 2019 has approved the Scheme of Amalgamation ("Scheme") between the Company, SPI Cinemas Private Limited ("SPI") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereunder, effective from the appointed date of August 17, 2018. With effect from the appointed date and upon the Scheme becoming effective, entire business of SPI including its assets, properties, rights, benefits, interests and liabilities has been transferred to and vested in the Company, as a going concern.

The Company has given effect to the accounting treatment in the books of accounts as per acquisition method per Indian Accounting Standard (Ind AS) 103 "Business Combinations", as prescribed by Section 133 of the Companies Act, 2013. Consequently, the consolidated financial figures for the year ended March 31, 2019 and six months ended September 30, 2018, which were earlier approved by the Board of Directors at their meetings held on May 10, 2019 and October 25, 2018 respectively have been represented only to give effect to the Scheme.

The Company during the previous year ended March 31, 2019 had accounted for 71.69% acquisition of equity stake in SPI. Further, during the current period, the Company in lieu of 28.31% stake has issued and allotted 15,99,974 equity shares to S S Theatres LLP (i.e. the shareholder of SPI) in accordance with the Scheme, as explained above.

The acquisition of SPI is of significant strategic value for the Company and will further cement the Company's market leadership position in India. The acquisition will make the Company leader in the South Indian market and provide an attractive platform for us to expand in that geography, which currently is highly underpenetrated in terms of multiplexes. The Company expects to realise synergies and cost savings related to this acquisition as a result of purchasing and procurement economies of scale and general and administrative expense savings, particularly with respect to the consolidation of corporate related functions and elimination of redundancies.

A Fair value of consideration transferred:-

Particulars	Amount
Cash consideration	53,560
Deferred consideration*	10,000
Value of Equity shares issued**	25,000
Less : Adjustment pursuant to SPA	(310)
Total consideration for business combination	**88,250**

* Deferred Consideration is outstanding and payable to SPI Cinemas shareholders on achievement of certain milestones (opening of cinema hall and getting certain regulatory approvals), where achievement of certain milestones, with regard to opening of new cinema hall and obtaining regulatory approval is more probable. As at September 30, 2019, since the regulatory approvals were still under process, the management has reassessed the same and accordingly, accounted for the fair value adjustment of Rs. 1,348 lakhs in the deferred consideration amount (refer note 19).

** The valuation equity share has been done at the rate of Rs 1,562.5 per share for 1,599,974 equity shares. To arrive at the relative value of SPI and PVR, appropriate weights were given to the value per share determined as per the Income Approach and Market Approach. These equity shares have been issued and alloted on September 3, 2019.

B Fair value of identifiable assets acquired and liabilities assumed (as adjusted for measurement period adjustments) as on the date of acquistion is as below:

Particulars	Amount
Property, plant and equipment	20,204
Land	797
Capital work-in-progress	3,388
Intangible assets	17,000
Other non-current assets	8,248
Inventories	277
Trade receivables	1,844
Other financial assets	435
Other current assets	1,943
Total assets	**54,136**
Non-current Borrowings	12,993
Current Borrowings	550
Other non-current liabilities #	4,954
Trade payables	2,361
Other financial liabilities	3,629
Other current liabilities	2,995
Total Liabilities	**27,482**
Total Fair Value of the Net Assets **	**26,654**

Includes deferred tax liabilities of Rs 1,432 lakhs.

Note: That the adjustments between the measurement period and final valuation was not significant.

C Amount recognised as goodwill

Particulars	Amount
Total consideration for business combination (Refer A above)	88,250
Less : Fair value of net assets acquired (Refer B above)	26,654
Goodwill **	**61,596**

** Basis purchase price allocation to various identifiable acquired assets and assumed liabilities, Goodwill has been recognised. Goodwill amounting to Rs 60,164 lakhs is deductible for tax puproses.

D Details of Revenue and financial results generated by SPI post acquisition from August 18, 2018 to March 31, 2019:

Particulars	August 18, 2018 to March 31,2019
Income from Sale of movie tickets	12,684
Sale of food and beverages	8,966
Advertisement income	2,450
Convenience fees	2,432
Other Operating Revenue	3,178
Revenue from operations	**29,710**
Other Income	174
Total Income	**29,884**
Net profit after tax	**2,301**

If the acquisition had occurred on April 1, 2018, management estimates that the consolidated revenue from operations would have been Rs 157,170 lakhs, and consolidated Net profit after tax would have been Rs 9,141 lakhs for the period ending September 30, 2018. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on April 1, 2018.

F As on date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was Rs. 2,279 Lakhs against which no provision has been considered, since fair value of acquired receivables and other financial assets are equal to carrying value as on date of acquisition.

G In respect of this business combination, the acquisition related costs amounting to Rs. 133 lakhs has been charged to consolidated profit or loss (under the head "Other expenses") of the Group for the year ended 31 March 2019. Further, additional acquisition related costs amounting to Rs. 20 lakhs has been charged to consolidated profit or loss (under the head "Other expenses") of the Group for the six months period ended 30 September 2019.

21 Adoption of Ind As 116 - 'Leases':

The Group has taken various premises on operating lease for running its movie exhibition business. The leases are typically with a non-cancellable lease term of 5-7 years, with an option to Group to extend the lease term till 15-20 years. The Group exercise right of extension/termination basis economic viability of the property. After non-cancellable period, the Group can exit from the property after lock-in-period without any material financial obligations towards the Developer.

With effect from April 1, 2019, the Group has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (April 1, 2019). Accordingly, the Group is not required to restate the comparative information for the year ended March 31, 2019, six months ended September 30, 2018.

As a result of initially applying Ind AS 116, in relation to the leases that were previously classified as operating leases, On April 01, 2019, the Group has recognised, a lease liability amounting to Rs 327,453 lakhs measured at the present value of the remaining lease payments and Right-of-Use (ROU) asset amounting to Rs 249,262 lakhs at its carrying amount as if the standard had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. This has resulted in an adjustment to the opening balance of retained earnings amounting to Rs 50,868 Lakhs (net of deferred taxes amounting to Rs 27,323 Lakhs). Also, in relation to those leases under Ind AS 116, the Group has recognised depreciation and finance cost, instead of operating lease expense. During the six months ended September 30, 2019, the Group recognised Rs. 15,064 lakhs of depreciation charges and Rs. 16,208 of finance costs from these leases.

A Reconcilliation of Lease liability :

Lease liability as on April 1, 2019	3,29,731
Add : Lease liability addition for new leases entered during the period	26,169
Add : Finance cost charged on lease liability during the period	16,208
Less : Actual rent paid during the period	(23,959)
Lease liability as on September 30, 2019	**3,48,149**

B Expenses relating to variable lease payments amounting to Rs 2,698 Lakhs for the period ended September 30, 2019 has been included under the head other expenses (Rent).

C Expenses relating to short term lease amounting to Rs 158 Lakhs for the period ended September 30, 2019 has been included under the head other expenses (Rent).

D Income relating to subleasing of Right to use assets amounting to Rs. 635 lakhs is clubbed in food court Income and Rental income from sub-lessees for the period ended September 30, 2019.

E Maturity analysis of lease liabilities

Particulars	September 30, 2019	March 31, 2019
Lease Liability		
Repayable within 1 year	18,340	-
Repayable within 1 - 3 year	70,380	-
Repayable after 3 years	2,59,429	-

22 Interim Condensed Consolidated Statement of Profit and Loss for the six months period ended September 30, 2019 are not strictly comparable with the Interim Condensed Consolidated Statement of Profit and Loss for the six months period ended September 30, 2018 on account of adoption of Ind AS 116 'Leases' and acquisition of SPI Cinemas Private Limited.

As per report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 101248W / W-100022

Sd/-
Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: October 22, 2019

For and on behalf of the Board of Directors of PVR Limited

Sd/-
Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sd/-
Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Sd/-
Pankaj Dhawan
Company Secretary
ICSI- M.No. F3170

Sd/-
Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: October 22, 2019

Independent Auditor's Report

To the Members of PVR Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of PVR Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

The key audit matter	How the matter was addressed in our audit
1. Revenue Recognition See accounting policies in Note 2.3 (i) to the Consolidated Financial Statements The Group derives its revenue from sale of movie tickets (Box office revenue), sale of food items and beverages, advertisement income, Income from movie production and distribution, convenience fee.	1. We assessed and tested the effectiveness of relevant controls over revenue within each of the revenue streams. 2. We inspected the terms of significant sales contracts and assessed whether they were consistent with the basis of revenue recognized by the Group. 3. We agreed the data underlying the calculation of admission revenue to sales records and other systems having assessed the relevant controls relating to the recording of that revenue.
2. Accounting for Business Combination We refer to Note 42 to the Consolidated financial statements – During the year, the Group has acquired control of SPI Cinemas Private Limited ("SPI") by way of acquisition of 71.69% equity shares. The above has been accounted are accounted for using the acquisition method. The accounting of a business combination is complex and Indian accounting standard required the Group to identify all the assets and liabilities of the newly acquired entity and estimate the fair value of each of them.	1. We have assessed the appropriateness of the Group's accounting policies for such acquisition, in line with the applicable Indian Accounting Standards. 2. We have reviewed the underlying Share Purchase Agreement (SPA) for the acquisition of 71.69% equity shares in SPI and tested the fair value of identifiable assets and liabilities acquired by performing the below processes: a. We tested the identification of the assets acquired and liabilities assumed as part of the business combination as well as the appropriateness of key assumptions used in the determination of fair value of the assets and liabilities acquired and the methodology adopted by Group and the by the expert engaged by the Group. b. We involved our specialists to assess whether the methodology applied was in accordance with Indian Accounting Standards and evaluated key assumptions including terminal values, long term growth rates, discount rates, capital expenditure assumptions and working capital requirements applied in the determination of fair value. 3. We assessed the appropriateness of Group's disclosures in respect of acquisition of SPI.

The key audit matter	How the matter was addressed in our audit
3. Impairment assessment of goodwill, other intangible assets, and property, plant & equipment: See Note 4 and accounting policies in Note 2.3 (f) to the Consolidated Financial Statements The Group assesses at each reporting date whether there is an indication that plant, property and equipment or an intangible asset (other than goodwill) may be impaired. If any indication exists for such assets, or when annual impairment testing for an asset is required (Goodwill), the Group performs the impairment computation and estimates the asset's recoverable amount. Assessing the appropriateness of the impairment testing relating to these assets was a key audit matter. This involved assessing the judgments inherent in the impairment calculations and testing key assumptions supporting the impairment models such as forecast business growth rates, discount rates, terminal values assumptions, etc	1. We have assessed the appropriateness of the Group's impairment accounting policies, in line with the applicable Indian Accounting Standards. 2. We evaluated the Group's cash flow forecasts supporting the impairment assessments for goodwill, other intangible assets, plant and equipment, by performing the below processes: a. We evaluated the appropriateness of the key assumptions in the forecasts and considered the historical reliability of the Group's cash flow forecasting process. We performed sensitivity analyses around the key assumptions to ascertain the extent of change in those assumptions that would either individually or collectively result in an impairment charge. b. We involved our specialists to assess whether the methodology applied was in accordance with Indian Accounting Standards and evaluated key assumptions including terminal values, long term growth rates, discount rates, capital expenditure assumptions and working capital requirements applied in the impairment models. 3. We assessed the discount rates applied by comparing them to the cost of capital for the Group and we also performed market capitalization and earnings multiples cross checks in comparison with other comparable businesses, to corroborate the assumptions in the impairment testing models. We were satisfied that the carrying value of goodwill was supported by the value in use calculations and that there are no reasonably possible changes in any of the assumptions included in the models that could cause the carrying amount of any Cash Generating Unit (CGU) to exceed its recoverable amount.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 3 (three) subsidiaries, whose financial statements reflect total assets of ₹ 1,366 lakhs as at 31 March 2019, total revenues of ₹ Nil and net cash flows amounting to ₹ 157 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of ₹ 115 lakhs for the year ended 31 March 2019, in respect of two (2) joint ventures, whose financial statements/financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and joint ventures is based solely on the audit reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, joint ventures incorporated in India, none of the directors of the Group companies, its joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, and joint ventures, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, and its joint ventures. Refer Note 36 to the consolidated financial statements.

ii. The Group, and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, and joint ventures incorporated in India during the year ended 31 March 2019.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Place: Gurugram
Date: May 10, 2019

Jiten Chopra
Partner
Membership No. 092894

Annexure A to the Independent Auditor's report on the Consolidated Financial Statements of PVR Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of PVR Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note

and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company and one joint venture company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Place: Gurugram
Date: May 10, 2019

Jiten Chopra
Partner
Membership No. 092894

Consolidated Balance Sheet

as at March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Note	March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	148,997	112,695
Capital work in progress	3	22,080	10,169
Goodwill	4	111,161	43,447
Other intangible assets	4	19,921	2,843
Financial assets			
Equity accounted Investees	5A	112	227
Investments	5B	885	1,761
Loans	13	23,005	19,282
Other financial assets	6	2,242	2,161
Deferred tax assets (net)	7A	1,068	1,560
Income tax assets (net)	8	3,630	1,211
Other non-current assets	8A	18,459	9,753
Total non-current assets	A	**351,560**	**205,109**
Current assets			
Inventories	9	3,034	1,980
Financial assets			
Investments	10	108	106
Trade receivables	11	18,386	15,561
Cash and cash equivalents	12	2,817	2,776
Bank balances other than cash and cash equivalents, above	12	597	503
Loans	13	1,183	1,275
Other financial assets	6	2,145	2,109
Other current assets	8A	11,066	5,465
Total current assets	B	**39,336**	**29,775**
Total assets	A+B	**390,896**	**234,884**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	4,674	4,674
Other equity	15	119,275	102,862
Equity attributable to equity holders of the Parent Company		**123,949**	**107,536**
Non-controlling interests	16	25,662	81
Total equity	A	**149,611**	**107,617**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	101,876	56,156
Other Financial liabilities	21	4,217	-
Provisions	18	1,825	1,001
Deferred tax liabilities (net)	7B	9,545	59
Other non-current liabilities	22	18,499	-
Total non-current liabilities	B	**135,962**	**57,216**
Current liabilities			
Financial liabilities			
Borrowings	19	8,515	9,983
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		36,771	25,111
Other financial liabilities	21	36,100	24,163
Provisions	18	321	267
Other current liabilities	22	23,616	10,527
Total current liabilities	C	**105,323**	**70,051**
Total equity and liabilities	A+B+C	**390,896**	**234,884**
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

For and on behalf of the Board of Directors of **PVR Limited**

Jiten Chopra
Partner
Membership Number: 092894

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 10, 2019

Place: Mumbai
Date: May 10, 2019

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Notes	March 31, 2019	March 31, 2018
INCOME			
Revenue from operations	23	308,556	233,411
Other income	24	3,314	3,134
Total Income		**311,870**	**236,545**
EXPENSES			
Movie exhibition cost		70,193	53,766
Consumption of food and beverages		23,874	15,907
Employee benefits expense	25	33,726	25,407
Finance costs	26	12,801	8,371
Depreciation and amortisation expense	27	19,128	15,369
Other operating expenses	28	122,130	98,147
Total expenses		**281,852**	**216,967**
Profit before share of profit of equity accounted investees, exceptional item and tax		**30,018**	**19,578**
Share of profit/(loss) of equity accounted investees (net of tax)	5A	(115)	(73)
Profit before exceptional items and tax		**29,903**	**19,505**
Exceptional items	29	-	59
Profit before tax		**29,903**	**19,446**
Tax expense:			
Current tax		10,010	4,889
Adjustment of tax relating to earlier periods		162	-
Deferred tax (including MAT credit entitlement)		794	2,155
Total tax expenses		**10,966**	**7,044**
Net profit after tax		**18,937**	**12,402**
Non-controlling interests		(574)	68
Net profit after tax and after adjustment of non controlling interests		**18,363**	**12,470**
Other Comprehensive Income	30		
Items that will not be reclassified to profit or loss in subsequent period		(1,277)	(987)
Items that will be reclassified to profit or loss in subsequent period		(22)	-
Other comprehensive income for the year (net of tax)		**(1,299)**	**(987)**
Total comprehensive income for the year (comprising profit and other comprehensive income)		**17,064**	**11,483**
Net Profit attributable to:			
Owners of the Company		18,327	12,470
Non-controlling interests		610	(68)
Other Comprehensive Income attributable to:			
Owners of the Company		(1,263)	(987)
Non-controlling interests [#]		(36)	0
Total Comprehensive Income attributable to:			
Owners of the Company		17,064	11,483
Non-controlling interests		574	(68)
Earnings per equity share on Net profit after tax	31		
[Nominal Value of share ₹ 10 (March 31, 2018: ₹ 10)]			
Basic		39.29	26.68
Diluted		39.04	26.57
[#] Amount below ₹ 1 lakh			
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

For and on behalf of the Board of Directors of **PVR Limited**

Jiten Chopra
Partner
Membership Number: 092894

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 10, 2019

Place: Mumbai
Date: May 10, 2019

Consolidated Statement of Changes in Equity

for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

A. Equity Share Capital (Refer note 14)

	March 31, 2019	March 31, 2018
Balance at the beginning of the period	4,674	4,674
Changes in equity share capital during the period	-	-
Balance at the end of the period	**4,674**	**4,674**

B. Other Equity (Refer note 15)

Particulars	Reserves and Surplus						Other comprehensive income			Total
	Capital Reserve	Securities Premium	Debenture redemption reserve	General reserve	Share options outstanding account	Retained Earnings	Re-measurement gains/(loss) on defined benefit plans	Exchange difference in translating foreign subsidiary	Gain/(loss) on equity instruments designated at FVTOCI	
At March 31, 2017	**602**	**47,124**	**4,922**	**4,494**	**-**	**34,813**	**(128)**	**-**	**-**	**91,827**
Profit for the period	-	-	-	-	-	12,470	-	-	-	12,470
Other comprehensive income (net of taxes)	-	-	-	-	-	-	(99)	-	(888)	(987)
Total Comprehensive Income	**602**	**47,124**	**4,922**	**4,494**	**-**	**47,283**	**(227)**	**-**	**(888)**	**103,310**
Employee stock compensation for options granted (Refer note 33)	-	-	-	-	305	-	-	-	-	305
Transfer to Debenture redemption reserve	-	-	2,413	-	-	(2,413)	-	-	-	-
Transfer from Debenture redemption reserve	-	-	(50)	-	-	50	-	-	-	-
Dividends (including CDT*)	-	-	-	-	-	(1,127)	-	-	-	(1,127)
Adjustment on account of sale of Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	-	-	-	-	305	-	-	-	305
Goodwill created on account of additional investment in Zea Maize Private Limited	-	-	-	69	-	-	-	-	-	69
At March 31, 2018	**602**	**47,124**	**7,285**	**4,563**	**305**	**44,098**	**(227)**	**-**	**(888)**	**102,862**
Profit for the period	-	-	-	-	-	18,363	-	-	-	18,363
Other comprehensive income (net of taxes)	-	-	-	-	-	-	(403)	(22)	(874)	(1,299)
Total Comprehensive Income	**602**	**47,124**	**7,285**	**4,563**	**305**	**62,461**	**(630)**	**(22)**	**(1,762)**	**119,926**
Employee stock compensation for options granted (refer note 33)	-	-	-	-	306	-	-	-	-	306
Adjustment on adoption of IND AS 115 (refer note 2.3 (i))						17				17
Transfer to Debenture redemption reserve	-	-	2,895	-	-	(2,895)	-	-	-	-
Transfer from Debenture redemption reserve	-	-	(2,250)	-	-	2,250	-	-	-	-
Dividends (including CDT*)	-	-	-	-	-	(1,127)	-	-	-	(1,127)
Goodwill created on account of additional investment in Zea Maize Private Limited	-	-	-	153	-	-	-	-	-	153
At March 31, 2019	**602**	**47,124**	**7,930**	**4,716**	**611**	**60,706**	**(630)**	**(22)**	**(1,762)**	**119,275**
*Corporate Dividend Tax										
Summary of significant accounting policies			2.3							-

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

For and on behalf of the Board of Directors of **PVR Limited**

Jiten Chopra
Partner
Membership Number: 092894

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 10, 2019

Place: Mumbai
Date: May 10, 2019

Consolidated Statement of Cash flow

for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	March 31, 2019	March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	29,903	19,446
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	16,843	13,651
Amortisation of intangible assets	2,285	1,718
Net loss on disposal of property, plant and equipment	143	37
Interest Income	(1,219)	(942)
Allowance for doubtful debts and advances	1,273	366
Bad debts/advances written off	53	22
Finance costs	11,983	7,579
Equity-settled share-based payments	296	295
Liabilities written back	(119)	(239)
Exceptional items	-	59
Rent expenses (pertaining to deferred rent)	1,149	1,018
Share of loss of equity accounted investees	115	73
Profit on sale of Movie on demand (Vkaao) platform	-	(114)
Convenience fees (Time value of money adjustment)	(1,245)	-
	61,460	**42,969**
Working capital adjustments:		
Increase/(Decrease) in provisions	86	286
Increase/(Decrease) in trade & other payables	37,109	8,834
Decrease/(Increase) in trade receivables	(2,159)	(5,747)
Decrease/(Increase) in inventories	(777)	(173)
Decrease/(Increase) in loans and advances and other assets	(4,416)	2,622
Cash generated from operations	**91,303**	**48,791**
Direct taxes paid (net of refunds)	(8,339)	(4,165)
Net cash flow from/(used in) operating activities (A)	**82,964**	**44,626**
Cash flows (used in) investing activities		
Purchase of PPE, Intangible assets, CWIP and Capital advance	(43,619)	(34,002)
Payment for acquisition of SPI Cinemas Private Limited (refer note 42)	(53,560)	-
Security deposits given to Mall Developers	(4,686)	(4,011)
Proceeds from sale of PPE	133	148
Redemption of non-trade investments	-	24
Investment in iPic Entertainment Inc.	-	(2,581)
Loan received from body corporate	-	43
Loan repaid by body Corporate	114	-
Investment in Vkaao Entertainment Private Limited	-	(300)
Interest received	271	110
Fixed deposits with banks encashed	-	30
Fixed deposits with banks	(197)	-
Net cash flow from/(used in) investing activities (B)	**(101,544)**	**(40,539)**
Cash flow (used in)/from financing activities		
Proceeds from long-term borrowings	64,413	12,500
Repayment of long-term borrowings	(33,165)	(8,946)
Proceeds from short-term borrowings	40,000	37,500
Repayment of short-term borrowings	(45,550)	(38,506)
Payment of Dividend and tax thereon	(1,127)	(1,127)
Interest paid on Borrowings	(10,328)	(8,016)
Net cash flow from/(used in) financing activities (C)	**14,243**	**(6,595)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(4,337)**	**(2,508)**

Consolidated Statement of Cash flow

for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	March 31, 2019	March 31, 2018
Cash and cash equivalents at the beginning of the year	2,676	903
Add: cash acquired on acquisition of subsidiary	918	-
Add : Cash and cash equivalent received on sale of investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (refer note 52).		4,281
Cash and cash equivalents at the end of the year	**(743)**	**2,676**
Cash and cash equivalents		
Cash on hand	852	536
With banks - on deposit accounts	76	85
With banks - on current accounts	1,889	2,155
cash and cash equivalents (refer note 12)	**2,817**	**2,776**
Less:Secured bank overdraft (refer note 19)	(3,560)	(100)
Total cash and cash equivalent	**(743)**	**2,676**

Note:

- Consolidated Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of cash flows"
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities is as below:

Particulars	Non-current borrowings[1]	Current borrowings
Opening balance as at April 1, 2018[2]	73,225	10,000
Cash flows during the year:		
- Proceeds[3]	79,806	40,550
- Repayment	(33,165)	(45,550)
Non-cash changes due to:		
- Mark to market of derivative liability	-	-
- Others	-	-
Closing balance as at March 31, 2019[2]	119,866	5,000

[1]Includes current maturities of non-current borrowings.
[2]Opening and closing balance excludes transaction cost.
[3]Includes the loan liability assumed on acquisition of SPI Cinemas private limited.

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

For and on behalf of the Board of Directors of **PVR Limited**

Jiten Chopra
Partner
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Joint Managing Director
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Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 10, 2019

Place: Mumbai
Date: May 10, 2019

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

1 Reporting entity

PVR Limited ("the Company" or the "Parent Company") is a public limited Company domiciled in India and incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Consolidated Financial Statements of the Company as at and for the year ended on March 31, 2019 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the group interest in joint ventures. The Group is engaged in the business of Movie exhibition, distribution & production and also earns revenue from in-house advertisement, sale of food & beverages, gaming and restaurant business.

(i) The Subsidiaries which are considered in the consolidation and the Group's holdings therein is as under:

Sr. No.	Subsidiary Company	Country of Incorporation	Parent Company	Percentage of ownership as on March 31, 2019
1	PVR Pictures Limited	India	PVR Limited	100%
2	Zea Maize Private Limited	India	PVR Limited	70% (85.4% through convertible preference shares)
3	P V R Lanka Limited	Sri Lanka	PVR Limited	100%
4	SPI Cinemas Private Limited (w.e.f. August 17, 2018)	India	PVR Limited	71.69%
5	SPI Entertainment Projects (Tirupati) Private Limited (w.e.f. August 17, 2018)	India	SPI Cinemas Private Limited	100%
6	PVR Middle East FZ-LLC (w.e.f. November 15, 2018)	UAE	PVR Limited	100%

(ii) The joint ventures which are considered in the consolidation and the Group's holdings therein is as under:

Sr. No.	Joint Venture	Country of Incorporation	Shareholder	Percentage of ownership as on March 31, 2019
1	Vkaao Entertainment Private Limited (refer note 5A)	India	PVR Pictures Limited	50%
2	PVR Pictures International Pte. Limited (refer note 5A)	Singapore	PVR Pictures Limited	50%

The audited financial statements of the subsidiary companies and joint ventures which are included in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2019.

2.1 Basis of preparation

(a) Statement of compliance

These Consolidated Financial Statements of Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These Consolidated Financial Statements for the year ended March 31, 2019 are approved by the Audit Committee at its meeting held on May 9, 2019 and Board of Directors at its meeting held on May 10, 2019.

(b) Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(c) Basis of Measurement

These Consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, refer note 2.3 (w)).

(d) Critical accounting estimates and judgements

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, Income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

(Rupees in lakhs, except for per share data and if otherwise stated)

Information about significant areas of estimation and judgements in applying accounting policies that have the most significant effect on the Consolidated Financial Statements are as follows:

- Note 2.3 (o) (iii) and 32 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2.3 (b), (c), (d), 3 and 4 - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;
- Note 36 - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy;
- Note 2.3 (t) - judgement required to determine ESOP assumptions;
- Note 2.3 (p) - judgement required to determine probability of recognition of current tax, deferred tax assets and MAT credit entitlement; and
- Note 2.3 (w)- fair value measurement of financial instruments.

There are no assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year.

2.2 Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

(iii) Loss of control

When the Group loses control over subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date of control is lost. Any resulting gain or loss is recognised in the statement of profit or loss.

(iv) Equity accounted investees

The Group's interest in equity accounted investees comprise interests in joint ventures. A Joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangements, rather than rights to its assets and obligations for its liabilities.

Interest in Joint Venture is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity-accounted investees untill the date on which significant influence or joint control ceases.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Summary of Significant accounting policy

(a) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Group classifies all other assets as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of classification of assets and liabilities as current and non-current.

(Rupees in lakhs, except for per share data and if otherwise stated)

(b) Property, plant and equipment (PPE)

(i) Recognition and Measurement:

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of CENVAT) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

Expenditure directly relating to construction activity are capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under Capital advances and Capital work in progress respectively.

(ii) Subsequent expenditure:

Subsequent expenditure on additions and betterment of operational properties are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and expenditures for maintenance and repairs are charged to statement of profit & loss as incurred.

(c) Depreciation on Property, plant and equipment

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives using Straight-line method. Estimated useful life of the assets are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule II (in years)	Management estimate of Useful life (in years)
Concession equipments	15	8
Gaming equipments	15	13.33
Projectors	13	10
Furniture & fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

Parent Company has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's which are taken @ 10% of original cost based on technical assessment done by management.

Leasehold improvements are amortised on a straight-line basis over the total period of lease including renewals or unexpired period of lease, whichever is shorter.

Assets under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Parent Company will obtain ownership by the end of lease term.

Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which assets is ready for use (disposed of). Further, depreciation includes accelerated depreciation of ₹ 620 Lakhs (March 31,2018: ₹ 520) lakhs on account of change in estimate of useful lives of property, plant and equipment resulting from cinema closure earlier than planned or due to renovation.

(d) Intangible assets

(i) Recognition and Measurement:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(ii) Subsequent Expenditure:

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

(iii) The useful life and the basis of amortisation and impairment losses are as under:

a) Software

Cost relating to purchased software and software licenses are capitalised and amortised on a straight-line basis over their estimated useful lives of 6 years.

(Rupees in lakhs, except for per share data and if otherwise stated)

b) Goodwill

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses if any. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

c) Trademarks and copyrights

Trademark and copyrights for the brand name acquired and registered by the Group are capitalised and are amortised over an estimated life of five years.

d) Film Right's

The intellectual property rights acquired/created in relation to films are capitalised as film rights. The amortisation policy is as below:

(a) In respect of films which have been co-produced /co owned/ acquired and in which the Group holds rights for a period of 5 years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

  In case these rights are not exploited along with or prior to their first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.

- Balance 40% to 20% is amortised over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

(b) In respect of films, where the Group holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Group is amortised on first theatrical release of the movie. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first theatrical release, whichever occurs earlier.

(c) In one of the subsidiary Company, PVR Pictures Limited, the film right cost (primarily for foreign films) is amortised over the period of useful lives, writing off more in year one which recognises initial income flows and then the balance over a period of nine years, or the remaining life of the content rights, whichever is less. The amortisation policy followed by the subsidiary company, PVR Pictures Limited is as below:

- 25% to 75% of the cost of film rights on first domestic theatrical release of the film based on the management estimates if the agreement is silent on allocation of rights. The said amortisation relates to Theatrical rights.

- In case these theatrical rights are not exploited proportionate cost of such right is written off as and when the management decides to commercially not exploit such right.

- Balance 75% to 25% is amortised over the remaining license period based on an estimate of future revenue potential if the agreement is silent on allocation of rights subject to a maximum period of 10 years.

e) Brands and Beneficial Lease Rights

Intangible assets resulting from acquisition of SPI Cinemas comprise of 'Beneficial Lease Rights' are amortised on straight-line basis over remaining lease period and 'Brands' are amortised on straight-line basis over a period of 20 years and tested for impairment annually.

(e) Borrowing Costs

Borrowing cost includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings . Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(f) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(Rupees in lakhs, except for per share data and if otherwise stated)

Impairment losses, if any are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(g) Inventories

Inventories are valued as follows:

(a) Food and beverages

Lower of cost and net realisable value. Cost is determined on weighted average basis.

(b) Stores and spares

Lower of cost and net realisable value. Cost is determined on First In First Out (FIFO) basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition;

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

The comparison of cost and Net realisable value is made on an item-by-item basis.

(h) Leases

(i) Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

For arrangements entered into prior to April 01, 2015, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

(ii) Assets held under lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

(iii) Lease payments

Payments made under operating leases are generally recognised in the statement of profit and loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Payments made under finance lease are allocated between the outstanding liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments.

GST has been implemented with effect from July 1, 2017 which replaces Entertainment tax, Service tax and other indirect taxes like sales tax and value added taxes. As per the requirement of IndAS 18, revenue is reported net of applicable taxes.

Effective April 1, 2018, the Group has adopted Ind AS 115 (Revenue from contracts with customers) which establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Ind AS 115 "Revenue from contracts with customers" replaces Ind AS 18 "Revenue

(Rupees in lakhs, except for per share data and if otherwise stated)

recognition and related interpretations". The Group has adopted Ind AS 115 "Revenue from contracts with customers" using the cumulative effect method , with the effect of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018). Under this transition method, the comparative information is not restated – i.e. the comparative information continues to be reported under Ind AS 18 "Revenue recognition and related interpretations". The adoption of the standard did not have any material impact on the Consolidated Financial Statements of the Group. Following table depicts the amount of impact on Consolidated Financial Statements:

Particulars	As reported at March 31, 2018	Adjustments due to adoption of Ind AS 115	Adjusted opening balance as at April 1, 2018
Retained earnings	44,098	17	44,115

The following specific recognition criteria must also be met before revenue is recognised:

i **Income from sale of movie tickets (Box office revenue)**
Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii **Sale of food and beverages**
Revenue from sale of food and beverages is recognised upon passage of title to customers, which coincides with their delivery to the customer.

iii **Revenue from Gift vouchers and Breakage revenue**
Non-reundable Gift cards and vouchers are sold to customers, that give customers the right to receive goods or services in the future. The prepayment amount received from the customer is recognised as unearned revenue liability. If a customer does not exercise their right, this amount is recognised as breakage revenue in proportion to the pattern of rights exercised by the customer as there is an expectation that the Group will be entitled to breakage revenue and that it is considered highly probably a significant reversal will not occur in the future.

iv **Advertisement revenue**
Advertisement revenue is recognised as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

v **Income from movie production and distribution**
Revenues from film produced, co –produced/co -owned are accounted for based on the terms of the agreement.

vi **Convenience Fee**
Convenience fee is recognised as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognised on accrual basis in accordance with the terms of the agreement.

vii **Virtual Print fees (VPF)**
Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

viii **Gaming Income**
Revenue from bowling games is recognised as and when the games are played by patrons.

ix **Management fee**
Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

x **Rental and food court income**
Rental Income is recognised on accrual basis for the period the space in cinema and food court is let out under the operating lease arrangement.

xi **Interest income**
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

xii **Dividend income**
Dividend Income is recognised when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

xiii **Loyalty**
The Group operates a loyalty programme "PVR PRIVILIGE" where a customer earn points as and when the customer transacts with the Group, these points can be redeemed in the future for goods and services. Under Ind AS 115, the loyalty program gives rise to a separate performance obligation as it provides a material right to the customer. The Group allocates a portion of transaction price to the loyalty program based on relative standalone selling price, instead of allocating using the fair value of points issued.

(j) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, where the grant relates to an asset, it is recognised as deferred income and released to income in equal installments over the expected useful life of the related assets.

(k) Cost Recognition

Cost and expenses are recognised when incurred and have been classified according to their nature.

(Rupees in lakhs, except for per share data and if otherwise stated)

The costs of the Group are broadly categorised in Movie exhibition, distribution cost, consumption of food and beverages, Employee benefit expenses, depreciation and amortisation expenses, finance cost and other operating expenses. Other operating expense mainly includes, Rent, common area maintenance, Electricity, legal and professional fees, travel expenses, Repair and Maintenance and other expenses. Other expenses is an aggregation of costs which are individually not material.

(I) Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date;
- Assets (or disposal Group's) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through Other comprehensive income.

As a result from business combination the Group as whole has gained synergies relating to increase in revenue, decrease of certain operational cost and effective vendor negotiation. The Group as a whole is considered as a CGU, and there are no other CGU's identifiable to which Goodwill from business combinations is allocated, unless mentioned separately.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the

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amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(m) Foreign currency

i Foreign currency transaction

Transactions in foreign currencies are translated into the respective functional currencies of Group Companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

ii Foreign operations

The assets and liabilities of foreign operations (subsidiaries and joint ventures) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The Income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate approximates the actual rate at the date of the transaction.

(n) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuer's are involved for valuation of significant assets, liabilities, such as ESOP, Gratuity etc.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (including those carried at amortised cost) (note 2.2(w))

(o) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

The Company has the following employee benefit plans:

i Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, incentives, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

ii Defined contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than

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the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders service.

iii **Defined Benefit Plan**

Gratuity is a defined benefit obligation. The Company has approved gratuity funds managed with ICICI Prudential Life Insurance Company Limited and Bajaj Allianz Life Insurance Company Limited for the payment of gratuity to the employees. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognised in other comprehensive income.

iv **Other long-term Employee benefits**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the statement of profit and loss.

(p) **Income taxes**

Income Tax 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 Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in OCI.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(q) **Earnings Per share**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined

(Rupees in lakhs, except for per share data and if otherwise stated)

by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares (unless the effect is anti-dilutive), which includes all stock options granted to employees.

(r) Provisions

General

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

(s) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(t) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and IndAS 102 Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense, together with a corresponding increase in the "Employee Stock options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

(u) Dividend

The Company recognise a liability to make dividend distributions to equity holders when the distribution is approved by the shareholders.

(v) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

(w) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(Rupees in lakhs, except for per share data and if otherwise stated)

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit & Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Proft & Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified

(Rupees in lakhs, except for per share data and if otherwise stated)

as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using effective interest method.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance;

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18;

The Company impairs its trade receivables basis past experience and trend. Other financial asset, are impaired on case to case basis.

(x) Recent accounting pronouncements

i. Ind AS 116- 'Leases'

The Ministry of Corporate Affairs ("MCA") has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we are required to adopt IndAS 116 from April 1, 2019. Under new Accounting Standard, there will be significant increase in asset as Present value of future rental will be recognised in balance sheet ('Right to use') and corresponding liability ('lease liability') will reflect under liability side. Further, the 'Right to use' asset will be amortised on a straight-line basis over the lease period. Lease payments will be apportioned between finance charge and reduction of the lease liability. Earlier, the Company recognised operating lease expense on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase in accordance with Ind AS 17.

In addition, the group will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

The group plans to apply Ind AS 116 initially on April 1,2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings as at April 1, 2019, with no restatement of comparative information. The group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before April 1, 2019 and identified as leases in accordance with Ind AS 17.

The quantitative impact of adoption of Ind AS 116 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present. However the impact on transition will be significant.

(Rupees in lakhs, except for per share data and if otherwise stated)

ii. **Ind AS 19 – 'Employee benefits'**
The amendments to Ind AS 19, clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The group does not expect this amendment to have any significant impact on its Consolidated Financial Statements.

iii **Ind AS 12 - 'Income taxes'**
The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The group does not expect any significant impact of the above amendment on its Consolidated Financial Statements.

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

3 Property, plant and equipment

Particulars	Freehold Land	Leasehold Land	Building	Plant and Machinery	Furniture and Fittings	Office Equipment's	Vehicles	Leasehold Improvements	Total	Capital work in progress
At March 31, 2017	2	-	10	58,550	14,626	3,338	553	50,021	127,100	
Additions	-	-	-	12,723	3,957	962	-	10,316	27,958	
Adjustment on account of sale of Investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	-	-	(4,833)	(354)	(212)	-	(2,473)	(7,872)	
Disposals and discard	-	-	-	(104)	(333)	(34)	-	(47)	(518)	
At March 31, 2018	**2**	**-**	**10**	**66,336**	**17,896**	**4,054**	**553**	**57,817**	**146,668**	
Additions	-	-	-	15,503	3,822	797	41	12,175	32,338	
Adjustment on account of Business combination (refer note 42)	-	806	-	11,967	2,008	456	51	9,037	24,325	
Disposals and discard	-	-	-	(912)	(1,294)	(116)	-	(447)	(2,769)	
At March 31, 2019	**2**	**806**	**10**	**92,894**	**22,432**	**5,191**	**645**	**78,582**	**200,562**	
Depreciation										
At March 31, 2017	-	-	-	[#] 9,713	3,550	1,265	179	7,920	22,627	
Charge for the year	-	-	-	[#] 6,217	2,332	741	111	4,250	13,651	
Adjustment on account of sale of Investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	-	-	(1,046)	(94)	(146)	-	(553)	(1,839)	
Disposals and discard	-	-	-	(68)	(303)	(34)	-	(61)	(466)	
At March 31, 2018	**-**	**-**	**-**	**[#] 14,816**	**5,485**	**1,826**	**290**	**11,556**	**33,973**	
Charge for the period	-	11	-	[#] 7,683	2,677	857	115	5,500	16,843	
Adjustment on account of Business combination (refer note 42)	-	9	-	2,001	317	154	14	829	3,324	
Disposals and discard	-	-	-	(892)	(1,122)	(115)	-	(446)	(2,575)	
At March 31, 2019	**-**	**20**	**-**	**[#] 23,608**	**7,357**	**2,722**	**419**	**17,439**	**51,565**	
Net Block										
At March 31, 2018	**2**	**-**	**10**	**51,520**	**12,411**	**2,228**	**263**	**46,261**	**112,695**	**10,169**
At March 31, 2019	**2**	**786**	**10**	**69,286**	**15,075**	**2,469**	**226**	**61,143**	**148,997**	**22,080**

[#] Amount below ₹ 1 lakh.

Note:

i. Capital work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. Details of assets on finance lease included in Plant and machinery are as follows:

Particulars	Gross block				Accumulated depreciation				
	Opening	Addition	Disposals and discard	Total	Opening	Charge for the year/ period	Disposals and discard	Total	Net Block
March 31, 2018	4,468	-	-	4,468	435	414	-	849	3,619
March 31, 2019	4,468	-	-	4,468	849	414	-	1,263	3,205

iii. Capitalised borrowing cost

The amount of borrowing costs capitalised was ₹ 1,501 lakhs (March 31, 2018: 429 lakhs) during the year.

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

4 Intangible assets

Particulars	Goodwill* (Including Goodwill on consolidation)	Other Intangible assets					Total
		Software Development	Copyrights	Brand	Beneficial Lease Rights	Film Rights	
	A	B	C			D	B+C+D
At April 1, 2017	43,365	2,224	144	-	-	2,770	5,138
Additions	82	495	-	-	-	1,256	1,751
Adjustment on account of sale of Investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	(46)	(144)	-	-	-	(190)
Disposals and discard	-	(107)	-	-	-	(119)	(226)
At March 31, 2018	**43,447**	**2,566**	**-**	**-**	**-**	**3,907**	**6,473**
Additions	160	763	-	-	-	1,600	2,363
Adjustment on account of Business combination (refer note 42)	67,554	571	-	7,263	9,422	-	17,256
Disposals and discard	-	(12)	-	-	-	(183)	(195)
At March 31, 2019	**111,161**	**3,888**	**-**	**7,263**	**9,422**	**5,324**	**25,897**
Amortisation							
At April 1, 2017	-	643	37	-	-	1,428	2,108
For the year	-	454	7	-	-	1,257	1,718
Adjustment on account of sale of Investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	(29)	(44)	-	-	-	(73)
Deductions/Adjustments	-	(4)	-	-	-	(119)	(123)
At March 31, 2018	**-**	**1,064**	**-**	**-**	**-**	**2,566**	**3,630**
For the period	-	537	-	298	445	1,005	2,285
Adjustment on account of Business combination (refer note 42)	-	256	-	-	-	-	256
Deductions/Adjustments	-	(12)	-	-	-	(183)	(195)
At March 31, 2019	**-**	**1,845**	**-**	**298**	**445**	**3,388**	**5,976**
Net Block							
At March 31, 2018	**43,447**	**1,502**	**-**	**-**	**-**	**1,341**	**2,843**
At March 31, 2019	**111,161**	**2,043**	**-**	**6,965**	**8,977**	**1,936**	**19,921**

*Includes Goodwill on consolidation amounting to ₹ 68,501 lakhs (March 31, 2018 : ₹ 787 lakhs).

Note:

Impairment testing of Goodwill:

Goodwill represents excess of consideration paid over the net assets acquired. This is monitored by the management at the level of cash generating unit (CGU) and is tested annually for impairment. Cinemax India Limited and Cinema exhibition undertaking of DLF Utilities Limited acquired in financial year 2012- 13 and 2016-17 respectively is now completely integrated with the existing cinema business of the Company, and accordingly is monitored together as one CGU. The Company tested goodwill for impairment using a discounted cash flow methodology with a peer-based, risk-adjusted weighted average cost of capital using the discount rate of 10% to 12.5% and terminal value growth rate of 5% to 10% from 2023-24. We believe use of a discounted cash flow approach is the most reliable indicator of the fair values of the businesses. Additionally the goodwill has been tested for impairment by reference to the quoted price of equity shares of PVR Limited ("PVR"), which carries total cinema exhibition business. As at March 31, 2019, total market capitalization of PVR is 768,452 lakhs significant part of which represents value of the cinema exhibition business which is higher than the carrying value of Goodwill.

The goodwill that arose on acquisition of SPI Cinemas is tested for impairment separately as the Company is in the process of integration with the Cinema exhibition business of the Parent Company. The Company tested goodwill for impairment using a discounted cash flow methodology with a peer-based, risk-adjusted weighted average cost of capital using the discount rate of 10% to 12.5% and terminal value growth rate of 5% to 10% from 2023-24. We believe use of a discounted cash flow approach is the most reliable indicator of the fair values of the businesses.

(Rupees in lakhs, except for per share data and if otherwise stated)

5A Equity accounted investees

	March 31, 2019	March 31, 2018
Investment in joint ventures (unquoted)		
(i) Vkaao Entertainment Private Limited[1]	112	227
Equity share of ₹ 10 each 3,000,000 (March 31, 2018: 3,000,000)		
(ii) PVR Pictures International Pte Limited[2] [#]	0	0
Equity share of SGD 1 each 500 (March 31, 2018: 500)		
	112	**227**

[#] amount below ₹ 1 lakh

[1]During the year ended March 31, 2018, PVR Pictures Limited (wholly owned subsidiary of the Parent Company) had entered into a Joint venture with Bigtree Entertainment Private Limited (BookMyShow) and incorporated Vkaao Entertainment Private Limited (Vkaao). Vkaao is engaged in the business of private screening of movies for its consumers through theatres. It operates through an entertainment ticketing website namely www.Vkaao.com. Both PVR Pictures and Book My Show have invested ₹ 300 lakhs each into this entity.

The following table summarise the financial information of Vkaao Entertainment Private Limited and the carrying amount of Group's interest therein:

	March 31, 2019	March 31, 2018
Percentage ownership interest	50%	50%
Non-current assets	119	250
Current assets (including cash and cash equivalents ₹ 30 lakhs (March 31, 2018: ₹ 27 lakhs)	184	348
Current liabilities	(79)	(144)
Net assets	**224**	**454**
Group's share of net assets (50%)	**112**	**227**
Carrying amount of interest in joint ventures	**112**	**227**

	March 31, 2019	March 31, 2018
Statement of profit and loss		
Revenue	184	87
Employee benefits expense	(83)	(43)
Depreciation and amortisation expense	(137)	(24)
Other expenses	(194)	(165)
Profit	**(230)**	**(145)**
Other comprehensive income	-	-
Total comprehensive income	**(230)**	**(145)**
Group's share of profit (50%)	(115)	(73)
Group's share of OCI (50%)	-	-
Group's share of Total Comprehensive Income (50%)	**(115)**	**(73)**

[2] During the year ended March 31, 2018, PVR Pictures Limited (wholly owned subsidiary of the Parent Company) had entered into a joint venture with Cinestar Limited (Enterprise owned or significantly influenced by Key Management Personnel) and incorporated "PVR Pictures International Pte Limited" in Singapore to do movie distribution business outside of India.

5B Investments

	March 31, 2019	March 31, 2018
(i) Quoted equity shares		
Equity shares at FVTOCI		
iPic Entertainment Inc.[1]	2,581	2,581
Common membership units of $ 18.13 each 220,629 (March 31, 2018 : 220,629)		
Less: Diminution in the value of Investment (refer note 30)	(1,761)	(888)
Net value of Investment	**820**	**1,693**
(ii) Unquoted Government securities		
Government Securities- at amortised cost		
National savings certificates	173	174
(Deposited with various tax authorities)		
	173	**174**

(Rupees in lakhs, except for per share data and if otherwise stated)

	March 31, 2019	March 31, 2018
Less: Amount disclosed under current investment	108	106
(Refer note 10) (being due for maturity within next 12 month)		
	885	**1,761**
Aggregate amount of unquoted investment	285	401
Aggregate amount of quoted investment	2,581	2,581
Aggregate amount of impairment in value of investments	1,761	888

[1]During the year ended March 31, 2018, Parent Company had acquired a minority stake for a value of USD 4 million (equivalent to ₹ 2,581 lakhs), in an American luxury restaurant-and-theatre Company "iPic Entertainment Inc." (formerly known as "iPic Gold Entertainment LLC"). The Company designated this Investment as equity shares at FVTOCI because these equity shares represent investments that the Company intends to hold for long-term strategic purposes. Accordingly, the fair value changes with respect to such investment has been recognised in OCI – 'Equity investments at FVTOCI'.

6 Other financial assets

(unsecured, considered good unless otherwise stated)

		Non-current		Current	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Non-current bank balances (refer note 12)		227	127	-	-
Interest accrued on:					
Fixed deposits		8	18	32	14
National saving certificate		13	22	60	40
Others		-	-	12	25
	(A)	**248**	**167**	**104**	**79**
Revenue earned but not billed	(B)	-	-	1,077	192
Government grant receivable[1]	(C)				
Unsecured, considered good		1,994	1,994	964	1,838
Unsecured, considered doubtful		65	-	-	-
		2,059	**1,994**	964	1,838
Allowance for doubtful Government grant receivable		(65)	-	-	-
	(D)	1,994	1,994	964	1,838
Total [A+B+C]		2,242	2,161	2,145	2,109

[1]The Entertainment tax exemption in respect of some of the Multiplexes of the Parent Company has been accounted on the basis of eligibility criteria as laid down in the respective erstwhile State Government schemes and applications filed with the authorities, but is subject to final orders yet to be received from the respective State authorities for some of the exempted Multiplexes.

7 Deferred tax assets (net) (includes MAT credit entitlement)

7A Deferred tax Assets (net)

		March 31, 2019	March 31, 2018
Deferred tax asset[1]			
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		115	587
Allowance for doubtful debts and advances		236	542
Others		202	473
Gross deferred tax asset		**553**	**1,602**
Less: Deferred tax liability			
Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books		(515)	7,349
Gross deferred tax liability		**(515)**	**7,349**
Deferred tax assets/(liability) (net)	A	**1,068**	**(5,747)**
Add: MAT credit entitlement[2]	B	-	7,307
Net deferred tax Assets (Includes MAT credit entitlement)	A+B	**1,068**	**1,560**

[1]The Parent Company has not accounted for Deferred tax assets on Capital loss on sale of Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) and loss on fair valuation of "iPic Entertainment Inc." Investment on account of reasonable certainity.

(Rupees in lakhs, except for per share data and if otherwise stated)

7B Deferred tax Liabilities (net) (Includes MAT credit entitlement)

		March 31, 2019	March 31, 2018
Deferred tax liability			
Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books		9,555	227
Impact of fair valuation of Tangible and Intangible assets		7,263	
Gross deferred tax liability		**16,818**	**227**
Deferred tax asset			
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		759	34
Allowance for doubtful debts and advances		920	-
Others		1,365	-
Gross deferred tax asset		**3,044**	**34**
Net deferred tax liability	A	13,774	193
Less: MAT credit entitlement[2]	B	4,229	134
Deferred tax Liabilities (net) (Includes MAT credit entitlement)	A-B	**9,545**	**59**

[2]The MAT credit entitlement asset recognised by Parent Company represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of the Income Tax Act, 1961. The management, based on the present trend of profitability and future projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilise MAT credit assets.

8 Income tax assets (net)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advance income tax (net of provision)	2,692	321	-	-
Income tax paid under protest (Refer note 36(a))	938	890	-	-
	3,630	**1,211**	**-**	**-**

8A Other assets

(unsecured, considered good unless otherwise stated)

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Prepaid expenses	1,750	1,238	2,756	1,292
Deferred rent	10,925	6,988	1,159	902
[A]	**12,675**	**8,226**	**3,915**	**2,194**
Capital advances				
Unsecured, considered good	5,590	1,494	-	-
Unsecured, considered doubtful	6	2	-	-
	5,596	**1,496**	**-**	**-**
Allowance for doubtful capital advances	(6)	(2)	-	-
[B]	**5,590**	**1,494**	**-**	**-**
Advances recoverable in cash or kind				
Unsecured, considered good[1]	-	25	5,687	2,143
Unsecured, considered doubtful	-	-	17	7
	-	**25**	**5,704**	**2,150**
Allowance for doubtful advances	-	-	(17)	(7)
[C]	**-**	**25**	**5,687**	**2,143**
Others				
Balances with statutory authorities	194	8	1,464	1,128
[D]	**194**	**8**	**1,464**	**1,128**
Total [A+B+C+D]	**18,459**	**9,753**	**11,066**	**5,465**

[1]During the year ended March 31, 2018 PVR Pictures Limited had given an advance of ₹ 25 lakhs to its joint venture company PVR Pictures International Pte Limited against which share allotment was pending. This advance was repaid in the current financial year.

(Rupees in lakhs, except for per share data and if otherwise stated)

9 Inventories (Valued at lower of cost and net realisable value)

	March 31, 2019	March 31, 2018
Food and beverages	1,927	1,319
Stores and spares	1,107	661
	3,034	**1,980**

10 Current investments

	March 31, 2019	March 31, 2018
Unquoted debt securities (Government Securities - at amortised cost)		
National Savings Certificates (refer note 5B)	108	106
(Deposited with various State tax authorities)		
	108	**106**

11 Trade receivables

	March 31, 2019	March 31, 2018
Secured, considered good	171	215
Unsecured, considered good	18,215	15,346
Unsecured, considered doubtful	2,619	1,211
	21,005	**16,772**
Allowance for doubtful debts	(2,619)	(1,211)
	18,386	**15,561**

12 Cash and cash equivalents

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Cash and cash equivalents				
Cash on hand	-	-	852	536
Balances with banks:				
On current accounts	-	-	1,889	2,155
Deposits with original maturity of less than 3 months	-	-	76	85
	-	-	**2,817**	**2,776**
Bank balances other than cash and cash equivalents, above				
Deposits with remaining maturity for more than 3 months but less than 12 months	-	-	593	495
Deposits with remaining maturity for more than 12 months	227	127	-	-
Unpaid and unclaimed dividend accounts (refer note (b) below)	-	-	4	8
	227	**127**	**597**	**503**
Amount disclosed under non-current assets (refer note 6)	(227)	(127)	-	-
	-	**-**	**3,414**	**3,279**

Notes:

(a) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

(b) Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed dividends or unpaid dividend.

(c) The disclosures regarding specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2019.

Notes
to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

13 Loans

	Non-current		Current	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Loan and advances to related parties				
Unsecured, considered good	-		13	-
Unsecured, considered doubtful	-		132	-
	-	**-**	**145**	**-**
Allowance for doubtful loans	-		(132)	-
Total	-	-	13	-
Loan to others				
Loan to employees				
Unsecured, considered good	-	-	145	103
Loan to body corporate (refer note 40 (b))				
Unsecured, considered doubtful	-	-	55	55
	-	**-**	**200**	**158**
Allowance for doubtful loans	-		(55)	(55)
	-	**-**	**145**	**103**
Security deposit				
Unsecured, considered good	23,005	19,282	1,025	1,172
Unsecured, considered doubtful	407	328	-	-
	23,412	**19,610**	**1,025**	**1,172**
Allowance for doubtful security deposit	(407)	(328)	-	-
	23,005	**19,282**	**1,025**	**1,172**
Total	**23,005**	**19,282**	**1,183**	**1,275**

14 Share capital

	March 31, 2019	March 31, 2018
Authorised share capital		
Equity shares of ₹ 10 each	11,070	11,070
0.001% Non-cumulative convertible Preference shares of ₹ 341.52 each	2,015	2,015
	13,085	**13,085**
Issued, subscribed and fully paid-up equity shares		
Equity shares of ₹ 10 each fully paid	4,674	4,674
Total issued, subscribed and fully paid-up share capital	**4,674**	**4,674**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

i. Authorised Equity shares

	March 31, 2019		March 31, 2018	
	Number	Amount	**Number**	Amount
Balance at the beginning of the year	110,700,000	11,070	110,700,000	11,070
Balance at the end of the year	**110,700,000**	**11,070**	**110,700,000**	**11,070**

ii. Authorised Non-cumulative convertible Preference shares

	March 31, 2019		March 31, 2018	
	Number	Amount	**Number**	Amount
Balance at the beginning of the year	590,000	2,015	590,000	2,015
Balance at the end of the year	**590,000**	**2,015**	**590,000**	**2,015**

iii. Issued, subscribed and fully paid-up equity shares

	March 31, 2019		March 31, 2018	
	Number	Amount	**Number**	Amount
Shares outstanding at the beginning of the year	46,738,588	4,674	46,738,588	4,674
Shares outstanding at the end of the year	**46,738,588**	**4,674**	**46,738,588**	**4,674**

(Rupees in lakhs, except for per share data and if otherwise stated)

b) Terms and rights attached to equity shares

Parent Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Parent Company as on year end

Name of Shareholders	March 31, 2019		March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of ₹ 10 each fully paid				
Mr. Ajay Bijli	5,410,298	11.58	5,260,298	11.25
Mr. Sanjeev Kumar Bijli	3,728,892	7.98	3,728,892	7.98
Berry Creek Investment Limited	3,582,585	7.67	3,582,585	7.67
Gray Birch Investment Limited	2,958,888	6.33	2,958,888	6.33

As per records of the Parent Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date, wherever applicable is given below:

	(Aggregate No. of Shares)				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
The Parent Company issued shares during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services	-	51,650	158,050	422,668	398,942
Equity shares allotted as fully paid up pursuant to the scheme of amalgamation for consideration other than cash	-	-	-	-	1,090,203

e) Shares reserved for issue under option

For details of equity shares reserved for issue under the employees stock option (ESOP) plan of the Parent Company, (refer note 33).

15 Other equity

	March 31, 2019	March 31, 2018
Securities premium	47,124	47,124
Amount received (on issue of shares) in excess of the face value has been classified as securities premium.		
Share option outstanding account (Refer note 33)	611	305
The share option outstanding account is used to record value of equity-settled share based payment transactions with employees. The amount recorded in this account are transferred to security premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to general reserve.		
Debenture redemption reserve (DDR)	7,930	7,285
The Parent Company has issued secured rated listed non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of Dividends. DRR is required to be created for an amount equivalent to at least 25% of the value of debentures issued and accordingly the Parent Company has created the same.		
Capital reserve	602	602
Reserve created under the scheme of arrangement (Business Combination). The reserve is utilised in accordance with the provisions of the Companies Act, 2013.		
General reserve	4,716	4,563
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.		

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to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

	March 31, 2019	March 31, 2018
Retained earnings	58,292	42,983
Retained earnings comprise of the Group's accumulated undistributed earning after taxes including Other Comprehensive Income (OCI).		
Total other equity	**119,275**	**102,862**

Notes

15A Distribution made and Proposed

	March 31, 2019	March 31, 2018
Cash Dividends on equity shares approved and paid:		
Final Dividend for the year as approved in AGM	935	935
	935	**935**
Proposed dividends on Equity shares:*		
Final Dividend for the year ended March 31, 2019: ₹ 2 per share (March 31, 2018: ₹ 2 per share)	935	935
	935	**935**

*Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognised as a liability as at 31 March.

16 Non-controlling interest (NCI)

	March 31, 2019	March 31, 2018
(a) SPI Cinemas (refer note 42)		
Non-controlling Interest in Equity	25,000	-
Share of profit/(loss) of the current year	616	-
	25,616	**-**
(b) Zea Maize Private Limited		
Non-controlling Interest in Equity	1	1
Non-controlling Interest in Securities premium	175	167
Non-controlling Interest in Non-Equity		
Share of profit/(loss) brought forward	(87)	(58)
Share of profit/(loss) of the current year	(43)	(29)
	46	**81**
Note:		
Non-controlling Interest in Equity of subsidiaries	25,001	1
Non-controlling Interest in Securities premium of a subsidiaries	175	167
Non-controlling Interest in Non-Equity of subsidiaries	486	(87)
	25,662	**81**

The table below provide summarised financial information of SPI Cinemas Private Limited (refer note 42):

Summarised Balance Sheet information

Particulars	March 31, 2019	March 31, 2018
Non Current assets	30,077	-
Current assets	5,192	-
Total Assets	**35,269**	**-**
Non-current liabilities	16,884	-
Current liabilities	8501	-
Net assets	**9,884**	**-**

Summarised statement of profit and loss information

Particulars	March 31, 2019	March 31, 2018
Revenue from operations	29,710	-
Net profit after tax	2,301	-
Total comprehensive income for the year	**2,179**	**-**

(Rupees in lakhs, except for per share data and if otherwise stated)

Summarised statement of profit and loss information

Particulars	March 31, 2019	March 31, 2018
Cash flow from Operating activities	2,430	-
Cash flow used in investing activities	(2,662)	-
Cash flow used in financing activities	(987)	-
Net increase/(decrease) in cash and cash equivalents	**(1,219)**	**-**

17 Long-term borrowings (at amortised cost)

	Non-current portion		Current maturities	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Debentures				
Secured Rated Listed Non-Convertible Debentures	40,957	46,909	10,950	9,385
(net of transaction cost)				
Term loans				
Secured term loans from banks	59,318	6,973	6,225	6,883
Other loans				
Secured vehicle loans from banks	-	-	-	50
Secured finance lease obligation from body corporate (refer note 34(iii)	1,601	2,274	673	594
	101,876	**56,156**	**17,848**	**16,912**
Amount disclosed under the head "other payables" (refer note 21)	-	-	(17,848)	(16,912)
	101,876	56,156	-	-

Notes:

a) Secured Rated Listed Non-Convertible Debentures (NCD):

Particulars	Effective Interest Rate	Date of Allotment	Repayment Period	Repayment Ratio	Amount
30 (March 31, 2018: 60) of ₹ 1,000,000 each	11.40%	1-Jan-10	7th to 10th year	20:20:30:30	300
500 (March 31, 2018: 500) of ₹ 1,000,000 each	10.75%	10-Jun-14	5th year	100	5,000
750 (March 31, 2018: 1,000) of ₹ 1,000,000 each	11.00%	16-Oct-14	4th to 7th year	25:25:25:25	7,500
500 (March 31, 2018: 500) of ₹ 1,000,000 each	11.00%	24-Nov-14	5th to 7th year	30:30:40	5,000
1,000 (March 31, 2018: 1,000) of ₹ 1,000,000 each	10.75%	9-Jan-15	6th and 7th year	50:50	10,000
170 (March 31, 2018: 335) of ₹ 1,000,000 each	8.90%	29-Jul-16	1st,2nd and 3rd year	33:33:34	1,700
500 (March 31, 2018: 500) of ₹ 1,000,000 each	7.84%	12-Jan-17	3 Years and 6 months	100	5,000
250 (March 31, 2018: 250) of ₹ 1,000,000 each	8.05%	3-Apr-17	4th year	100	2,500
500 (March 31, 2018: 500) of ₹ 1,000,000 each	8.15%	3-Apr-17	5th year	100	5,000
500 (March 31, 2018: 500) of ₹ 1,000,000 each	7.85%	18-Aug-17	5th year	100	5,000
500 (March 31, 2018: Nil) of ₹ 1,000,000 each	8.72%	16-Apr-18	3rd,4th and 5th year	20:40:40	5,000
					52,000

- All Debentures are secured by mortgage on immovable properties (excluding immovable properties at Gujarat, a flat at Bengaluru and assets taken on finance lease) ranking *pari passu* and secured by first *pari passu* charge on movable assets of the Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Parent Company both present and future.

b) (i) Term loan from banks are secured by first *pari passu* charge over all movable and immovable fixed assets of the Parent Company (excluding immovable properties at Gujarat, a flat at Bengaluru, vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Parent Company both present and future.

(ii) In one of the subsidiary, Term loan from banks are secured by first pari passu charge over all movable and immovable fixed assets of the Subsidiary Company both present and future, first pari passu change on receivables of the Subsidiary Company both present and future. Also the loan is secured by unconditional and irrevocable Corporate Gaurantee given by the Parent Company.

(iii) Vehicle loans of ₹ Nil (March 31, 2018: ₹ 50 lakhs) carried interest @ 10.25% p.a. and was repayable in 60 monthly instalments. The loan was secured by hypothecation of vehicles purchased out of the proceeds of the loan.

(Rupees in lakhs, except for per share data and if otherwise stated)

(vi) Term Loan from banks carries variable interest rate based on respective bank benchmark rate, effective rate of interest varying in between 8.50% p.a to 9.95% pa.

(v) Finance lease obligation is secured by hypothecation of plant and machinery taken on lease. The interest rate implicit in the lease is varying between 11.37% p.a. to 13.99% p.a. The payment is scheduled in 28 equal quarterly instalments from the start of lease agreements.

(vi) The Parent Company has satisfied all material debt covenants.

c. Above loans are repayable in equal/ unequal monthly/ quarterly instalments as follows:

Particulars	March 31, 2019	March 31, 2018
Secured Rated Listed Non-Convertible Debentures:		
Repayable within 1 year	11,000	9,450
Repayable within 1 - 3 year	27,000	25,000
Repayable after 3 years	14,000	22,000
Term Loan:		
Repayable within 1 year	6,226	6,883
Repayable within 1 - 3 year	17,330	5,098
Repayable after 3 years	41,987	1,875
Secured vehicle loans:		
Repayable within 1 year	-	50
Repayable within 1 - 3 year	-	-
Repayable after 3 years	-	-

18 Provisions

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Provision for employee benefits				
Provision for gratuity (net) (refer note 32)	983	559	6	4
Provision for leave benefits	842	442	315	263
	1,825	**1,001**	**321**	**267**

19 Short-term borrowings (at amortised cost)

	March 31, 2019	March 31, 2018
Unsecured loan from subsidiary's director (repayable on demand)	-	10
Unsecured commercial paper	4,955	9,873
Secured bank overdraft	3,560	100
	8,515	**9,983**

Notes:

i. Bank overdraft is secured by first *pari passu* charge on all current assets of the Parent Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks benchmark rate, effective rate of interest varying in between 8.85% to 10.7% p.a. The Parent Company has given corporate guarantee for availing Bank Overdraft facility for its subsidiaries amounting ₹ 1,600 lakhs (March 31, 2018 : ₹ 100 lakhs)

ii. In respect of Commercial Paper maximum amount outstanding during the year was ₹ 15,000 lakhs (March 31, 2018 : ₹ 11,500 lakhs) with a maturity period of 3 months, effective rate of interest varying from 6.95% to 7.75%.

iii. At March 31, 2019, the Group had available ₹ 13,140 lakhs (March 31, 2018: ₹ 11,650 lakhs) of undrawn committed borrowing facilities.

(Rupees in lakhs, except for per share data and if otherwise stated)

20 Trade payables

	March 31, 2019	March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,771	25,111
	36,771	**25,111**

21 Other financial liabilities

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Payables on purchase of fixed assets	-	-	6,844	6,549
Deferred consideration for acquisition of SPI Cinemas Private Limited (refer note 42)	-	-	10,000	-
Security deposits	4,217	-	632	515
Current maturities of long-term borrowings (refer note 17)	-	-	17,848	16,912
Interest accrued but not due on borrowings				
- Debentures	-	-	769	179
Unpaid dividends[1]	-	-	7	8
	4,217	**-**	**36,100**	**24,163**

[1]Unclaimed amounts are transferred to Investor Protection and Education Fund after seven years from the due date.

22 Other liabilities

	Non-current		Current	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advances from customers[1]	18,499	-	17,620	5,084
Employee benefits payables	-	-	3,642	2,924
Statutory dues payable	-	-	2,354	2,519
	18,499	**-**	**23,616**	**10,527**

[1]During the year ended March 31, 2019 the Parent Company has renewed its non-exclusive agreements with the online ticketing aggregators, for booking and selling Company's ticketing inventory, through their web and app based platforms for a term of 3 years.

23 Revenue from operations

	March 31, 2019	March 31, 2018
Sale of services [refer (a) below]	221,040	168,311
Sale of food and beverages [refer (b) below]	85,839	62,495
Other operating revenue [refer (c) below]	1,677	2,605
	308,556	**233,411**

(a) Details of services rendered

	March 31, 2019	March 31, 2018
Income from sale of movie tickets	163,543	124,707
Advertisement income	35,352	29,693
Income from movie production and distribution	6,192	6,216
Convenience fees	13,035	5,971
Virtual print fees	2,918	1,724
	221,040	**168,311**

During the year ended March 31, 2019 ₹ 192 Lakhs of unbilled revenue as of April 1, 2018 has been reclassified to Trade receivables upon billing to customers.

During the year ended March 31, 2019 the group recognised revenue of ₹ 4,608 Lakhs from opening advance from customers. as of April 1, 2018.

(Rupees in lakhs, except for per share data and if otherwise stated)

(b) Details of products sold

	March 31, 2019	March 31, 2018
Sale of food and beverages	85,839	62,428
Sale of traded goods	-	67
	85,839	**62,495**

(c) Details of other operating revenue

	March 31, 2019	March 31, 2018
Food court Income	1,141	1,102
Gaming Income	470	1,465
Management fees	66	38
	1,677	**2,605**

24 Other income

	March 31, 2019	March 31, 2018
Government grant	918	1,367
Net gain on redemption of mutual fund Investments	300	141
Interest earned on		
Bank deposits	118	60
NSC's Investments	12	16
Interest Income from financial assets at amortised cost	824	841
Others	265	25
Profit on sale of Movie on demand (Vkaao) platform under slump sale	-	114
Exchange differences (net)	75	1
Other non-operating income (net) (includes liability written back ₹ 119 lacs (March 31, 2018: ₹ 239 lacs)	802	569
	3,314	**3,134**

25 Employee benefit expense

	March 31, 2019	March 31, 2018
Salaries, wages, allowances and bonus	29,804	22,528
Contribution to provident and other funds (refer note 32)	1,423	1,035
Employee stock option scheme (refer note 33)	296	295
Gratuity expense (unfunded) (refer note 32)	13	24
Staff welfare expenses	2,190	1,525
	33,726	**25,407**

26 Finance costs

	March 31, 2019	March 31, 2018
Interest on		
Debentures	5,341	5,128
Term loans	3,009	1,485
Banks and others[1]	858	967
Other financial charges	3,593	791
	12,801	**8,371**

[1]Includes interest on finance lease obligation of ₹ 308 lakhs (March 31, 2018 : ₹ 377 lakhs)

(Rupees in lakhs, except for per share data and if otherwise stated)

27 Depreciation and amortisation expense

	March 31, 2019	March 31, 2018
Depreciation on tangible assets	16,843	13,651
Amortisation on intangible assets	2,285	1,718
	19,128	**15,369**

28 Other operating expenses

		March 31, 2019		March 31, 2018
Rent (refer note 34)		50,785		41,397
Less: Rental income from sub-lessees		(194)		(283)
Net rent expenses		**50,591**		**41,114**
Electricity and water charges (net of recovery)		18,107		14,908
Common area maintenance (net of recovery)		13,016		11,259
Repairs and maintenance		11,739		9,390
Movie production, distribution and print charges		4,406		4,916
Marketing expenses		4,833		4,076
Rates and taxes		2,083		1,624
Security service charges		2,764		2,491
Travelling and conveyance		3,263		2,578
Legal and professional fees (refer below note)		6,006		2,591
Communication costs		1,439		895
Loss on disposal of PPE and intangible assets (net)		143		37
Printing and stationery		534		478
Insurance		394		285
CSR Expenditure (refer note 39)		360		232
Allowance for doubtful debts and advances		1,273		366
Bad Debts/advances written off	53		22	
Less: Utilised from provisions	-	53	-	22
Directors' sitting fees		10		12
Exchange differences (net)		13		
Miscellaneous expenses		1,103		873
		122,130		**98,147**
Notes:				
(a) Payment to auditors (included in legal and professional charges above)				
As auditor:				
Audit fee		54		34
Limited Review		24		24
Tax audit fee		5		4
Other Certifications		13		-
Reimbursement of out of pocket expenses		8		1
		104		**63**

29 Exceptional Items

	March 31, 2019	March 31, 2018
Net loss incurred on sale of investment in Smaaash Leisure Limited (Formerly known as PVR BluO Entertainment Limited) (Refer note 52)	-	59
	-	**59**

(Rupees in lakhs, except for per share data and if otherwise stated)

30 Other comprehensive income

	March 31, 2019	March 31, 2018
The disaggregation of changes to OCI by each type of reserve in equity is shown below:		
Items that will not be reclassified to profit or loss in subsequent period:		
Re-measurement gains/(loss) on defined benefit plans	(606)	(162)
Gain/(loss) on equity instruments designated at FVTOCI (refer note 5B)	(874)	(888)
Income tax on re-measurement loss on defined benefit plans	203	63
Items that will be reclassified to profit or loss in subsequent period:		
Exchange difference in translating foreign subsidiary	(22)	-
	(1,299)	**(987)**

31 Earning per share (EPS)

	March 31, 2019	March 31, 2018
The following reflects the profit and shares data used in the basic and diluted EPS computations:		
Net Profit after tax	18,363	12,470
Weighted average number of equity shares in calculating basic EPS:		
- Number of equity shares outstanding at the beginning of the year	46,738,588	46,738,588
Weighted number of equity shares of ₹ 10 each outstanding during the year	**46,738,588**	**46,738,588**
Weighted average number of equity shares in calculating diluted EPS:		
Number of equity shares outstanding at the beginning of the year	46,738,588	46,738,588
Weighted number of equity shares of ₹ 10 each outstanding during the year (as above)	**46,738,588**	**46,738,588**
Add: Effect of stock options 300,000 (March 31, 2018: 300,000)	300,000	202,027
Weighted number of equity shares of ₹ 10 each outstanding during the year	**47,038,588**	**46,940,615**
Basic earnings per equity share (in ₹)	39.29	26.68
Diluted earnings per equity share (in ₹)	39.04	26.57

32 Gratuity:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The Parent Company Gratuity scheme is funded with two insurance companies in the form of a qualifying insurance policies. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets. Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise. Gratuity scheme of subsidiaries is unfunded.

As the plan assets include investments in quoted mutual funds, the Company has diversified the market risk.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Statement of profit and loss

Net employee benefit expense recognised in employee cost

Particulars	Funded		Unfunded	
	March 31,2019	March 31, 2018	March 31,2019	March 31, 2018
Current service cost	249	192	9	13
Interest cost on benefit obligation	12	14	4	3
Expected return on plan assets	10	-	-	-
Past service cost	-	-	-	8
Net benefit expense	**271**	**206**	**13**	**24**

(Rupees in lakhs, except for per share data and if otherwise stated)

Balance sheet

Benefit Assets/ liabilities

Particulars	Funded		Unfunded	
	March 31,2019	March 31, 2018	**March 31,2019**	March 31, 2018
Defined benefit obligation	3,066	1,882	83	46
Fair value of plan assets	2,160	1,365	-	-
Plan asset/(liability)	**(906)**	**(517)**	**(83)**	**(46)**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Funded		Unfunded	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Opening defined benefit obligation	1,882	1,556	46	70
Adjustment on account of Investment in SPI Cinemas Private Limited (refer note 42)	368	-	0	-
Interest cost	144	100	4	3
Past service cost	-	-	0	8
Current service cost	249	192	9	13
Benefits paid	(175)	(132)	(1)	(2)
Actuarial losses/(gain) – experience	356	179	23	(13)
Actuarial losses/(gain) – demographic assumptions	-	-	-	-
Actuarial losses/(gain) – financial assumptions	242	(13)	2	(2)
Acquisitions (credit)/ cost	-	-	0	-
Adjustment on account of sale of Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	-	-	(31)
Closing defined benefit obligation	**3,066**	**1,882**	**83**	**46**

Changes in the fair value of plan assets are as follows:

Particulars	**March 31, 2019**	March 31, 2018
Opening fair value of plan assets	1,365	1,268
Adjustment on account of Investment in SPI Cinemas Private Limited (refer note 42)	407	-
Return on plan assets greater/(lesser) than discount rate	17	(7)
Interest income on plan assets	122	86
Benefits paid	(151)	(132)
Contribution by employer	400	150
Actuarial Gain/(losses)	-	0
Closing fair value of plan assets	**2,160**	**1,365**

The Parent Company expects to contribute ₹ 667 lakhs (March 31, 2018 ₹ 500 lakhs) to gratuity fund in the financial year 2018-19.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	**2018-19**	2017-18
Funds managed by Insurer*	97.26	99.16
Bank balances	2.74	0.84

* Plan assets are held by "ICICI Prudential Life Insurance Company Limited" primarily into Group Balanced fund & Group Debt fund and "Bajaj Allianz Life Insurance Company Limited" into Bajaj Secure gain fund.

(Rupees in lakhs, except for per share data and if otherwise stated)

The principal assumptions used in determining gratuity obligations for the Parent Company's plans are shown below:

Particulars	2018-19 (%)	2017-18 (%)
Discount rate	6.80	7.10
Expected rate of return on plan assets	6.80	7.10
Increase in compensation cost	10.50 for first 2 years and 9.00 thereafter	10.50 for first 2 years and 9.00 thereafter
Employee turnover		
Manager Grade	15	15
Executive Grade	55	55

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

Historical information: Funded

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Present value of defined benefit obligation	3,066	1,882	1,556	1,139	937
Fair value of plan assets	2,160	1,365	1268	604	246
Asset/(liability) recognised	(906)	(517)	(288)	(535)	(691)

Historical information: Non Funded

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Present value of defined benefit obligation	83	46	70	59	41
Fair value of plan assets	-	-	-	-	-
Asset/(liability) recognised	(83)	(46)	(70)	(59)	(41)

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations for the parent Company are as follows:

Particulars	2018-19	2017-18
Experience adjustment on plan liabilities	6.80	7.10
Experience adjustment on plan assets	6.80	7.10

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2019 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(96.01)	105.33
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	107.96	(100.39)
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(67.31)	93.03

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2018 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(70.65)	77.58
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	79.86	(74.19)
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.47)	65.58

The sensitivity analysis above has been determined on the basis of actuarial certificate.

(Rupees in lakhs, except for per share data and if otherwise stated)

Maturity profile of defined benefit obligation of the Parent Company:

Expected benefit payments for the year ending March 31, 2019	Amount
March 31, 2020	720
March 31, 2021	563
March 31, 2022	481
March 31, 2023	421
March 31, 2024	416
March 31, 2024 to March 31, 2029	2,316

Expected benefit payments for the year ending March 31, 2018	Amount
March 31, 2019	555
March 31, 2020	367
March 31, 2021	337
March 31, 2022	288
March 31, 2023	262
March 31, 2023 to March 31, 2028	1,158

The sensitivity analysis above has been determined on the basis of actuarial certificate.

Defined Contribution Plan:

Particulars	2018-19	2017-18
Charged to statement of profit & loss (including Capital work in progress of ₹ 62 lakhs (March 31, 2018: ₹ 48 lakhs)	1,357	812

33 Employee Stock Option Plans

The Parent Company has provided stock options to its employees. During the year 2018-19, the following schemes were in operation:

PVR ESOS 2017:

Date of grant	July 26, 2017
Date of Shareholder's approval	July 24, 2017
Date of Board Approval	May 30, 2017
Number of options granted	240000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than three years from the date of grant of options.
Exercise Period	Within a period of two years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company.
Market value on grant date	₹ 1,381.7
Weighted average fair value of options granted on the date of grant	₹ 252.48

The details of activity under PVR ESOS 2017 have been summarised below:

Particulars	March 31, 2019		March 31, 2018	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	240,000	1,400	-	-
Granted during the year	-	-	240,000	1,400
Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	240,000	1,400	240,000	1,400
Exercisable at the end of the year	-	-	-	-

(Rupees in lakhs, except for per share data and if otherwise stated)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2019	March 31, 2018
Dividend yield (%)	0.12%	0.12%
Expected volatility	24.46%	24.16%
Risk-free interest rate	6.23%	6.17%
Exercise price (₹)	1400	1400
Expected life of option granted in years	2.17	1.17

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 1,400. As a result, an expense of ₹ 243 lakhs (March 31, 2018 : ₹ 247 lakhs) is recorded in financial statements.

PVR ESOS 2017:

Date of grant	August 11, 2017
Date of Shareholder's approval	July 24, 2017
Date of Board Approval	May 30, 2017
Number of options granted	60,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than three years from the date of grant of options.
Exercise Period	Within a period of two years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company.
Market value on grant date	₹ 1,381.7
Weighted average fair value of options granted on the date of grant	₹ 252.48

The details of activity under PVR ESOS 2017 have been summarised below:

Particulars	2018-19		2017-18	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	60,000	1,400	-	-
Granted during the year	-	-	60,000	1,400
Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	60,000	1,400	60,000	1,400
Exercisable at the end of the year	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2019	March 31, 2018
Dividend yield (%)	0.12%	0.12%
Expected volatility	24.46%	24.16%
Risk-free interest rate	6.23%	6.17%
Exercise price (₹)	1,400	1,400
Expected life of option granted in years	2.17	1.17

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 1,400. As a result, an expense of ₹ 63 lakhs (March 31, 2018 : ₹ 58 lakhs) is recorded in financial statements of which ₹ 10 lakhs (March 31, 2018 : ₹ 10 lakhs) is capitalised under Capital work-in progress and balance ₹ 53 (March 31, 2018 : ₹ 48 lakhs) lakhs is debited in statement of profit and loss.

(Rupees in lakhs, except for per share data and if otherwise stated)

34 Leases

i Rental expenses in respect of operating leases are recognised as an expense in the statement of profit and loss and capitalised under CWIP, as the case may be.

Operating Lease (for assets taken on lease)

Disclosure for assets taken under non-cancellable leases, where the Company is presently carrying commercial operations is as under, which reflects the outstanding amount for non-cancellable period:

Particulars	2018-19	2017-18
Lease payments for the year recognised in statement of profit and loss	50,785	40,949
Lease payments for the year recognised in Capital work in progress	760	28
Minimum lease payments:		
Within one year	30,748	25,076
After one year but not more than five years	94,711	69,498
More than five years	74,348	48,539

ii Rental income/Sub-lease income in respect of operating leases are recognised as an income in the statement of profit and loss or netted off from rent expense, as the case may be.

Operating Lease (for assets given on lease)

The Group has given various spaces under operating lease agreements. These are generally cancellable on mutual consent and the lessee can vacate the rented property at any time. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Particulars	2018-19	2017-18
Sub-lease rent receipts	832	925

iii Finance lease: Company as lessee

The Parent Company has finance leases contracts for plant and machinery (Projectors). These leases involve significant upfront lease payment, have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

Particulars	March 31,2019		March 31,2018	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	899	673	898	593
After one year but not more than five years	1,814	1,601	2,670	2,238
More than five years	-	-	42	37
Total minimum lease payments	**2,712**	**2,274**	**3,610**	**2,868**
Less: amounts representing finance charges	(438)	-	(742)	-
Present value of minimum lease payments	**2,274**	**2,274**	**2,868**	**2,868**

35 Capital & Other Commitments

(a) Capital Commitments

Particulars	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	15,440	7,320

(b) Other Commitments

The Parent Company was availing Entertainment tax exemptions, in respect of certain Multiplexes as per the erstwhile State Government schemes & is under obligation to operate respective Multiplexes for a certain number of years.

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

36 Contingent Liabilities

Sr. No.	Particulars	March 31, 2019	March 31, 2018
a)	Possible exposure against various appeals filed by the Parent Company against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006 respectively. {the Company has paid an amount of ₹ 938 lakhs (March 31, 2018 : ₹ 890 Lakhs) which is appearing under note "Other assets"}.	3,111	1,105
b)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before Supreme Court.	334	334
c)	Notice from Entertainment Tax Department Chennai against short deposit of Entertainment Tax on regional movies.	43	43
d)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823
e)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees.	161	161
f)	Show cause notices raised by Service tax Commissionerate. New Delhi. (The Parent Company has already deposited under protest an amount of ₹ 232 lakhs (March 31,2018 :₹ 90 lakhs)) and Levy of service tax on 3D glass charges and TM charges for the financial year 2012-13 to 2017-18 and activity of movie distribution for the financial year 2011-12. (One of the subsidiary Company has already deposited under protest an amount of ₹ 35 lakhs).	5,055	2,537
g)	Demand raised with regard to service tax on food and beverages. The Parent Company has paid ₹ 185 lakhs (March 31,2018 : ₹184 lakhs)	3,666	2,492
h)	Possible exposure of Service tax on sale of food and beverages.	6,032	6,076
i)	Demand of Sales tax under Various States VAT Acts where appeal is pending before competent authority (the Parent Company has paid an amount of ₹ 27 lakhs (March 31, 2018 : ₹ 54 lakhs) under protest).	1,367	1,032
j)	Demand from Entertainment Tax Department of Tamil Nadu in respect of levy of Entertainment tax on Convenience fees.	2,314	-
k)	Demand of entry tax in the state of Telangana for various material imported into the State (one of the subsidiary Company has already deposited under protest an amount of ₹ 25 lakhs).	101	-
l)	Claims against the Company not acknowledged as debts.	0	171
m)	Demand of entertainment tax under rule 22 of Punjab entertainment tax (Cinematographs shows) Rules, 1954 (The parent Company has paid ₹ 40 lakhs (March 31, 2018 : ₹ Nil) under protest)	144	144
n)	Demand of entertainment tax underAndhra Pradesh Entertainment tax FY 2011-12 to 2014-15	99	-
o)	Demand under Employees Provident Fund Act, 1952 in one of the subsidiary (amount paid under protest ₹ 38 lakhs)	106	-
p)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable

*In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however, as per estimate of management, the amount in aggregate is not material. Based on the discussions with the solicitors, the management believes that the Company has strong chances of success in the cases and hence no provision is considered necessary.

Pursuant to judgment by the Hon'ble Supreme Court dated February 28, 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicability of the judgment and period from which the same applies. The group has estimated the impact of the same from March 1, 2019 to March 31, 2019 based on a prospective approach and has recognized the same in the financial statements.

Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the group has not recognised any provision for the previous years. Further management also believes that the impact of the same on the group will not be material

(Rupees in lakhs, except for per share data and if otherwise stated)

37 Un-hedged Foreign Currency exposure

Particulars of un-hedged foreign currency exposure as at the balance sheet date:

Particulars		Currency	March 31, 2019	March 31, 2018
a)	Cash in Hand	Thai Bhat	0.49	0.29
		Hong Kong Dollar	0.19	0.18
		Korean Won	-	0.00
		UK Pound	0.19	1.05
		Singapore Dollar	0.63	0.61
		US Dollar	0.66	1.49
		LKR	0.01	0.01
		Euro	4.05	8.55
		Chinese Yuan	-	0.42
		Dirham	0.59	0.83
	Total		**6.82**	**13.43**
b)	Payable for purchase of Property, Plant and Equipment	US Dollar	1,352.92	761.09

38 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprise Development Act, 2006 which comes into force with effect from October 02, 2006. As per the act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Company has sent the confirmation letters to its suppliers at the year end, to identify the supplier registered with the act. As per the information available with the Company, none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure done.

39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, Company, meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Parent Company as per the Act.

During the year, the Parent Company has spent ₹ 360 lakhs through its foundation PVR Nest . PVR Nest focuses on providing education, healthcare, nutrition and rehabilitation to children.

Particulars	2018-19	2017-18
Gross amount required to be spent by the Parent Company during the year	360	232
Amount spent during the year (refer note 28)	360	232

(Rupees in lakhs, except for per share data and if otherwise stated)

40 Disclosure required under Section 186(4) of the Companies Act, 2013

Full particulars of loans given, investment made, guarantee given, security provided together with purpose in terms of Section 186(4) of the Companies Act, 2013

(a) Investment made

Particulars		Full particulars	Purpose	March 31, 2019	March 31, 2018
Vkaao Private Limited	Entertainment	Equity share of ₹ 10 each 3,000,000 (March 31, 2018: Equity share of ₹ 10 each 3,000,000)	Vkaao is engaged in the business of private screening of movies (Movie on Demand) for its consumers through theatres	112	227
PVR Pictures Pte. Limited[1]	International	Equity share of SGD 1 each 500 (March 31, 2018: Equity share of SGD 1 each 500)	Movie distribution business outside of India	0	-

(b) Loan given

Particulars	Rate of Interest (p.a)	Due Date	Secured/ Unsecured	March 31, 2019	March 31, 2018
Sandhya Prakash Limited[2]	18%	13 monthly instalments adjusted with lease rentals till April 2018.	Unsecured	55	55
Evergreen Cine Services Pvt. Ltd.[3]	Nil	Repayable on demand	Unsecured	132	-
SPI Music Pvt. Ltd.	Nil	Within 200 days	Unsecured	13	-

[1]During the year ended March 31, 2018, PVR Pictures Limited has given an advance of Rs. 25 lakhs to its joint venture Company PVR Pictures International Pte. Limited against which share allotment is pending, which is appearing under note "Other assets". This advance was repaid in the current financial year.
[2]The loan had been given to Sandhya Prakash Ltd. (Mall Developer) for their capital expenditure requirement, where the Parent Company has an existing operational cinema. The parent Company is carrying a provision against the outstanding loan amount.
[3]Provision has been created against the outstanding loan amount given to Evergreen Cine Services Pvt Ltd by one of the Subsidiary.

41 Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value & fair value of financial instruments by categories as of March 31, 2019 were as follows:

Particulars	Note	Level of hierarchy	Carrying Amount: Amortised Cost	Carrying Amount: Financial Assets/ liabilities at fair value through profit or loss	Carrying Amount: Financial Assets/ liabilities at fair value through OCI
Financial Assets:					
Investments - FVTOCI	5B	1	-	-	820
Investments - Amortised cost	5B	2	173	-	-
Loans	13	-	24,188	-	-
Trade receivables	11	-	18,386	-	-
Cash and cash equivalent	12	-	2,817	-	-
Other bank balances	12	-	597	-	-
Other financial assets	6	-	4,387	-	-
Total			**50,548**	**-**	**820**
Financial Liabilities:					
Borrowings (including current maturities)					
- Secured Rated Listed Non-Convertible Debentures	17	1	51,907	-	-
- Other borrowings	17	3	76,332	-	-
Trade payables	20	-	36,771	-	-
Other financial liabilities -Contingent consideration*	20	3	10,000	-	-
Other financial liabilities	21	-	12,469	-	-
Total			**187,479**	**-**	**-**

* The said contingent consideration is a fixed amount, payable to the shareholders of SPI Cinemas on achievement of certain milestones, where achievement of certain milestones, with regard to opening of new cinema hall and obtaining regulatory approval is more probable. As the contingent consideration is a fixed amount and is expected to be settled within a period of 12 months from the acquisition date and accordingly the present value is same as the expected amount payable.

(Rupees in lakhs, except for per share data and if otherwise stated)

The carrying value & fair value of financial instruments by categories as of March 31, 2018 were as follows:

Particulars	Note	Level of hierarchy	Carrying Amount		
			Amortised Cost	Financial Assets/ liabilities at fair value through profit or loss	Financial Assets/ liabilities at fair value through OCI
Financial Assets:					
Investments - FVTOCI	5B	1	-	-	1,693
Investments - Amortised cost	5B	2	174	-	-
Loans	13	-	20,557	-	-
Trade receivables	11	-	15,561	-	-
Cash and cash equivalent	12	-	2,776	-	-
Other bank balances	12	-	503	-	-
Other financial assets	6	-	4,270	-	-
Total			**43,841**	**-**	**1,693**
Financial Liabilities:					
Borrowings (including current maturities)					
- Secured Rated Listed Non -Convertible Debentures	17	1	56,294	-	-
- Other borrowings	17	3	26,757	-	-
Trade payables	20	-	25,111	-	-
Other payables	21	-	7,251	-	-
Total			**115,413**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.

- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

42 Business Combinations

Acquisition of SPI Cinemas Private Limited: The Board of Directors in its meeting held on August 12, 2018, approved the acquisition of SPI Cinemas Private Limited ("SPI") via Share Purchase Agreement (SPA) signed on August 12, 2018 by way of acquisition of 71.69% equity shares in SPI for a cash consideration of ₹ 63,560 lakhs and for the balance 28.31% stake, through issue of 1,599,974 equity shares of the Company to SPI shareholders in the ratio of 1: 18.19 equity shares in the Company, pursuant to the proposed scheme of amalgamation ("Scheme"). Consequent to above, on fulfilment of condition precedent in the said SPA, on August 17, 2018, the Company completed the acquisition of 71.69% shareholding in SPI. The proposed scheme of amalgamation has been approved by National Stock Exchange of India Limited & BSE Limited. Further, the scheme of amalgamation has been approved by the members, secured and unsecured creditors of the Company and unsecured creditors of SPI in the NCLT convened meetings on April 24, 2019. The Company has filed an application with NCLT for final order in the matter. NCLT vide order dated May 8, 2019 has fixed July 10, 2019 as the next date of hearing of the Petition for the consideration of the approval of the Scheme of Amalgamation between the Petitioner Companies.

The acquisition of SPI is of significant strategic value for the Company and will further cement the Company's market leadership position in India. The acquisition will make the Company leader in the South Indian market and provide an attractive platform for us to expand in that geography, which currently is highly underpenetrated in terms of multiplexes. The Company expects to realise synergies and cost savings related to this acquisition as a result of purchasing and procurement economies of scale and general and administrative expense savings, particularly with respect to the consolidation of corporate related functions and elimination of redundancies.

(Rupees in lakhs, except for per share data and if otherwise stated)

A Fair value of consideration transferred:-

Particulars	Amount
Cash consideration	53,560
Deferred consideration *	10,000
	63,560
Value of Equity shares to be issued **	25,000
Total consideration for business combination	**88,560**

*Deferred Consideration is outstanding and payable to SPI Cinemas shareholders on achievement of certain milestones (opening of cinema hall and getting certain regulatory approvals), where achievement of certain milestones, with regard to opening of new cinema hall and obtainng regulatory approval is more probable.
**Represents Non-controlling interest in the acquired Company as at acquisition date measured at fair value.

B Fair value of identifiable assets acquired and liabilities assumed as on the date of acquistion on a provisional basis is as below:

Particulars	Amount
Property, plant and equipment	20,204
Land	797
Capital work in progress	3,388
Intangible assets	17,000
Other non-current assets	8,431
Inventories	277
Trade receivables	1,844
Other financial assets	435
Other current assets	1,943
Total assets	**54,319**
Non-current Borrowings	12,993
Current Borrowings	550
Other non-current liabilities*	10,785
Other financial liabilities	3,629
Other current liabilities	2,995
Total Liabilities	**33,313**
Total Fair Value of the Net Assets * **	**21,006**

* Includes Deferred tax liabilities of ₹ 7,263 lakhs, refer note-47 of Income tax expense .

C Amount recognised as provisional goodwill

Particulars	Amount
Total consideration for business combination (Refer A above)	88,560
Less: Fair value of net assets acquired (Refer B above)	21,006
Provisional Goodwill * **	**67,554**

*** Basis preliminary purchase price allocation to various identifiable acquired assets and assumed liabilities, provisional Goodwill has been recognised. Accordingly, the fair values of assets acquired and liabilities assumed may be adjusted with the corresponding adjustment to Goodwill during the measurement period as stated in "Ind AS 103 (Business Combination)".

D Non-controlling Interest includes ₹ 25,000 lakhs towards balance 28.31% stake in SPI. The valuation of Non-controlling has been done at the rate of ₹ 1562.5 per share for 1,599,974 equity shares. To arrive at the relative value of SPI and PVR, appropriate weights were given to the value per share determined as per the Income Approach and Market Approach.

E As on date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was ₹ 2,279 Lakhs against which no provision has been considered, since fair value of acquired receivables and other financial assets are equal to carrying value as on date of acquisition.

(Rupees in lakhs, except for per share data and if otherwise stated)

F Details of Revenue and financial results generated by SPI post acquisition:

Particulars	August 18, 2018 to March 31, 2019
Income from Sale of movie tickets	12,684
Sale of food and beverages	8,966
Advertisement income	2,450
Convenience fees	2,432
Other Operating Revenue	3,178
Revenue from operations	**29,710**
Other Income	174
Total Income	**29,884**
Net profit after tax	**2,301**

If the acquisition had occurred on April 1, 2018, management estimates that the consolidated revenue from operations would have been ₹ 324,607 lakhs, and consolidated profit for the year would have been ₹ 19,420 lakhs. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on April 1, 2018.

G Acquisition related costs amounting to ₹ 133 lakhs has been charged to Statement of profit and loss.

H As the acquisition being voluminous in nature, the management is in the process of finalising its fair valuation with regard to the assets acquired and liabilities assumed, accordingly, provisional fair values have been considered as at the year ended 31 March 2019. The same will be finalised when the information is obtained or within 1 year of acquisition as required under Ind AS 103 "Business Combination".

43 Financial risk Management objective and policies

The Group's financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. Group's financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Group is exposed to market risk, credit risk, legal, taxation and accounting risk and liquidity risk. Group's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Group's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Parent Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase effect		Decrease effect	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans	505	177	(505)	(177)

(Rupees in lakhs, except for per share data and if otherwise stated)

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of Group's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and Accounting risk

Group is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to personal injury claims, landlord-tenant disputes, commercials disputes, tax disputes(including entertainment tax subsidy and other direct and indirect tax matters like GST, service tax, sales tax etc.), employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, Group records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, Group employs in-house counsel and uses third party tax & legal experts to assist in structuring significant transactions and contracts. Group also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Consolidated Balance Sheet

Particulars	March 31,2019	March 31, 2018
Trade Receivables	18,386	15,561
Cash and cash equivalents	2,817	2,776
Other bank balances	597	503
Loans	1,183	1,275
Other financial assets	2,145	2,109

Credit risk is the risk of financial loss to Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets primarily represents security deposits given to Mall Developers. Such deposit will be returned to the Company on expiry of lease entered with Mall Developer. The credit risk associated with such security deposits is relatively low.

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Trade receivables also includes receivables from Debit/credit card companies and online movie ticketing partners which are realisable within a period 1 to 3 working days. The Company monitors the economic environment in which it operates. The Company manages its credit risk through establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables (other than Government dues) are in default/doubtful if the payment is outstanding for more than 270 days and more than 365 days in case of government dues. Basis above, for the year ended March 31, 2019, Company has impaired Trade receivables of ₹ 2,619 lakhs (March 31, 2018: ₹ 1,211 lakhs).

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers.

(Rupees in lakhs, except for per share data and if otherwise stated)

Movement in the allowance for impairment in respect of trade receivables.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of the year	1,211	921
Impairment loss recognised/(reversed)	1,408	290
Amount written off	-	-
Balance at the end of the year	2,619	1,211

(d) Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, finance leases and advance payment terms.

The Company's liquidity management process as monitored by management, includes the following:

- Day to Day funding, managed by monitoring future cash flows to ensure that requirements can be met.

- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

- Maintaining diversified credit lines.

Particulars	Borrowings (including current maturities)*		Trade and other payables	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
On demand	3,560	100	-	-
Less than 3 months	12,206	11,875	54,285	32,224
3 to 12 months	10,703	15,102	556	-
1 to 5 years	94,627	56,211	4,399	138
More than 5 years	7,331	37	-	-
Total	**128,427**	**83,325**	**59,240**	**32,362**

*Borrowing includes Non-Convertible Debentures, Term loans, finance lease obligations, Bank overdraft and commercial papers excluding transaction cost.

The Group has also significant contractual obligations in the form of operating lease (Note no. 34(i)) and capital & other commitments (Note No.35).

44 Capital Management

For the purpose of Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is long-term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars		March 31,2019	March 31, 2018
Long-term debt		119,724	73,068
Payable for purchase of fixed assets		6,844	6,549
Total	(A)	**126,568**	**79,617**
Equity	(B)	**123,949**	**107,536**
Gearing ratio	(A/B)	**102%**	**74%**

(Rupees in lakhs, except for per share data and if otherwise stated)

45 The Board of Directors has recommended a final dividend of 20% (₹ 2 per fully paid up equity share of ₹ 10 each) for the year ended March 31, 2019 in the Board meeting dated May 10, 2019, subject to the approval of shareholders at the ensuing Annual General meeting of the Company.

46 Expenses capitalised

The Group has capitalised following expenses through capital work in progress (CWIP) which directly or indirectly relates to setting up of cinemas. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Particulars	March 31, 2019	March 31, 2018
Salary, allowance and bonus	1,109	1,364
Contribution to provident and other funds	63	48
Rent	760	28
Electricity and water charges	32	59
Repairs and maintenance	319	117
Rates and taxes	723	310
Travelling and conveyance	127	93
Architects & professional	1,427	560
Insurance	21	10
Communication cost	6	7
Security service charges	268	215
Finance cost	1,501	429
Other miscellaneous expenses	46	11
Total	**6,402**	**3,251**

47 Income tax expense

	Particulars	March 31,2019	March 31, 2018
(a)	Income tax expense reported in the statement of profit or loss comprises:		
	Current income tax:		
	Current tax	10,010	4,889
	Income tax for earlier years	27	-
	Total current tax	**10,037**	**4,889**
	Deferred tax:		
	Relating to origination and reversal of temporary differences	794	2,155
	MAT credit (entitlement)/reversal for earlier years	135	0
	Total deferred tax	**929**	**2,155**
	Income tax expense reported in the statement of profit or loss	**10,966**	**7,044**
	Effective Income tax rate	**36.7%**	**36.2%**
(b)	Statement of Other Comprehensive Income		
	Net loss/(gain) on re-measurements of defined benefit plans	203	63
(c)	Statement of Other Comprehensive Income		
	Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
	Accounting profit before tax	29,903	19,446
	Statutory income tax rate	34.94%	34.61%
	Computed tax expense	10,449	6,730
	Adjustments in respect of current income tax of previous years	162	253
	Non-deductible expenses for tax purposes	355	61
	Income tax charged to statement of profit & loss	**10,966**	**7,044**

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars		March 31,2019	March 31, 2018
(d)	MAT credit entitlement		
	Opening Balance	7,441	8,241
	Add: MAT credit entitlement/(reversal) for earlier years	(135)	0
	Less: Adjustment on account of sale of Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	(85)
	Add: MAT credit entitlement for current year	62	0
	Less: MAT credit entitlement utilisation for the year	(3,139)	(715)
	Closing Balance	**4,229**	**7,441**
(e)	Deferred tax asset/(Liability)		
	Opening Balance	(5,940)	(4,006)
	Add: Adjustment on account of acquisition of SPI Cinemas Private Limited (refer note 42)	(7,263)	
	Less: Impact of differences in W.D.V. block under Income tax and Books of accounts	(1,464)	(2,617)
	Add: Effect of carry forward of losses and unabsorbed depreciation	-	6
	Add: Tax income/(expenses) on other timing differences	1,961	516
	Less: Adjustment on account of sale of Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) (refer note 52)	-	161
	Closing balance	**(12,706)**	**(5,940)**

48 Related Party Disclosure

Names of related parties and related party relationship

Subsidiaries	PVR Pictures Limited
	Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) upto August 31, 2017 (Refer note 52)
	Zea Maize Private Limited
	P V R Lanka Limited
	SPI Cinemas Private Limited (w.e.f. August 17, 2018)
	SPI Entertainment Projects (Tirupati) Pvt Ltd (wholly owned subsidiary of SPI Cinemas Pvt Ltd.) (w.e.f. August 17, 2018)
	PVR Middle East FZ LLC (w.e.f. November 15, 2018)
Key management personnel	Mr. Ajay Bijli, Chairman cum Managing Director
	Mr. Sanjeev Kumar, Joint Managing Director
	Mrs. Renuka Ramnath, Director
	Mr. Amit Burman, Director
	Mr. Sanjai Vohra, Director
	Mr. Vikram Bakshi, Director
	Mr. Sanjay Khanna, Director
	Mr. Chirag Gupta, Director
	Mr. Ankur Gupta, Director
	Mr. S V Swaroop Reddy (w.e.f. August 17, 2018)
	Ms Deepa Misra Harris, Director (w.e.f March 27,2019)
Relatives of Key Management Personnel	Mrs. Selena Bijli, Wife of Mr. Ajay Bijli
	Ms. Nayana Bijli, Daughter of Mr. Ajay Bijli
	Mr. Aamer Krishan Bijli, Son of Mr. Ajay Bijli
	Mr. Satya Narain, Father of Mr. Ankur Gupta
Other Investment	Vkaao Entertainment Private Limited (50% each held by PVR Pictures Limited and Big tree Entertainment Private Limited)
	PVR Pictures International pte Limited
Enterprises over which Key management personnel and their relatives are able to exercise significant influence	PVR Nest
	Priya Exhibitors Private Limited
	Sree Shyam Sayi Corporation Pvt Ltd. (w.e.f. August 17, 2018)

Notes

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(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Subsidiary Companies		Key Management Personnel and their relatives		Other Investment		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
TRANSACTIONS DURING THE YEAR								
Remuneration paid								
Ajay Bijli	-	-	1,073	745	-	-	-	-
Sanjeev Kumar	-	-	903	645	-	-	-	-
Nayana Bijli	-	-	7	-	-	-	-	-
S V Swaroop Reddy			67	-				
Chirag Gupta	-	-	27	15	-	-	-	-
Ankur Gupta	-	-	15	15	-	-	-	-
Sitting fees and commission								
Amit Burman			5	5				
Sanjay Khanna			4	3				
Sanjay Vohra			15	12				
Vikram Bakshi	-	-	9	6	-	-	-	-
Rent Expense								
Priya Exhibitors Private Limited	-	-	-	-	-	-	48	288
Sree Shyam Sayi Corporation Pvt Ltd.	-	-	-	-	-	-	615	-
Satya Narain	-	-	30	26	-	-	-	-
Sale of Goods								
Chirag Gupta	-	-	0	0	-	-	-	-
Film Distributors Share expense								
Vkaao Entertainment Private Limited	-	-	-	-	113	77	-	-
Income From Sales Of Tickets of Films								
Vkaao Entertainment Private Limited	-	-	-	-	-	3	-	-
Final Dividend Paid								
Ajay Bijli	-	-	108	105	-	-	-	-
Sanjeev Kumar	-	-	75	75	-	-	-	-
Selena Bijli	-	-	4	4	-	-	-	-
Aamer Krishan Bijli	-	-	3	6	-	-	-	-
Loan repaid								
Mr Chirag Gupta	-	-	10	6	-	-	-	-
Donation given								
PVR Nest	-	-	-	-	-	-	360	215

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Subsidiary Companies		Key Management Personnel and their relatives		Other Investment		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
BALANCE OUTSTANDING AT THE END OF THE YEAR								
Trade Payable								
Vkaao Entertainment Private Limited	-	-	-	-	21	45	-	-
Sree Shyam Sayi Corporation Pvt Ltd.							84	-
Chirag Gupta	-	-	11	3	-	-	-	-
Ankur Gupta	-	-	6	4	-	-	-	-
Trade Receivable								
Chirag Gupta			0	-				
Vkaao Entertainment Private Limited	-	-	-	-	13	-	-	-
Corporate Guarantee (Deemed Equity)								
SPI Cinemas Private Limited	214	-	-	-	-	-	-	-
Security Deposits Given								
Priya Exhibitors Private Limited	-	-	-	-	-	-	144	144
Sree Shyam Sayi Corporation Pvt Ltd.				-	-	-	150	-
Satya Narain	-	-	6	6	-	-	-	-
Loan from Directors								
Chirag Gupta	-	-	-	10	-	-	-	-
Investment in Equity Share Capital								
Vkaao Entertainment Private Limited	-	-	-	-	300	300	-	-
PVR Pictures International PTE. Limited (Refer note (e))	-	-	-	-	0	25	-	-

Notes:

(a) The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

(b) The financial figures in above note exclude expenses reimbursed to/by related parties

(c) No amount has been provided as doubtful debts or advance/ written off or written back in the year in respect of debts due from/to above related parties.

(d) The financial figures in above note excludes GST/Sales tax/Service tax, as applicable.

(e) SGD 49,500 share application money credited back on July 26, 2018.

49 Segment Information

Operating Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company has been identified as being the chief operating decision maker to assess the financial performance and position of the Group and make strategic decisions. The Group is engaged primarily in the business Movie exhibition and Others allied activities (includes Movie production, distribution & gaming etc.).

Chief operating decision maker does not review assets and liabilities at reportable segments level, hence segment disclosure relating to total assets and liabilities have not been provided. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Movie exhibition is primarily the main segment and movie production, distribution & gaming etc. are less than 10% and hence aggregated under ""Others"".

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Movie exhibition*		Others (includes Movie production, distribution & gaming etc.)**		Elimination		Total	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018	**March 31, 2019**	March 31, 2018	**March 31, 2019**	March 31, 2018
REVENUE								
Revenue from operations	299,579	222,691	8,977	10,719	-	-	308,556	233,411
Inter segment sales	76	98	1,864	2,120	(1,940)	(2,218)	-	-
Other income	3,188	2,953	238	230	(112)	(48)	3,314	3,134
Total Revenue	**302,843**	**225,742**	**11,079**	**13,069**	**(2,052)**	**(2,266)**	**311,870**	**236,545**
SEGMENT RESULTS								
Operating profit	29,160	18,762	743	536	-	207	29,903	19,505
Exceptional items							-	(59)
Income tax							(10,966)	(7,044)
Net Profit before NCI	**-**	**-**	**-**	**-**	**-**	**-**	**18,937**	**12,402**

Other information	**March' 31, 2019**	March' 31, 2018	**March' 31, 2019**	March' 31, 2018	**March' 31, 2019**	March' 31, 2018	**March' 31, 2019**	March' 31, 2018
Total assets	381,420	226,039	9,476	8,845	-	-	390,896	234,884
Unallocated assets	11,849	6,919	2,298	2,259	-	-	14,147	9,178
Total Allocated Assets	**369,571**	**219,120**	**7,178**	**6,586**	**-**	**-**	**376,749**	**225,706**
Total liabilities	238,960	123,291	2,325	3,976	-	-	241,285	127,267
Unallocated liabilities	138,307	83,122	246	168	-	-	138,553	83,290
Total allocated liabilities	**100,653**	**40,169**	**2,079**	**3,808**	**-**	**-**	**102,732**	**43,977**
Capital Employed (allocable)	268,918	178,951	5,099	2,778	-	-	274,017	181,729
Capital Employed (unallocable)							(124,406)	(74,112)
Capital expenditure	42,055	31,160	1,564	2,842	-	-	43,619	34,002
Depreciation/amortisation	18,165	14,119	963	1,250	-	-	19,128	15,369
Provision for doubtful debts and advances	1,266	350	7	16	-	-	1,273	366

* Revenue from operations include Income from sale of movie tickets - ₹ 1,63,543 lakhs (March 31, 2018: ₹ 1,24,708 lakhs), Advertisement income - ₹ 35,352 lakhs (March 31, 2018: ₹ 29,486 lakhs), Convenience fees - ₹ 13,035 lakhs (March 31, 2018: ₹ 5,971 lakhs) , Virtual print fees - ₹ 2,918 lakhs (March 31, 2018: ₹ 1,724 lakhs), Movie exhibition portion of Sale of food and beverages - ₹ 84,665 lakhs (March 31, 2018: ₹ 60,765 lakhs) and Management fees - ₹ 66 lakhs (March 31, 2018 - ₹ 38 lakhs).

** Revenue from operations include Income from movie production and distribution - ₹ 6,192 lakhs (March 31, 2018: ₹ 6,216 lakhs) , Gaming Income - ₹ 470 lakhs (March 31, 2018: ₹ 1,465 lakhs), Food court Income - ₹ 1,141 lakhs (March 31, 2018: ₹ 1,102 lakhs), Advertisement income - ₹ nil (March 31, 2018: ₹ 207 lakhs), Sale of traded goods - ₹ nil (March 31, 2018: ₹ 67 lakhs) and remaining portion of Sale of food and beverages - ₹ 1,174 lakhs (March 31, 2018: ₹ 1,662 lakhs)

- Secondary Segment - Geographical Segment: Group mainly caters to the needs of the domestic market and the export turnover is less than 10% of the total revenue. Hence no Geographical segment is disclosed.

- The Company does not have revenue more than 10% of total revenue from a single customer.

- "Other segment" and "Movie exhibition segment" financial figures reported above are not strictly comparable from previous year on account of sale of Investment in "Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) (refer note 52) and acquisition of SPI Cinemas Private Limited (refer note 42) respectively.

(Rupees in lakhs, except for per share data and if otherwise stated)

50 Additional Information pursuant to Schedule III of Companies Act 2013 - General Instructions for the preparation of consolidated financial statements" for the year ending March 31, 2019:

Name of the Entity	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (OCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
PARENT COMPANY:								
PVR Limited	80.85	120,961	94.08	17,275	86.99	(1,130)	94.63	16,147
Indian Subsidiaries:								
SPI Cinemas Private Limited	6.60	9,878	12.53	2,301	9.39	(122)	12.77	2,179
PVR Pictures Limited	2.94	4,403	2.61	480	1.23	(16)	2.72	464
Zea Maize Private Limited	0.21	314	(2.10)	(385)	0.69	(9)	(2.30)	(393)
Foreign Subsidiaries:								
P V R Lanka Limited	0.89	1,337	(0.21)	(39)	1.69	(22)	(0.35)	(60)
PVR Middle East FZ LLC	0	5	(0.02)	(4)	-	-	(0.02)	(4)
Share of Non Controlling interest								
SPI Cinemas Private Limited			(3.55)	(651)	-	-	(3.62)	(617)
Zea Maize Private Limited			0.30	56	-	-	0.34	58
Elimination	(3.08)	(4,614)	(3.02)	(555)	-	-	(3.49)	(595)
Adjustment on account of Business combination (refer note 42)	11.71	17,515	-	-	-	-	-	-
Share of profit/(loss) of Joint ventures	(0.12)	(188)	(0.63)	(115)	-	-	(0.67)	(115)
Total	**100**	**149,611**	**100**	**18,363**	**100**	**(1,299)**	**100**	**17,064**

General Instructions for the preparation of consolidated financial statements" for the year ending March 31, 2018:

Name of the Entity	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (OCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
PARENT COMPANY:								
PVR Limited	98.14	105,618	97.35	12,140	101.26	(999)	97.01	11,140
Indian Subsidiaries:								
PVR Pictures Limited	3.66	3,938	3.27	408	(1.06)	10	3.65	419
Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited)[1]	-	-	1.09	136	-	-	1.18	136
Zea Maize Private Limited	0.42	457	(1.68)	(210)	(0.51)	5	(1.79)	(205)
Foreign Subsidiaries:								
P V R Lanka Limited	0.12	128	(0.04)	(5)	0.31	(3)	(0.07)	(8)
Share of Non Controlling interest								
Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited)	-	-	0.25	31	-	-	0.27	31
Zea Maize Private Limited	-	-	0.30	37	-	-	0.32	36
Elimination	(2.28)	(2,451)	0.05	6			0.06	7
Share of profit/(loss) of Joint ventures	(0.06)	(73)	(0.58)	(73)	-	-	(0.63)	(73)
Total	**100**	**107,617**	**100**	**12,470**	**100**	**(987)**	**100**	**11,483**

Notes:

There are no subsidiaries which have not been considered in the Consolidated financial statement.

[1] Share of profit/loss of Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) includes reversal of additional depreciation provision created in financial year 2014-15 in respect of a site whose operations were suspended, on account of sale on Investment in Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) during the year (refer note 52).

Notes

to the Consolidated financial statements for the year ended March 31, 2019

(Rupees in lakhs, except for per share data and if otherwise stated)

51 During the year ended March 31, 2019 the Company has invested a sum of ₹ 10 lakhs in PVR Middle East FZ LLC, a Company incorporated on November 15, 2018 in UAE, to subscribe 50 number of equity shares of AED 1,000 each.

52 During the year ended March 31, 2018, the Group has sold its stake in one of its subsidiary Companies "Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) ("Investment")" to "Smaaash Entertainment Private Limited" for a total consideration of ₹ 8,600 lakhs, the details of which are as follows:

Particulars	March 31,2018
PVR share for 51% stake out of the total sale consideration of ₹ 8,600 lakhs*	4,386
Cost of Investment	(4,340)
Incidental expenses	(45)
Working Capital adjustment	(60)
Net loss on sale of Investment shown under exceptional item	**(59)**

* As on date of sale of investment, Smaaash Leisure Limited (formerly known as PVR BluO Entertainment Limited) had ₹ 1,411 lakhs as cash and cash equivalent.

53 During the year ended March 31, 2018, the PVR Pictures Limited sold off Movie on Demand platform - "Vkaao" to Vkaao Entertainment Private Limited vide Business transfer agreement the summary of transaction entered through slump sale are as below:

Particulars	March 31, 2018
Sale consideration	250
Less: Assets transferred as a part of slump sale	(99)
Add: Liabilities transferred as a part of slump sale	25
Less: Reimbursement of expenses (net)	(62)
Profit on Slump Sale	**114**

54 During the year ended March 31,2019 an additional capital was infused amounting to ₹ 1,269 lakhs (March 31, 2018: ₹ 137 lakhs) in P V R Lanka Limited (Subsidiary of Parent Company) thorugh equity shares and ₹ 250 lakhs (March 31, 2018: ₹ 150 lakhs) in Zea Maize Private Limited (Subsidiary of the Parent Company) through Compulsory convertible preference shares.

55 Under the erstwhile state entertainment tax laws, the Parent Company enjoyed exemption on payment of entertainment tax to recoup the capital investments made in cinemas. However, post implementation of GST, the mechanism on how such exemptions/refunds will be made available has not been clarified by the authorities. The Parent Company has submitted written representations to the various state governments directly and through multiplex associations, stating that since the Company has invested significant amounts on assurance that such exemptions will continue post GST, therefore, the authorities should crystalise the mechanism for extending such exemptions/refunds to the Parent Company. As the matter is still pending for conclusion with various state authorities, the Parent Company has not accounted for such incentives amounting to 1,398 lakhs from the period July 1, 2017 to March 31, 2019 in the financial statements.

56 The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of international transactions with the associated enterprises during the financial year and expects such records to be in existence latest by the due date of filing the return of income. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: May 10, 2019

For and on behalf of the Board of Directors of **PVR Limited**

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Mumbai
Date: May 10, 2019

Independent Auditor's Report

To the Members of PVR Limited

Report on the Audit of Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of PVR Limited (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind AS Financial Statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the Consolidated State of Affairs, Consolidated Profit and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Cash Flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group and its joint ventures to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 2 (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group and of its joint ventures as at 31 March 2018 and their Consolidated Profit and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Cash Flows for the year ended on that date.

Other Matters

1. The comparative financial information of the of the Group and its joint ventures for the year ended 31 March 2017 prepared in accordance with Ind AS, included in these Consolidated Ind AS Financial Statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated 30 May 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

2. We did not audit the Financial Statements of a subsidiary, whose Financial Statements reflect total assets of ₹ 129 lakhs and net assets of ₹ 128 lakhs as at 31 March 2018, total revenues of ₹ Nil lakhs and net cash inflows amounting to ₹ 127.5 lakhs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial statements also include the Group's share of net loss of ₹ 72.56 lakhs and other comprehensive income of ₹ Nil lakhs for the year ended 31 March 2018, as considered in the Consolidated Ind AS Financial Statements, in respect of two joint ventures whose Financial Statements have not been audited by us. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

   Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Financial Statements and the Other Financial Information of subsidiaries and joint ventures, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in and outside India, none of the directors of the Holding Company, subsidiary companies and joint ventures incorporated in and outside India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint ventures incorporated in and outside India and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Financial Statements as also the other Financial Information of the subsidiaries and joint ventures, as noted in the 'Other matters' paragraph:

      i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the

Consolidated Financial Position of the Group and its joint ventures. Refer Note 36 to the Consolidated Ind AS Financial Statements;

ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018;

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint ventures incorporated in and outside India during the year ended 31 March 2018; and

iv. The disclosures in the Consolidated Ind AS Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Consolidated Ind AS Financial Statements for the year ended 31 March 2017 have been disclosed. Refer Note 12 to the Consolidated Ind AS Financial Statements.

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

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 4 May 2018

Annexure A to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of PVR Limited

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Group as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to the Consolidated Ind AS Financial Statements of PVR Limited (hereinafter referred to as 'the Holding Company'), its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with respect to the Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to the Consolidated Ind AS Financial Statements

A Company's internal financial control with reference to the Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external

purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the Consolidated Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Ind AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the Consolidated Ind AS Financial Statements and such internal financial controls with reference to the Consolidated Ind AS Financial Statements were operating effectively as at 31 March 2018, based on the internal control with reference to the Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Ind AS Financial Statements insofar as it relates to 1 subsidiary Company and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary Company and joint venture incorporated in India. Our report is not modified in respect of this matter.

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

Jiten Chopra
Partner
Membership No.: 092894

Place: Gurugram
Date: 4 May 2018

Consolidated Balance Sheet

as at March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Note	March 31, 2018	March 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3	112,695	104,473
Capital work-in-progress	3	10,169	10,557
Goodwill	4	42,660	42,660
Goodwill on consolidation	4	787	705
Other intangible assets	4	2,843	3,030
Equity accounted Investees	5A	227	-
Financial assets			
Investments	5B	1,761	101
Other financial assets	6	21,443	17,838
Deferred tax assets (net) (includes MAT credit entitlement)	7A	1,560	4,326
Other non current assets	8	10,964	10,840
Total non-current assets	A	**205,109**	**194,530**
Current assets			
Inventories	9	1,980	1,904
Financial assets			
Investments	10	106	96
Trade receivables	11	15,561	10,208
Cash and cash equivalents	12	2,776	2,475
Other bank balances	12	503	515
Loans	13	103	525
Other financial assets	6	3,281	3,704
Other current assets	8	5,465	8,612
Total current assets	B	**29,775**	**28,039**
Total assets	A+B	**234,884**	**222,569**
Equity and liabilities			
Equity			
Equity share capital	14	4,674	4,674
Other equity	15	102,862	91,827
Equity attributable to equity holders of the Parent Company		**107,536**	**96,501**
Non-controlling interests	16	81	4,050
Total equity	A	**107,617**	**100,551**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	56,156	60,504
Provisions	18	1,001	710
Deferred tax liabilities (net) (includes MAT credit entitlement)	7B	59	91
Total non-current liabilities	B	**57,216**	**61,305**
Current liabilities			
Financial liabilities			
Borrowings	19	9,983	12,508
Trade payables	20	25,111	19,762
Other payables	21	24,163	20,077
Provisions	18	267	325
Other current liabilities	22	10,527	8,041
Total current liabilities	C	**70,051**	**60,713**
Total equity and liabilities	A+B+C	**234,884**	**222,569**
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: May 04, 2018

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 04, 2018

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Notes	March 31, 2018	March 31, 2017
Income			
Revenue from operations	23	233,411	211,943
Other income	24	3,134	6,225
Total Income		**236,545**	**218,168**
Expenses			
Movie exhibition cost		53,766	46,516
Consumption of food and beverages		15,907	14,010
Employee benefits expense	25	25,407	22,051
Finance costs	26	8,371	8,058
Depreciation and amortisation expense	27	15,369	13,838
Other operating expenses	28	98,147	98,004
Total expenses		**216,967**	**202,477**
Profit before share of profit of equity accounted investees, exceptional item and tax		**19,578**	**15,691**
Share of profit/(loss) of equity accounted investees (net of tax)	5A	(73)	-
Profit before exceptional items and tax		**19,505**	**15,691**
Exceptional items	29	59	407
Profit before tax		**19,446**	**15,284**
Tax expense:			
Current tax		4,889	3,330
Deferred tax (including MAT credit entitlement)		2,155	2,370
Total tax expenses		**7,044**	**5,700**
Net profit after tax		**12,402**	**9,584**
Non-controlling interests		68	(5)
Net profit after tax and after adjustment of non controlling interests		**12,470**	**9,579**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent period	30	(987)	(148)
Items that will be reclassified to profit or loss in subsequent period		-	-
Other comprehensive income for the year (net of tax)		**(987)**	**(148)**
Total comprehensive income for the year (comprising profit and other comprehensive income)		**11,483**	**9,431**
Net Profit attributable to:			
Owners of the Company		12,470	9,579
Non-controlling interests		(68)	5
Other Comprehensive Income attributable to:			
Owners of the Company		(987)	(148)
Non-controlling interests [#]		0	0
Total Comprehensive Income attributable to:			
Owners of the Company		11,483	9,431
Non-controlling interests		(68)	5
Earnings per equity share on Net profit after tax	31		
[Nominal Value of share ₹ 10 (March 31, 2017: ₹ 10)]			
Basic		26.68	20.50
Diluted		26.57	20.50
[#] Amount below ₹ 1 lakhs			
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: May 04, 2018

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 04, 2018

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

A. Equity Share Capital (Refer note 14)

	March 31, 2018	March 31, 2017
Balance at the beginning of the year	4,674	4,669
Changes in equity share capital during the year	-	5
Balance at the end of the year	**4,674**	**4,674**

B. Other Equity (Refer note 15)

Particulars	Reserves and Surplus						Other comprehensive income		Total
	Capital Reserve	Securities Premium	Debenture redemption reserve	General reserve	Share options outstanding account	Retained Earnings	Re-measurement gains/(loss) on defined benefit plans	Gain/(loss) on equity instruments designated at FVTOCI	
As at April 01, 2016	**385**	**47,364**	**2,703**	**4,343**	**75**	**28,563**	**20**	**-**	**83,453**
Profit for the year	-	-	-	-	-	9,579	-	-	9,579
Other comprehensive income (net of taxes) (Refer note 30)	-	-	-	-	-	-	(148)	-	(148)
Total Comprehensive Income	**385**	**47,364**	**2,703**	**4,343**	**75**	**38,142**	**(128)**	**-**	**92,884**
Exercise of share options	-	98	-	-	-	-	-	-	98
Employee stock compensation for options	-	-	-	-	5	-	-	-	5
transferred from stock options outstanding	-	80	-	-	(80)	-	-	-	-
Transfer to Debenture redemption reserve (Refer note 15)	-	-	2,269	-	-	(2,269)	-	-	-
Transfer from Debenture redemption reserve (Refer note 15)	-	-	(50)	-	-	50	-	-	-
Dividends (including CDT)	-	-	-	-	-	(1,169)	-	-	(1,169)
Adjustment on account of Business combination (refer note 42 (i) & (ii))	217	(417)	-	-	-	59	-	-	(141)
Goodwill created on account additional investment in Zea Maize Private Limited	-	-	-	151	-	-	-	-	151
At March 31, 2017	**602**	**47,124**	**4,922**	**4,494**	**-**	**34,813**	**(128)**	**-**	**91,827**
Profit for the year	-	-	-	-	-	12,470	-	-	12,470
Other comprehensive income (net of taxes) (Refer note 30)	-	-	-	-	-	-	(99)	(888)	(987)
Total Comprehensive Income	**602**	**47,124**	**4,922**	**4,494**	**-**	**47,283**	**(227)**	**(888)**	**103,310**
Employee stock compensation for options granted	-	-	-	-	305	-	-	-	305
Transfer to Debenture redemption reserve (Refer note 15)	-	-	2,413	-	-	(2,413)	-	-	-
Transfer from Debenture redemption reserve (Refer note 15)	-	-	(50)	-	-	50	-	-	-
Dividends (including CDT)	-	-	-	-	-	(1,127)	-	-	(1,127)
Adjustment on account of sale of investment in PVR bluO Entertainment Limited (refer note 52)	-	-	-	-	-	305	-	-	305
Goodwill created on account of additional investment in Zea Maize Private Limited	-	-	-	69	-	-	-	-	69
At March 31, 2018	**602**	**47,124**	**7,285**	**4,563**	**305**	**44,098**	**(227)**	**(888)**	**102,862**

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: May 04, 2018

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 04, 2018

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	March 31, 2018	March 31, 2017
Cash flow from operating activities:		
Profit before tax	19,446	15,284
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	13,651	12,477
Amortisation of intangible assets	1,718	1,361
Net loss on disposal of property, plant and equipment	37	636
Interest Income	(942)	(1,345)
Allowance for doubtful debts and advances	366	569
Bad debts/advances written off	22	29
Finance costs	7,579	7,298
Equity-settled share-based payments	295	5
Unspent liabilities written back	(239)	(89)
Exceptional items	59	245
Rent expenses (pertaining to deferred rent)	1,018	1,260
Share of loss of equity accounted investees	73	-
Profit on sale of Movie on demand (Vkaoo) platform	(114)	-
	42,969	**37,730**
Working capital adjustments:		
Increase/(Decrease) in provisions	286	(303)
Increase/(Decrease) in trade & other payables	8,834	2,493
Decrease/(Increase) in trade receivables	(5,747)	(1,624)
Decrease/(Increase) in inventories	(173)	142
Decrease/(Increase) in loans and advances and other assets	2,622	(3,168)
Cash generated from operations	**48,791**	**35,270**
Direct taxes paid (net of refunds)	(4,165)	(3,309)
Net cash flow from/(used in) operating activities (A)	**44,626**	**31,961**
Cash flows (used in) investing activities		
Purchase of PPE, Intangible assets, CWIP and Capital advance	(34,002)	(63,305)
Security deposits given to Mall Developers	(4,011)	(5,246)
Proceeds from sale of PPE	148	63
Redemption of current non-trade investments	24	(12)
Investment in iPic Entertainment Inc.	(2,581)	-
Loan received from body Corporate	43	-
Investment in Vkaao Entertainment Private Limited	(300)	-
Investment in PVR Pictures International Pte. Limited [#]	(0)	-
Interest received	110	288
Fixed deposits with banks (includes escrow deposit for the year ended March 31, 2017)	30	5,003
Net cash flow from/(used in) investing activities (B)	**(40,539)**	**(63,209)**
Cash flow (used in)/from financing activities		
Proceeds from issuance of share capital including securities premium	-	103
Proceeds from long term borrowings	12,500	15,085
Repayment of long-term borrowings	(8,946)	(11,636)
Proceeds from short-term borrowings	37,500	20,936
Repayment of short-term borrowings	(38,506)	(10,000)
Payment of Dividend and tax thereon	(1,127)	(1,169)
Interest paid on Borrowings	(8,016)	(7,304)
Net cash flow from/(used in) financing activities (C)	**(6,595)**	**6,015**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(2,508)**	**(25,233)**
Cash and cash equivalents at the beginning of the year	903	26,136
Cash and cash equivalent received on sale of investment in PVR BluO Entertainment Limited (refer note 52)	4,281	-
Cash and cash equivalents at the end of the year	**2,676**	**903**

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	March 31, 2018	March 31, 2017
Cash and cash equivalents		
Cash on hand	536	319
With banks - on deposit accounts	85	74
With banks - on current accounts	2,155	2,082
Sub-total	**2,776**	**2,475**
Less: Bank overdraft	(100)	(1,572)
Total cash and cash equivalent for cash flow statement	**2,676**	**903**

Amount below ₹ 1 lakhs

Note:

- Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 'Statement of cash flows'
- During the year, the Company paid in cash ₹ 232 lakhs (March 31, 2017: ₹ 185 lakhs) towards corporate social responsibility (CSR) expenditure (Refer note 39).
- Amendment to Ind AS 7: Effective 1 April 2017, the Group adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of these consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities is as below:

Particulars	Non - current borrowings[1]	Current borrowings
Opening balance as at April 01, 2017[2]	**69,671**	**11,000**
Cash flows during the year:		
- Proceeds	12,500	37,500
- Repayment	(8,946)	(38,506)
Non-cash changes due to:		
- Mark to market of derivative liability	-	-
- Others	-	-
Closing balance as at March 31, 2018[2]	73,225	9,994

[1]Includes current maturities of non-current borrowings.

[2]Opening and closing balance excludes transaction cost.

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements

As per report of even date

For **B S R & Co. LLP**

ICAI Firm Registration Number: 101248W / W-100022

Chartered Accountants

Jiten Chopra

Partner

Membership Number: 092894

Place: Gurugram

Date: May 04, 2018

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

Pankaj Dhawan

Company Secretary

ICSI M. No.: F3170

Nitin Sood

Chief Financial Officer

Place: Gurugram

Date: May 04, 2018

1 Reporting entity

PVR Limited ('the Company' or the 'Parent Company' is a public limited Company domiciled in India and incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The consolidated financial statements of the Company as at and for the year ended on March 31, 2018 comprise the Company and its subsidiaries (collectively referred to as 'the Group') and the group interest in joint ventures. The Group is engaged in the business of Movie exhibition, distribution & production and also earns revenue from in-house advertisement, sale of food & beverages, gaming and restaurant business.

(i) The Subsidiaries which are considered in the consolidation and the Company's holdings therein is as under:

S. No.	Subsidiary Company	Country of Incorporation	Parent Company	Percentage of ownership as on March 31, 2018
1	PVR Pictures Limited	India	PVR Limited	100%
2	Zea Maize Private Limited	India	PVR Limited	82.4%
3	P V R Lanka Limited	Sri Lanka	PVR Limited	100%
4	PVR bluO Entertainment Limited upto August 31, 2017 (refer note 52)	India	PVR Limited	Nil

(ii) The joint ventures which are considered in the consolidation and the Group's holdings therein is as under:

S. No.	Joint Venture	Country of Incorporation	Shareholder	Percentage of ownership as on March 31, 2018
1	Vkaao Entertainment Private Limited (refer note 5A)	India	PVR Pictures Limited	50%
2	PVR Pictures International Pte. Limited (refer note 5A)	Singapore	PVR Pictures Limited	50%

The audited financial statements of the subsidiary companies and joint ventures which are included in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2018.

2.1 Basis of preparation

(a) Statement of compliance

These consolidated financial statements of Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Group had adopted Ind AS with effect from April 01, 2016, with transition date of April 01, 2015, pursuant to notification issued by Ministry of Corporate Affairs dated February 16, 2015, notifying the Companies (Indian Accounting Standard) Rules, 2015.

These consolidated financial statements for the year ended March 31, 2018 are approved by the Audit Committee and Board of Directors on May 04, 2018.

(b) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(c) Basis of Measurement

These consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, refer note 2.3 (w))

(d) Critical accounting estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, Income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

- Note 2.3 (o) (iii) and 32 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2.3 (b), (c), (d), 3 and 4 - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;

- Note 36 - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy;

- Note 2.3 (t) - judgement required to determine ESOP assumptions;

- Note 2.3 (p) - judgement required to determine probability of recognition of current tax, deferred tax assets and MAT credit entitlement; and

- Note 2.3 (w)- fair value measurement of financial instruments.

There are no assumptions and estimation that have a significant risk of resulting in a material adjustment within the next financial year.

2.2 Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

(iii) Loss of control

When the Group loses control over subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date of control is lost. Any resulting gain or loss is recognised in the statement of profit or loss.

(iv) Equity accounted investees

The Group's interest in equity accounted investees comprise interests in joint ventures. A Joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangements, rather than rights to its assets and obligations for its liabilities. Interest in Joint Venture is accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees untill the date on which significant influence or joint control ceases.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investees. unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Summary of Significant accounting policy

(a) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;

- Expected to be realised within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Group classifies all other assets as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle;

- It is held primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period;, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of classification of assets and liabilities as current and non-current.

(b) **Property, plant and equipment (PPE)**

(i) Recognition and Measurement:

PPE and Capital work in progress (including Pre-operative expenses) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of CENVAT) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

Expenditure directly relating to construction activity are capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Group identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Cost of PPE not ready for it's intended use as at the reporting date is disclosed as Capital work-in-progress.

(ii) Subsequent expenditure:

Subsequent expenditure on additions and betterment of operational properties are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and expenditures for maintenance and repairs are charged to statement of profit & loss as incurred.

(iii) Transition to Ind AS:

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

(c) **Depreciation on Property, plant and equipment**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives using Straight-line method. Estimated useful life of the assets are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule II (in years)	Management estimate of Useful life (in years)
Concession equipment's	15	8
Gaming equipment's	15	13.33
Furniture & fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

Parent Company has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's which are taken @ 10% of original cost based on technical assessment done by management.

Leasehold improvements are amortised on a straight-line basis over the total period of lease including renewals or unexpired period of lease, whichever is shorter.

Assets under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Parent Company will obtain ownership by the end of lease term.

Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which assets is ready for use (disposed of). Further, depreciation includes accelerated depreciation of ₹ 520 lakhs on account of change in estimate of useful lives of property, plant and equipment resulting from cinema closure earlier than planned or due to renovation.

(d) Intangible assets

(i) Recognition and Measurement:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(ii) Subsequent Expenditure:

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

(iii) Transition to Ind AS

Group had elected to continue with the carrying value of all of its intangible assets using the transition provisions of Ind AS, measured as per the previous GAAP and use that carrying value as the deemed cost of such intangible assets.

(iv) The useful life and the basis of amortisation and impairment losses are as under:

a. Software

Cost relating to purchased software and software licenses are capitalised and amortised on a straight-line basis over their estimated useful lives of 6 years.

b. Goodwill

Goodwill on acquisitions is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

c. Trademarks and copyrights

Trademark and copyrights for the brand name acquired and registered by the Group are capitalised and are amortised over an estimated life of five years.

d. Film Right's

The intellectual property rights acquired/ created in relation to films are capitalised as film rights. The amortisation policy is as below:

(a) In respect of films which have been co-produced /co owned/acquired and in which the Group holds rights for a period of 5 years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

  In case these rights are not exploited along with or prior to their first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.

- Balance 40% to 20% is amortised over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

(b) In respect of films, where the Group holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortised on first theatrical release of the movie. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first theatrical release, whichever occurs earlier.

(c) In one of the subsidiary Company, PVR Pictures Limited, the film right cost (primarily for foreign films) is amortised over the period of useful lives, writing off more in year one which recognises initial income flows and then the balance over a period of nine years, or the remaining life of the content rights, whichever is less. The amortisation policy followed by the subsidiary Company, PVR Pictures Limited is as below:

- 25% to 75% of the cost of film rights on first domestic theatrical release of the film based on the management estimates if the agreement is silent on allocation of rights. The said amortisation relates to Theatrical rights.

- In case these theatrical rights are not exploited proportionate cost of such right is written off as and when the management decides to commercially not exploit such right.

- Balance 75% to 25% is amortised over the remaining license period based on an estimate of future revenue potential if the agreement is silent on allocation of rights subject to a maximum period of 10 years.

(e) **Borrowing Costs**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(f) **Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses, if any are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(g) **Inventories**

Inventories are valued as follows:

(a) Food and beverages

Lower of cost and net realisable value. Cost is determined on weighted average basis.

(b) Stores and spares

Lower of cost and net realisable value. Cost is determined on First In First Out (FIFO) basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition;

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

The comparison of cost and Net realisable value is made on an item-by-item basis.

(h) **Leases**

(i) Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

For arrangements entered into prior to April 01, 2015, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

(ii) Assets held under lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

(iii) Lease payments

Payments made under operating leases are generally recognised in the statement of profit and loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Payments made under finance lease are allocated between the outstanding liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments.

GST has been implemented with effect from July 01, 2017 which replaces Entertainment tax, Service tax and other indirect taxes like sales tax and value added taxes. As per the requirement of IndAS 18, revenue is reported net of applicable taxes. The following specific recognition criteria must also be met before revenue is recognised:

i Income from sale of movie tickets (Box office revenue)

Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii Sale of food and beverages

Revenue from sale of food and beverages is recognised upon passage of title to customers, which coincides with their delivery to the customer.

iii Revenue from Gift vouchers

The amount collected on sale of a gift voucher is recognised as a liability and transferred to revenue when redeemed or on expiry.

iv Advertisement revenue

Advertisement revenue is recognised as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

v Income from movie production and distribution

Revenues from film produced, co –produced/co -owned are accounted for based on the terms of the agreement.

vi Convenience Fee

Convenience fee is recognised as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognised on accrual basis in accordance with the terms of the agreement.

vii Virtual Print fees (VPF)

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

viii Gaming Income

Revenue from bowling games is recognised as and when the games are played by patrons.

ix Management fee

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreements.

x Rental and food court income

Rental Income is recognised on accrual basis for the period the space in cinema and food court is let out under the operating lease arrangement.

xi Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life

of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

xii Dividend income

Dividend Income is recognised when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

(j) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, where the grant relates to an asset, it is recognised as deferred income and released to income in equal istallments over the expected useful life of the related assets.

(k) Cost Recognition

Cost and expenses are recognised when incurred and have been classified according to their nature. The costs of the Group are broadly categorised in Movie exhibition, distribution cost, consumption of food and beverages, Employee benefit expenses, depreciation and amortisation expenses, finance cost and other operating expenses. Other operating expense mainly includes, Rent, common area maintenance, Electricity, legal and professional fees, travel expenses, Repair and Maintenance and other expenses. Other expenses is an aggregation of costs which are individually not material.

(l) Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively;

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date;

- Assets (or disposal Group's) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities

assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through Other comprehensive income.

As a result from business combination the Group as whole has gained synergies relating to increase in revenue, decrease of certain operational cost and effective vendor negotiation. The Group as a whole is considered as a CGU, and there are no other CGU's identifiable to which Goodwill from business combinations is allocated.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Computation of Goodwill:

Particulars	March 31, 2018	March 31, 2017
Investment in equity shares of PVR Pictures Limited	6,000	6,000
Less: PVR Limited's share in the net assets of its subsidiary PVR Pictures Limited	4,433	4,433
Less: Amount pertaining to the production business undertaking of PVR Pictures Limited merged with PVR Limited pursuant to the scheme of arrangement approved by the Court.	1,254	1,254
Balance (A)	**313**	**313**
Investment in equity shares of Zea Maize Private Limited	500	500
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	294	294
Balance (B)	**206**	**206**
Investment in compulsory convertible preference share capital of Zea Maize Private Limited	500	350
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	232	164
Balance (C)	**268**	**186**
Balance (A+B+C) (Refer note 4)	**787**	**705**

Computation of Capital reserve:

Particulars	March 31, 2018	March 31, 2017
Investment in Equity share capital of PVR Leisure Limited	-	2,324
Less: PVR Limited's share in net assets of its subsidiary	-	2,081
Goodwill (A)	-	**243**
Investment in compulsory convertible preference share capital of PVR Leisure Limited	-	1,376
Less: Preference share value in PVR Subsidiary PVR Limited's share in net assets of its subsidiary	-	2,004
Capital Reverse (B)	-	**(628)**
Reversal of Capital Reserve due to merger of PVR Leisure Limited in the Parent Company.	-	385
Capital Reverse (C)	-	**385**
Net Capital Reserve (A+B+C)	-	-

(m) **Foreign currency**

i **Foreign currency transaction**

Transactions in foreign currencies are translated into the respective functional currencies of Group Companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

ii **Foreign operations**

The assets and liabilities of foreign operations (subsidiaries and joint ventures) including goodwill and fair value adjustments arising on acquisition, are translated into INR (₹), the functional currency of the Company, at the exchange rates at the reporting date. The Income and expenses of foreign operations are translated into INR (₹) at the exchange rates at the dates of the transactions or an average rate approximates the actual rate at the date of the transaction.

(n) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuer's are involved for valuation of significant assets, liabilities, such as ESOP, Gratuity etc.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (including those carried at amortised cost) (note 2.2(w))

(o) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

The Company has the following employee benefit plans:

i Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, incentives, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

ii Defined contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders service.

iii Defined Benefit Plan

Gratuity is a defined benefit obligation. The Company has approved gratuity funds managed with ICICI Prudential Life Insurance Company Limited and Bajaj Allianz Life Insurance Company Limited for the payment of gratuity to the employees. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognised in other comprehensive income.

iv Other long term Employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the statement of profit and loss.

(p) Income taxes

Income Tax 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 Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in OCI.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial

recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement.' The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(q) Earnings Per share

The Company presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares (unless the effect is anti-dilutive), which includes all stock options granted to employees.

(r) Provisions

General

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

(s) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(t) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and IndAS 102 Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number

of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense, together with a corresponding increase in the 'Employee Stock options outstanding account' in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

(u) **Dividend**

The Company recognise a liability to make dividend distributions to equity holders when the distribution is approved by the shareholders.

(v) **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as 'unallocated revenues/ expenses/ assets/ liabilities', as the case may be.

(w) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Proft & Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18;

The Company impairs its trade receivables basis past experience and trend. Other financial asset, are impaired on case to case basis.

(x) **Recent accounting pronouncements**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ('MCA') has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 01, 2018. The Company has evaluated the effect of this on the consolidated financial statements and the impact is not likely to be material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ('MCA') has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 01, 2018.

The Company will adopt the standard on April 01, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is likely to be insignificant.

3 Property, plant and equipment

Particulars	Freehold Land	Building	Plant and Machinery	Furniture and Fittings	Office Equipment's	Vehicles	Leasehold Improvements	Total	Capital work in progress
At March 31, 2016	2	10	44,819	11,639	2,522	370	39,812	99,174	
Additions	-	-	10,803	2,772	704	228	6,577	21,084	
Addition on account of Business combination (Refer Note 42 (ii))	-	-	3,786	494	138	-	3,966	8,384	
Disposals and discard	-	-	(858)	(279)	(26)	(45)	(334)	(1,542)	
At March 31, 2017	**2**	**10**	**58,550**	**14,626**	**3,338**	**553**	**50,021**	**127,100**	
Additions	-	-	12,723	3,957	962	-	10,316	27,958	
Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	-	-	(4,833)	(354)	(212)	-	(2,473)	(7,872)	
Disposals and discard	-	-	(104)	(333)	(34)	-	(47)	(518)	
At March 31, 2018	**2**	**10**	**66,336**	**17,896**	**4,054**	**553**	**57,817**	**146,668**	
Depreciation									
At April 1, 2016	-	-	4,681	1,775	611	80	3,782	10,929	
Charge for the year	-	-	5,451	1,954	679	108	4,285	12,477	
Addition on account of Business combination (Refer Note 42 (ii))	-	-	(218)	(30)	(8)	-	(70)	(326)	
Disposals and discard	-	-	(201)	(149)	(17)	(9)	(77)	(453)	
At March 31, 2017	**-**	**-**	**9,713**	**3,550**	**1,265**	**179**	**7,920**	**22,627**	
Charge for the year	-	-	6,217	2,332	741	111	4,250	13,651	
Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	-	-	(1,046)	(94)	(146)	-	(553)	(1,839)	
Disposals and discard	-	-	(68)	(303)	(34)	-	(61)	(466)	
At March 31, 2018	**-**	**-**	**14,816**	**5,485**	**1,826**	**290**	**11,556**	**33,973**	
Net Block									
At March 31, 2017	**2**	**10**	**48,837**	**11,076**	**2,073**	**374**	**42,101**	**104,473**	**10,557**
At March 31, 2018	**2**	**10**	**51,520**	**12,411**	**2,228**	**263**	**46,261**	**112,695**	**10,169**

Note:

i. Capital work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. Details of assets on finance lease included in Plant and machinery are as follows:

Particulars	Gross block				Accumulated depreciation				
	Opening	Addition	Disposals and discard	Total	Opening	Charge for the year	Disposals and discard	Total	Net Block
March 31, 2017	3,258	1,518	(308)	4,468	69	383	(17)	435	4,033
March 31, 2018	4,468	-	-	4,468	435	414	-	849	3,619

iii. Capitalised borrowing cost

The amount of borrowing costs capitalised was ₹ 429 lakhs (March 31, 2017: 256 lakhs) during the year.

4 Intangible assets

Particulars	Goodwill		Other Intangible assets			
	Goodwill on consolidation	Goodwill	Software Development	Copyrights	Film Rights	Total
	A	B	C	D	E	C+D+E
At April 1, 2016	519	8,060	1,572	144	2,293	4,009
Additions	186	-	636	-	647	1,283
Addition on account of Business Combination (Refer Note 42 (ii))	-	34,600	25	-	-	25
Disposals and discard	-	-	(9)	-	(170)	(179)
At March 31, 2017	**705**	**42,660**	**2,224**	**144**	**2,770**	**5,138**
Additions	82	-	495	-	1,256	1,751
Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	-	-	(46)	(144)	-	(190)
Disposals and discard	-	-	(107)	-	(119)	(226)
At March 31, 2018	**787**	**42,660**	**2,566**	**-**	**3,907**	**6,473**
Amortisation						
At April 1, 2016	-	-	258	19	592	869
For the year	-	-	397	19	945	1,361
Addition on account of Business Combination (Refer Note 42 (ii))	-	-	(4)	(1)	-	(5)
Deductions/ Adjustments	-	-	(8)	-	(109)	(117)
At March 31, 2017	**-**	**-**	**643**	**37**	**1,428**	**2,108**
For the year	-	-	454	7	1,257	1,718
Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	-	-	(29)	(44)	-	(73)
Deductions/ Adjustments	-	-	(4)	-	(119)	(123)
At March 31, 2018	**-**	**-**	**1,064**	**-**	**2,566**	**3,630**
Net Block						
At March 31, 2017	**705**	**42,660**	**1,581**	**107**	**1,342**	**3,030**
At March 31, 2018	**787**	**42,660**	**1,502**	**-**	**1,341**	**2,843**

Note:

Impairment testing of Goodwill:

Goodwill represents excess of consideration paid over the net assets acquired. This is monitored by the management at the level of cash generating unit (CGU) and is tested annually for impairment. Cinemax India Limited and Cinema exhibition undertaking of DLF Utilities Limited acquired in financial year 2012- 13 and 2016-17 respectively is now completely integrated with the existing cinema business of the Parent Company, and accordingly is monitored together as one CGU. The goodwill that arose on such acquisitions is tested for impairment by reference to the quoted price of equity shares of PVR Limited ('PVR'), which carries total cinema exhibition business. As at March 31, 2018, total market capitalisation of PVR is ₹ 568,411 lakhs significant part of which represents value of the cinema exhibition business which is higher than the carrying value of Goodwill.

5A Equity accounted investees

	March 31, 2018	March 31, 2017
Investment in joint ventures (unquoted)		
(i) Vkaao Entertainment Private Limited[1]	227	-
Equity share of ₹ 10 each 3,000,000 (March 31, 2017: Nil)		
(ii) PVR Pictures International Pte Limited[2][#]	0	-
Equity share of SGD 1 each 500 (March 31, 2017: Nil)		
	227	-

[#] amount below ₹ 1 lakhs

[1] During the year ended March 31, 2018, PVR Pictures Limited (wholly owned subsidiary of the Parent Company) has entered into a Joint venture with Bigtree Entertainment Private Limited (BookMyShow) and incorporated Vkaao Entertainment Private Limited (Vkaao). Vkaao is engaged in the business of private screening of movies for its consumers through theatres. It operates through an entertainment ticketing website namely www.Vkaao.com. Both PVR Pictures and Book My Show have invested ₹ 300 lakhs each into this entity.

The following table summarise the financial information of Vkaao Entertainment Private Limited and the carrying amount of Group's interest therein:

Percentage ownership interest	March 31, 2018 50%	March 31, 2017
Non current assets	250	-
Current assets (including cash and cash equivalents ₹ 27 lakhs)	348	-
Current liabilities (current financial liabilities other than trade payables and other financial liabilities and provisions)	(144)	-
Net assets	454	-
Group's share of net assets (50%)	227	
Carrying amount of interest in joint ventures	227	

Statement of profit and loss	March 31, 2018	March 31, 2017
Revenue	87	-
Employee benefits expense	(43)	-
Depreciation and amortisation expense	(24)	-
Other expenses	(165)	-
Profit	(145)	-
Other comprehensive income	-	-
Total comprehensive income	(145)	-
Group's share of profit (50%)	(73)	-
Group's share of OCI (50%)	-	-
Group's share of Total Comprehensive Income (50%)	(73)	-

[2] During the year ended March 31, 2018, PVR Pictures Limited (wholly owned subsidiary of the Parent Company) has entered into a joint venture with Cinestar Limited (Enterprise owned or significantly influenced by Key Management Personnel) and incorporated 'PVR Pictures International Pte Limited' in Singapore to do movie distribution business outside of India.

5B Investments

		March 31, 2018	March 31, 2017
(i)	Quoted equity shares		
	Equity shares at FVTOCI		
	iPic Entertainment Inc.[1]	2,581	-
	Common membership units of $ 18.13 each 220,629 (March 31, 2017 : Nil)		
	Less: Diminution in the value of Investment (refer note 30)	(888)	-
	Net value of Investment	**1,693**	**-**
(ii)	Unquoted Government securities		
	Government Securities- at amortised cost		
	National savings certificates	174	197
	(Deposited with various tax authorities)		
		1,867	**197**
	Less: Amount disclosed under current investment (Refer note 10) (being due for maturity within next 12 month)	106	96
		1,761	**101**
	Aggregate amount of unquoted investment	401	197
	Aggregate amount of quoted investment	2,581	-
	Aggregate amount of impairment in value of investments	888	-

[1] During the year ended March 31, 2018, Parent Company had acquired a minority stake for a value of USD4 million (equivalent to ₹ 2,581 lakhs), in an American luxury restaurant-and-theatre Company 'iPic Entertainment Inc.' (formerly known as 'iPic Gold Entertainment LLC'). The Company designated this Investment as equity shares at FVTOCI because these equity shares represent investments that the Company intends to hold for long-term strategic purposes. Accordingly, the fair value changes with respect to such investment has been recognised in OCI – 'Equity investments at FVTOCI'.

6 Other financial assets

(unsecured, considered good unless otherwise stated)

		Non-current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non-current bank balances (refer note 12)		127	145	-	-
Interest accrued on:					
Fixed deposits		18	16	14	13
National saving certificate		22	25	40	54
Others		-	-	25	21
	(A)	**167**	**186**	**79**	**88**
Government grant receivable[1]	(C)	1,994	1,691	1,838	1,752
Revenue earned but not billed	(B)	-	-	192	336
Security deposit					
Unsecured, considered good		19,282	15,961	1,172	1,528
Unsecured, considered doubtful		328	318	-	-
		19,610	**16,279**	**1,172**	**1,528**
Allowance for doubtful security deposit		(328)	(318)	-	-
	(D)	**19,282**	**15,961**	**1,172**	**1,528**
Total [A+B+C+D]		**21,443**	**17,838**	**3,281**	**3,704**

[1] The Entertainment tax exemption in respect of some of the Multiplexes of the Parent Company has been accounted on the basis of eligibility criteria as laid down in the respective erstwhile State Government schemes and applications filed with the authorities, but is subject to final orders yet to be received from the respective State authorities for some of the exempted Multiplexes.

7 Deferred tax assets (net) (includes MAT credit entitlement)

7A Deferred tax Assets (net)

		March 31, 2018	March 31, 2017
Deferred tax asset[1]			
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		587	283
Allowance for doubtful debts and advances		542	424
Others		473	398
Gross deferred tax asset		**1,602**	**1,105**
Less: Deferred tax liability			
Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books		7,349	4,925
Gross deferred tax liability		**7,349**	**4,925**
Deferred tax assets/(liability) (net)	A	**(5,747)**	**(3,820)**
Add: MAT credit entitlement[2]	B	7,307	8,146
Net deferred tax Assets (Includes MAT credit entitlement)	A+B	**1,560**	**4,326**

[1] The Parent Company has not accounted for Deferred tax assets on Capital loss on sale of Investment in 'PVR BluO Entertainment Limited' and loss on fair valuation of 'iPic Entertainment Inc.' Investment on account of reasonable certainity.

[2] The MAT credit entitlement asset recognised by Parent Company represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of the Income Tax Act, 1961. The management, based on the present trend of profitability and future projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilise MAT credit assets.

7B Deferred tax Liabilities (net) (Includes MAT credit entitlement)

		March 31, 2018	March 31, 2017
Deferred tax liability			
Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books		227	259
Gross deferred tax liability		**227**	**259**
Deferred tax asset			
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		34	36
Unabsorbed depreciation and business losses		-	37
Gross deferred tax asset		34	73
Net deferred tax liability	A	**193**	**186**
Less: MAT credit entitlement	B	134	95
Deferred tax Liabilities (net) (Includes MAT credit entitlement)	A-B	**59**	**91**

8 Other assets

(unsecured, considered good unless otherwise stated)

	Non-current		Current	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Prepaid expenses	1,238	897	1,292	1,097
Deferred rent	6,988	6,828	902	987
[A]	**8,226**	**7,725**	**2,194**	**2,084**
Capital advances				
Unsecured, considered good	1,494	1,847	-	-
Unsecured, considered doubtful	2	2	-	-
	1,496	**1,849**	**-**	**-**
Allowance for doubtful capital advances	(2)	(2)	-	-
[B]	**1,494**	**1,847**	**-**	**-**
Advances recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good[1]	25	-	2,143	5,021
Unsecured, considered doubtful	-	-	7	9
	25	**-**	**2,150**	**5,030**
Allowance for doubtful advances	-	-	(7)	(9)
[C]	**25**	**-**	**2,143**	**5,021**
Others				
Advance income tax (net of provision)	321	378	-	-
Income tax paid under protest (Refer note 36(i))	890	890	-	-
Balances with statutory authorities	8	-	1,128	1,507
[D]	**1,219**	**1,268**	**1,128**	**1,507**
Total [A+B+C+D]	**10,964**	**10,840**	**5,465**	**8,612**

[1] During the year ended March 31, 2018, PVR Pictures Limited has given an advance of ₹ 25 lakhs to its joint venture Company PVR Pictures International Pte. Limited against which share allotment is pending.

9 Inventories (Valued at lower of cost and net realisable value)

	March 31, 2018	March 31, 2017
Food and beverages	1,319	1,171
Stores and spares	661	722
Traded goods	-	11
	1,980	**1,904**

10 Current investments

	March 31, 2018	March 31, 2017
Unquoted debt securities (Government Securities- at amortised cost)		
National Savings Certificates (refer note 5B)	106	96
(Deposited with various State tax authorities)		
	106	**96**

11 Trade receivables

	March 31, 2018	March 31, 2017
Secured, considered good	215	72
Unsecured, considered good	15,346	10,136
Unsecured, considered doubtful	1,211	921
	16,772	**11,129**
Allowance for doubtful debts	(1,211)	(921)
	15,561	**10,208**

12 Cash and cash equivalent

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Cash and cash equivalents				
Cash on hand	-	-	536	319
Balances with banks:				
On current accounts	-	-	2,155	2,082
Deposits with original maturity of less than 3 months	-	-	85	74
	-	-	**2,776**	**2,475**
Other bank balances				
Deposits with remaining maturity for more than 3 months but less than 12 months	-	-	495	507
Deposits with remaining maturity for more than 12 months	127	145	-	-
Unpaid and unclaimed dividend accounts (refer note (b) below)	-	-	8	8
	127	**145**	**503**	**515**
Amount disclosed under non-current assets (refer note 6)	(127)	(145)	-	-
	-	-	**3,279**	**2,990**

Note:

(a) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

(b) Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed dividends or unpaid dividend.

(c) Information pursuant to G.S.R. 308 (E) dated 30 March 2017 issued by Ministry of corporate affairs.

The specified bank notes as defined under the notification issued by the Ministry of Finance, Department of Economic dated 8 November, 2016 are no longer in existence. Hence, the Company has not provided the corresponding disclosures as prescribed in Schedule III to the Companies Act, 2013. Disclosure made in the previous year financial statement is as below:

Particulars	SBN's	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	423	8	431
(+) Permitted receipts (including withdrawal from bank)	-	7,035	7,035
(+) Amount withdrawal from bank	-	2	2
(-) Permitted payments	-	(206)	(206)
(-) Amount deposited in Banks	(423)	(6,451)	(6,874)
Closing cash in hand as on 30 December 2016	**-**	**388**	**388**

Note: For the purpose of this disclosure, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

13 Loans

	March 31, 2018	March 31, 2017
Loan to others		
Loan to employees		
Unsecured, considered good	103	427
Loan to body corporate (refer note 40)		
Unsecured, considered good	-	98
Unsecured, considered doubtful	55	-
	158	525
Allowance for doubtful loans	(55)	-
Total	103	525

14 Share capital

	March 31, 2018	March 31, 2017
Authorised share capital		
Equity shares of ₹ 10 each	11,070	11,070
0.001% Non-cumulative convertible Preference shares of ₹ 341.52 each	2,015	2,015
	13,085	13,085
Issued, subscribed and fully paid-up equity shares		
Equity shares of ₹ 10 each fully paid	4,674	4,674
Total issued, subscribed and fully paid-up share capital	4,674	4,674

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

i. Authorised Equity shares

	March 31, 2018		March 31, 2017	
	Number	Amount	Number	Amount
Balance at the beginning of the year	110,700,000	11,070	93,700,000	9,370
Increased during the year on account of Business combination (Refer Note 42 (i) & (ii))	-	-	17,000,000	1,700
Balance at the end of the year	110,700,000	11,070	110,700,000	11,070

ii. Authorised Non-cumulative convertible Preference shares

	March 31, 2018		March 31, 2017	
	Number	Amount	Number	Amount
Balance at the beginning of the year	590,000	2,015	-	-
Increased during the year on account of Business combination (Refer Note 42 (ii))	-	-	590,000	2,015
Balance at the end of the year	590,000	2,015	590,000	2,015

iii. Issued, subscribed and fully paid-up equity shares

	March 31, 2018		March 31, 2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	46,738,588	4,674	46,686,938	4,669
Shares Issued during the year:				
Employee stock options plan (refer note 33)	-	-	51,650	5
Shares outstanding at the end of the year	**46,738,588**	**4,674**	**46,738,588**	**4,674**

b Terms and rights attached to equity shares

Parent Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Details of shareholders holding more than 5% shares in the Parent Company as on year end

Name of Shareholders	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of ₹ 10 each fully paid				
Mr. Ajay Bijli	5,260,298	11.25	5,260,298	11.25
Mr. Sanjeev Kumar Bijli	3,728,892	7.98	3,728,892	7.98
Berry Creek Investment Limited	3,582,585	7.67	3,582,585	7.67
Gray Birch Investment Limited	2,958,888	6.33	2,958,888	6.33

As per records of the Parent Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date, wherever applicable is given below:

	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
The Parent Company issued shares during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services	51,650	158,050	422,668	398,942	204,126
Equity shares allotted as fully paid up pursuant to the scheme of amalgamation for consideration other than cash	-	-	-	1,090,203	-

e Shares reserved for issue under option

For details of equity shares reserved for issue under the employees stock option (ESOP) plan of the Parent Company, (refer note 33).

15 Other equity

	March 31, 2018	March 31, 2017
Securities premium		
Amount received (on issue of shares) in excess of the face value has been classified as securities premium.	47,124	47,124
Share option outstanding account (Refer note 33)		
The share option outstanding account is used to record value of equity-settled share based payment transactions with employees. The amount recorded in this account are transferred to security premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to general reserve.	305	-
Debenture redemption reserve (DDR)		
The Parent Company has issued secured rated listed non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of Dividends. DRR is required to be created for an amount equivalent to at least 25% of the value of debentures issued and accordingly the Parent Company has created the same.	7,285	4,922
Capital reserve		
Reserve created under the scheme of arrangement (Business Combination). The reserve is utilised in accordance with the provisions of the Companies Act, 2013.	602	602
General reserve		
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.	4,563	4,494
Retained earnings		
Retained earnings comprise of the Group's accumulated undistributed earning after taxes including Other Comprehensive Income (OCI).	42,983	34,685
Total reserves and surplus	**102,862**	**91,827**

Notes
15A Distribution made and Proposed

	March 31, 2018	March 31, 2017
Cash Dividends on equity shares approved and paid:		
Final Dividend for the year as approved in AGM	935	935
Interim Dividend declared by erstwhile Company Bijli Holdings Private Limited (refer note 42(i))	-	36
	935	971
Proposed dividends on Equity shares:*		
Final Dividend for the year ended March 31, 2018: ₹ 2 per share (March 31, 2017: ₹ 2 per share)	935	935
	935	**935**

*Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognised as a liability as at 31 March.

16 Non-controlling interest (NCI)

	March 31, 2018	March 31, 2017
(a) PVR bluO Entertainment Limited (refer note 52)		
Non-controlling Interest in Equity	-	1,790
Non-controlling Interest in Securities premium	-	2,052
Non-controlling Interest in Non-Equity		
Share of profit/(loss) brought forward	-	61
Share of profit/(loss) of the current year	-	44
	-	3,947
(b) Zea Maize Private Limited		
Non-controlling Interest in Equity	1	1
Non-controlling Interest in Securities premium	167	160
Non-controlling Interest in Non-Equity		
Share of profit/(loss) brought forward	(58)	(28)
Share of profit/(loss) of the current year	(29)	(30)
	81	103
Note:		
Non-controlling Interest in Equity of subsidiaries	1	1,791
Non-controlling Interest in Securities premium of a subsidiaries	167	2,212
Non-controlling Interest in Non-Equity of subsidiaries	(87)	47
	81	4,050

17 Long term borrowings (at amortised cost)

	Non-current portion		Current maturities	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Debentures				
Secured Rated Listed Non-Convertible Debentures	46,909	43,729	9,385	1,850
(net of transaction cost)				
Term loans				
Secured term loans from banks	6,973	13,856	6,883	6,525
Other loans				
Secured vehicle loans from banks	-	50	50	47
Secured finance lease obligation from body corporate (refer note 34(iii)	2,274	2,869	594	524
	56,156	60,504	16,912	8,946
Amount disclosed under the head 'other payables' (refer note 21)	-	-	(16,912)	(8,946)
	56,156	60,504	-	-

Notes:

a. Secured Rated Listed Non-Convertible Debentures (NCD):

Particulars	Effective Interest Rate	Date of Allotment	Repayment Period	Repayment Ratio	Amount
60 (March 31, 2017: 80) of ₹ 1,000,000 each	11.40%	1-Jan-10	7th to 10th year	20:20:30:30	600
500 (March 31, 2017: 500) of ₹ 1,000,000 each	10.95%	25-Feb-14	5th year	100	5,000
500 (March 31, 2017: 500) of ₹ 1,000,000 each	10.75%	10-Jun-14	5th year	100	5,000
1,000 (March 31, 2017: 1,000) of ₹ 1,000,000 each	11.00%	16-Oct-14	4th to 7th year	25:25:25:25	10,000
500 (March 31, 2017: 500) of ₹ 1,000,000 each	11.00%	24-Nov-14	5th to 7th year	30:30:40	5,000
1,000 (March 31, 2017: 1,000) of ₹ 1,000,000 each	10.75%	9-Jan-15	6th and 7th year	50:50	10,000
335 (March 31, 2017: 500) of ₹ 1,000,000 each	8.90%	29-Jul-16	1st,2nd and 3rd year	33:33:34	3,350
500 (March 31, 2017: 500) of ₹ 1,000,000 each	7.84%	12-Jan-17	3 Years and 6 months	100	5,000
250 (March 31, 2017: Nil) of ₹ 1,000,000 each	8.05%	3-Apr-17	4th year	100	2,500
500 (March 31, 2017: Nil) of ₹ 1,000,000 each	8.15%	3-Apr-17	5th year	100	5,000
500 (March 31, 2017: Nil) of ₹ 1,000,000 each	7.85%	18-Aug-17	5th year	100	5,000
					56,450

- All Debentures are secured by mortgage on immovable properties (excluding immovable properties at Gujarat, a flat at Bangalore and assets taken on finance lease) ranking *pari passu* and secured by first *pari passu* charge on movable assets of the Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Parent Company both present and future.

b. (i) Term loan from banks are secured by first *pari passu* charge over all movable and immovable fixed assets of the Parent Company (excluding immovable properties at Gujarat, a flat at Bangalore, vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Parent Company both present and future.

(ii) Vehicle loans of ₹ 50 lakhs (March 31, 2017: ₹ 97 lakhs) carries interest @ 10.25% p.a. and is repayable in 60 monthly instalments. The loan is secured by hypothecation of vehicles purchased out of the proceeds of the loan.

(iii) Term Loan from banks carries variable interest rate based on respective bank benchmark rate, effective rate of interest varying in between 8.70%p.a to 9.05% pa.

(iv) Finance lease obligation is secured by hypothecation of plant and machinery taken on lease. The interest rate implicit in the lease is varying between 11.37% p.a. to 13.99% p.a. The payment is scheduled in 28 equal quarterly instalments from the start of lease agreements.

(v) The Parent Company has satisfied all material debt covenants.

c. Above loans are repayable in equal/ unequal monthly/ quarterly instalments as follows:

Particulars	March 31, 2018	March 31, 2017
Secured Rated Listed Non-Convertible Debentures:		
Repayable within 1 year	9,450	1,850
Repayable within 1 - 3 year	25,000	20,450
Repayable after 3 years	22,000	23,500
Term Loan:		
Repayable within 1 year	6,883	6,525
Repayable within 1 - 3 year	5,098	11,148
Repayable after 3 years	1,875	2,708
Secured vehicle loans:		
Repayable within 1 year	50	47
Repayable within 1 - 3 year	-	50
Repayable after 3 years	-	-

18 Provisions

	Long-term		Short-term	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Provision for employee benefits				
Provision for gratuity (net) (refer note 32)	559	343	4	15
Provision for leave benefits	442	367	263	310
	1,001	**710**	**267**	**325**

19 Short-term borrowings (at amortised cost)

	March 31, 2018	March 31, 2017
Unsecured loan from subsidiary's director (repayable on demand)	10	16
Unsecured commercial paper	9,873	10,920
Secured bank overdraft	100	1,572
	9,983	**12,508**

Notes:

i. Bank overdraft is secured by first *pari passu* charge on all current assets of the Parent Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks benchmark rate, effective rate of interest varying in between 8.75% to 10.45% p.a. The Parent Company has given corporate guarantee for availing Bank Overdraft facility for one of its subsidiary amounting ₹ 100 lakhs (March 31, 2017 : ₹ 100 lakhs).

ii. In respect of Commercial Paper maximum amount outstanding during the year was ₹ 11,500 lakhs (March 31, 2017 : ₹ 11,000 lakhs) with a maturity period of 3 months.

iii. At March 31, 2018, the Group had available ₹ 11,650 lakhs (March 31, 2017: ₹ 4,528 lakhs) of undrawn committed borrowing facilities.

20 Trade payable

	March 31, 2018	March 31, 2017
Total outstanding dues of trade payables other than micro and small enterprises (refer note 38)	25,111	19,762
	25,111	**19,762**

21 Other Payables

	March 31, 2018	March 31, 2017
Payables on purchase of fixed assets	6,549	10,435
Security deposits	515	501
Current maturities of long-term borrowings (refer note 17)	16,912	8,946
Interest accrued but not due on borrowings		
- Vehicle loans	-	1
- Debentures	179	186
Unpaid dividends[1]	8	8
	24,163	**20,077**

[1]Unclaimed amounts are transferred to Investor Protection and Education Fund after seven years from the due date.

22 Other Current liabilities

	March 31, 2018	March 31, 2017
Advances from customers	5,084	3,482
Employee benefits payables	2,924	2,687
Statutory dues payable	2,519	1,872
	10,527	8,041

23 Revenue from operations

	March 31, 2018	March 31, 2017
Sale of services [refer (a) below]	168,311	150,382
Sale of food and beverages [refer (b) below]	62,495	57,942
Other operating revenue [refer (c) below]	2,605	3,619
	233,411	211,943

(a) Details of services rendered

	March 31, 2018	March 31, 2017
Income from sale of movie tickets	124,707	112,488
Advertisement income	29,693	25,176
Income from movie production and distribution	6,216	6,037
Convenience fees	5,971	5,816
Virtual print fees	1,724	865
	168,311	150,382

(b) Details of products sold

	March 31, 2018	March 31, 2017
Sale of food and beverages	62,428	57,813
Sale of traded goods	67	129
	62,495	57,942

(c) Details of other operating revenue

	March 31, 2018	March 31, 2017
Food court Income	1,102	990
Gaming Income	1,465	2,596
Management fees	38	33
	2,605	3,619

24 Other income

	March 31, 2018	March 31, 2017
Government grant	1,367	3,721
Net gain on redemption of mutual fund Investments	141	541
Interest earned on		
Bank deposits	60	110
NSC's Investments	16	14
Interest Income from financial assets at amortised cost	841	1,076

24 Other income (Contd.)

	March 31, 2018	March 31, 2017
Others	25	145
Profit on sale of Movie on demand (Vkaoo) platform under slump sale	114	-
Exchange differences (net)	1	21
Other non-operating income (net) (includes excess liability written back ₹ 239 lacs (March 31, 2017: ₹ 89 lacs)	569	597
	3,134	6,225

25 Employee benefit expense

	March 31, 2018	March 31, 2017
Salaries, wages, allowances and bonus	22,528	19,744
Contribution to provident and other funds (refer note 32)	1,035	1,083
Employee stock option scheme (refer note 33)	295	5
Gratuity expense (unfunded) (refer note 32)	24	18
Staff welfare expenses	1,525	1,201
	25,407	22,051

26 Finance costs

	March 31, 2018	March 31, 2017
Interest on		
Debentures	5,128	4,252
Term loans	1,485	2,195
Banks and others[1]	967	851
Other financial charges	791	760
	8,371	8,058

[1] Includes interest on finance lease obligation of ₹ 377 lakhs (March 31, 2017 : ₹ 400 lakhs)

27 Depreciation and amortisation expense

	March 31, 2018	March 31, 2017
Depreciation on tangible assets	13,651	12,477
Amortisation on intangible assets	1,718	1,361
	15,369	13,838

28 Other expenses

	March 31, 2018	March 31, 2017
Rent (refer note 34)	41,397	39,558
Less: Rental income from sub-lessees	(283)	(543)
Net rent expenses	41,114	39,015
Electricity and water charges (net of recovery)	14,908	14,031
Common area maintenance (net of recovery)	11,259	11,205
Repairs and maintenance	9,390	9,161
Movie production, distribution and print charges	4,916	6,237
Marketing expenses	4,076	4,210

28 Other expenses (Contd.)

		March 31, 2018		March 31, 2017
Rates and taxes		1,624		3,133
Security service charges		2,491		2,504
Travelling and conveyance		2,578		2,392
Legal and professional fees (refer below note)		2,591		2,046
Communication costs		895		1,002
Loss on disposal of PPE and intangible assets (net)		37		636
Printing and stationery		478		558
Insurance		285		345
CSR Expenditure (refer note 39)		232		185
Allowance for doubtful debts and advances		366		569
Bad Debts/advances written off	22		405	
Less: Utilised from provisions	-	22	(376)	29
Directors' sitting fees		12		11
Miscellaneous expenses		873		735
		98,147		98,004

Notes:

(a) Payment to auditors (included in legal and professional charges above)

As auditor:		
Audit fee	34	46
Limited Review	24	20
Tax audit fee	4	7
Other Certifications	-	7
Reimbursement of out of pocket expenses	1	4
	63	84

29 Exceptional Items

	March 31, 2018	March 31, 2017
Net loss incurred on sale of investment in PVR BluO Entertainment Limited (Refer note 52)	59	-
Assets written off	-	245
Business acquisition related cost (Refer note 42(iii))	-	162
	59	407

30 Components of Other comprehensive income

	March 31, 2018	March 31, 2017
The disaggregation of changes to OCI by each type of reserve in equity is shown below:		
Items that will not be reclassified to profit or loss in subsequent period:		
Re-measurement gains/(loss) on defined benefit plans	(162)	(229)
Gain/(loss) on equity instruments designated at FVTOCI (refer note 5B)	(888)	-
Income tax on re-measurement loss on defined benefit plans	63	81
	(987)	(148)

31 Earning per share (EPS)

The following reflects the profit and shares data used in the basic and diluted EPS computations:

	March 31, 2018	March 31, 2017
Net Profit after tax	12,470	9,579
Weighted average number of equity shares in calculating basic EPS:		
-Number of equity shares outstanding at the beginning of the year	46,738,588	46,686,938
-Number of equity shares issued on May 31, 2016	-	34,000
-Number of equity shares issued on July 29, 2016	-	650
-Number of equity shares issued on September 01, 2016	-	17,000
Number of equity shares outstanding at the end of the year	-	46,738,588
Weighted number of equity shares of ₹ 10 each outstanding during the year	46,738,588	46,725,661
Weighted average number of equity shares in calculating diluted EPS:		
Number of equity shares outstanding at the beginning of the year	46,738,588	46,686,938
Number of equity shares outstanding at the end of the year	-	46,738,588
Weighted number of equity shares of ₹ 10 each outstanding during the year	46,738,588	46,725,661
Add: Effect of stock options 300,000 (March 31, 2017: Nil)	202,027	-
Weighted number of equity shares of ₹ 10 each outstanding during the year	46,940,615	46,725,661
Basic earnings per equity share (in ₹)	26.68	20.50
Diluted earnings per equity share (in ₹)	26.57	20.50

32 Gratuity:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The Parent Company Gratuity scheme is funded with two insurance companies in the form of a qualifying insurance policies. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets. Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise. Gratuity scheme of subsidiaries is unfunded.

As the plan assets include investments in quoted mutual funds, the Company has diversified the market risk.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Statement of profit and loss

Net employee benefit expense recognised in employee cost

Particulars	Funded		Unfunded	
	March 31,2018	March 31, 2017	March 31,2018	March 31, 2017
Current service cost	192	138	13	14
Interest cost on benefit obligation	14	16	3	4
Past service cost	-	-	8	-
Net benefit expense	206	154	24	18

Balance sheet

Benefit Assets/ liabilities

Particulars	Funded		Unfunded	
	March 31,2018	March 31, 2017	**March 31,2018**	March 31, 2017
Defined benefit obligation	1,882	1,556	46	70
Fair value of plan assets	1,365	1,268	-	-
Plan asset/(liability)	**(517)**	**(288)**	**(46)**	**(70)**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Funded		Unfunded	
	March 31,2018	March 31, 2017	**March 31,2018**	March 31, 2017
Opening defined benefit obligation	1,556	1,139	70	58
Interest cost	100	80	3	4
Past service cost	-	-	8	-
Current service cost	192	138	13	14
Benefits paid	(132)	(68)	(2)	(12)
Actuarial losses/(gain) – experience	179	141	(13)	6
Actuarial losses/(gain) – demographic assumptions	-	56	-	-
Actuarial losses/(gain) – financial assumptions	(13)	49	(2)	-
Acquisitions (credit)/ cost	-	21	0	-
Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	-	-	(31)	-
Closing defined benefit obligation	**1,882**	**1,556**	**46**	**70**

Changes in the fair value of plan assets are as follows:

Particulars	**March 31, 2018**	March 31, 2017
Opening fair value of plan assets	1,268	605
Return on plan assets greater/(lesser) than discount rate	(7)	23
Interest income on plan assets	86	64
Benefits paid	(132)	(68)
Contribution by employer	150	644
Closing fair value of plan assets	1,365	1,268

The Parent Company expects to contribute ₹ 500 lakhs (March 31, 2017 ₹ 445 lakhs) to gratuity fund in the financial year 2018-19.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	**March 31, 2018**	March 31, 2017
Funds managed by Insurer*	99.16	99.52
Bank balances	0.84	0.48

* Plan assets are held by 'ICICI Prudential Life Insurance Company Limited' primarily into Group Balanced fund & Group Debt fund and 'Bajaj Allianz Life Insurance Company Limited' into Bajaj Secure gain fund.

The principal assumptions used in determining gratuity obligations for the Parent Company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
	(%)	(%)
Discount rate	7.10	6.70
Expected rate of return on plan assets	7.10	6.70
Increase in compensation cost	10.50 for first 2 years and 9.00 thereafter	10.50 for first 2 years and 9.00 thereafter
Employee turnover		
Manager Grade	15	15
Executive Grade	55	55

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.

Historical information: Funded

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Present value of defined benefit obligation	1,882	1,556	1,139	937	822
Fair value of plan assets	1,365	1,268	604	246	142
Asset / (liability) recognised	(517)	(288)	(535)	(691)	(680)

Historical information: Non Funded

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Present value of defined benefit obligation	46	70	59	41	28
Fair value of plan assets	-	-	-	-	-
Asset / (liability) recognised	(46)	(70)	(59)	(41)	(28)

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

Particulars	2017-18	2016-17
Experience adjustment on plan liabilities	7.10	6.70
Experience adjustment on plan assets	7.10	6.70

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2018 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(70.65)	77.58
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	79.86	74.19
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.47)	65.58

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2017 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(61.45)	67.72
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	61.94	57.33
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.32)	66.90

The sensitivity analysis above has been determined on the basis of actuarial certificate.

Maturity profile of defined benefit obligation of the Parent Company:

Expected benefit payments for the year ending March 31, 2018	Amount
March 31, 2019	555
March 31, 2020	367
March 31, 2021	337
March 31, 2022	288
March 31, 2023	262
March 31, 2023 to March 31, 2028	1158

Expected benefit payments for the year ending March 31, 2017	Amount
March 31, 2018	450
March 31, 2019	322
March 31, 2020	263
March 31, 2021	262
March 31, 2022	241
March 31, 2023 to March 31, 2027	976

The sensitivity analysis above has been determined on the basis of actuarial certificate.

Defined Contribution Plan:

Particulars	2017-18	2016-17
Charged to statement of profit & loss (including Capital work in progress of ₹ 48 lakhs (March 31, 2017: ₹ 51 lakhs)	812	845

33 Employee Stock Option Plans

The Parent Company has provided stock options to its employees. During the year 2017-18, the following schemes were in operation:

PVR ESOS 2017:

Date of grant	July 26, 2017
Date of Shareholder's approval	July 24, 2017
Date of Board Approval	May 30, 2017
Number of options granted	240000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than three years from the date of grant of options.
Exercise Period	Within a period of two years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Nomination and Remuneration Committee may also specify certain performance parameters subject to which options would vest.
Market value on grant date	₹ 1,381.7
Weighted average fair value of options granted on the date of grant	₹ 252.48

The details of activity under PVR ESOS 2017 have been summarised below:

Particulars	2017-18		2016-17	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	240,000	1,400	-	-
Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	240,000	1,400	-	-
Exercisable at the end of the year	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2018	March 31, 2017
Dividend yield (%)	0.12%	-
Expected volatility	24.16%	-
Risk-free interest rate	6.17%	-
Exercise price (₹)	1,400	-
Expected life of option granted in years	1.17	-

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 1,400. As a result, an expense of ₹ 247 lakhs is recorded in financial statements in current year.

PVR ESOS 2017:

Date of grant	August 11, 2017
Date of Shareholder's approval	July 24, 2017
Date of Board Approval	May 30, 2017
Number of options granted	60,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than three years from the date of grant of options.
Exercise Period	Within a period of two years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Nomination and Remuneration Committee may also specify certain performance parameters subject to which options would vest.
Market value on grant date	₹ 1,381.7
Weighted average fair value of options granted on the date of grant	₹ 252.48

The details of activity under PVR ESOS 2017 have been summarised below:

Particulars	2017-18		2016-17	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	60,000	1,400	-	-
Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	60,000	1,400	-	-
Exercisable at the end of the year	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2018	March 31, 2017
Dividend yield (%)	0.12%	-
Expected volatility	24.16%	-
Risk-free interest rate	6.17%	-
Exercise price (₹)	1400	-
Expected life of option granted in years	1.17	-

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 1,400. As a result, an expense of ₹ 58 lakhs is recorded in financial statements in current year of which ₹ 10 lakhs is capitalised under Capital work-in progress and balance ₹ 48 lakhs is debited in statement of profit and loss.

PVR ESOS 2012:

Date of grant	January 14, 2013
Date of Shareholder's approval	September 13, 2012
Date of Board Approval	August 01, 2012
Number of options granted	550,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Nomination and Remuneration Committee may also specify certain performance parameters subject to which options would vest.
Market value as at January 11, 2013	₹ 287.25
Weighted average fair value of options granted on the date of grant	₹ 147.85

The details of activity under PVR ESOS 2012 have been summarised below:

Particulars	2017-18		2016-17	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	34,650	200
Granted/Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	34,650	200
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2018	March 31, 2017
Dividend yield (%)	-	0.70%
Expected volatility	-	36.99%
Risk-free interest rate	-	7.80%
Exercise price (₹)	-	200
Expected life of option granted in years	-	6

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 200. As a result, an expense of ₹ Nil lakhs (March 2017: ₹ Nil) is recorded in the financial statements.

PVR ESOS 2013:

Date of grant	August 21, 2013
Date of Shareholder's approval	August 20, 2013
Date of Board Approval	May 28, 2013
Number of options granted	50,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting.
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Nomination and Remuneration Committee may also specify certain performance parameters subject to which options would vest.
Market value as at August 21, 2013	₹ 365.35
Weighted average fair value of options granted on the date of grant	₹ 241.14

The details of activity under PVR ESOS 2013 have been summarised below:

Particulars	2017-18		2016-17	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	17,000	200
Granted/Forfeited/Expired during the year	-	-	-	-
Exercised during the year	-	-	17,000	200
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31,2018	March 31, 2017
Dividend yield (%)	-	0.27%
Expected volatility	-	39.51%
Risk-free interest rate	-	8.63%
Exercise price (₹)	-	200
Expected life of option granted in years	-	6

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of ₹ 200. As a result, an expense of ₹ Nil lakhs (March 2017: ₹ 5 lakhs) is recorded in these consolidated financial statements.

34 Leases

i Rental expenses in respect of operating leases are recognised as an expense in the statement of profit and loss and capitalised under CWIP, as the case may be.

Operating Lease (for assets taken on lease)

Disclosure for assets taken under non-cancellable leases, where the Company is presently carrying commercial operations is as under, which reflects the outstanding amount for non-cancellable period:

Particulars	2017-18	2016-17
Lease payments for the year recognised in statement of profit and loss	40,949	39,558
Lease payments for the year recognised in Capital work in progress	28	81
Minimum lease payments:		
Within one year	25,076	24,269
After one year but not more than five years	69,498	73,090
More than five years	48,539	52,240

ii Rental income/Sub-lease income in respect of operating leases are recognised as an income in the statement of profit and loss or netted off from rent expense, as the case may be.

Operating Lease (for assets given on lease)

The Group has given various spaces under operating lease agreements. These are generally cancellable on mutual consent and the lessee can vacate the rented property at any time. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Particulars	March 31,2018	March 31, 2017
Sub-lease rent receipts	925	1,070

iii Finance lease: Company as lessee

The Parent Company has finance leases contracts for plant and machinery (Projectors). These leases involve significant upfront lease payment, have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

Particulars	March 31,2018		March 31, 2017	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	898	593	899	524
After one year but not more than five years	2,670	2,238	3,259	2,537
More than five years	42	37	352	332
Total minimum lease payments	3,610	2,868	4,510	3,393
Less: amounts representing finance charges	(742)	-	(1,117)	-
Present value of minimum lease payments	2,868	2,868	3,393	3,393

35 Capital & Other Commitments

(a) Capital Commitments

Particulars	March 31,2018	March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	7,320	9,784

(b) Other Commitments

The Parent Company was availing Entertainment tax exemptions, in respect of certain Multiplexes as per the erstwhile State Government schemes & is under obligation to operate respective Multiplexes for a certain number of years.

36 Contingent Liabilities

S.No.	Particulars	March 31,2018	March 31, 2017
a)	Possible exposure against various appeals filed by the Parent Company against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2015, 2014, 2013, 2012,2011, 2010, 2009, 2008, 2007, 2006 respectively. {the Company has paid an amount of ₹ 890 lakhs (March 31, 2017 : ₹ 890 Lakhs) which is appearing under note 'Other assets'}.	1,105	6,966
b)	Possible exposure on account of entertainment tax exemption treated as capital subsidy on the grounds of ongoing assessments at assessing officer level.	-	999
c)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before Supreme Court.	334	334
d)	Notice from Entertainment Tax Department Chennai against short deposit of Entertainment Tax on regional movies.	43	43
e)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823
f)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees.	161	143
g)	Show cause notices raised by Service tax Commissionerate. New Delhi. (The Parent Company has already deposited under protest an amount of ₹ 90 lakhs)	2,537	2,537
h)	Demand raised with regard to service tax on food and beverages. The Company has paid ₹ 184 lakhs	2,492	2,492
i)	Possible exposure of Service tax on sale of food and beverages.	6,076	5,303
j)	Demand of Sales tax under Various States VAT Acts where appeal is pending before competent authority (the Parent Company has paid an amount of ₹ 54 lakhs under protest).	1,032	1,285
k)	Claims against the Company not acknowledged as debts.	171	419
l)	Demand of entertainment tax under rule 22 of Punjab entertainment tax (Cinematographs shows) Rules, 1954	144	-
m)	Sales tax matter in subsidiaries	190	187
n)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable

*In view of the several number of cases, pending at various forums/courts, it is not practicable to furnish the details of each case, however, as per estimate of management, the amount in aggregate is not material. Based on the discussions with the solicitors, the management believes that the Company has strong chances of success in the cases and hence no provision is considered necessary.

37 Un-hedged Foreign Currency exposure

Particulars of un-hedged foreign currency exposure as at the balance sheet date:

Particulars	Currency	March 31,2018	March 31, 2017
a) Cash in Hand	Thai Bhat	0.29	0.31
	Hong Kong Dollar	0.18	0.06
	Korean Won	0.00	0.00
	UK Pound	1.05	0.90
	Singapore Dollar	0.61	0.39
	US Dollar	1.49	1.27
	LKR	0.01	-
	Euro	8.55	1.91
	Chinese Yuan	0.42	-
	Dirham	0.83	0.74
Total		**13.43**	**5.58**
b) Payable for purchase of Property, Plant and Equipment	US Dollar	761.09	277.53

38 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprise Development Act, 2006 which comes into force with effect from October 02, 2006. As per the act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Company has sent the confirmation letters to its suppliers at the year end, to identify the supplier registered with the act. As per the information available with the Company, none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure done

39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, Company, meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Parent Company as per the Act.

During the year, the Parent Company has spent ₹ 232 lakhs through its foundation PVR Nest & others. PVR Nest focuses on providing education, healthcare, nutrition and rehabilitation to children.

Particulars	March 31,2018	March 31, 2017
Gross amount required to be spent by the Parent Company during the year	232	165
Amount spent during the year (refer note 28)	232	185

40 Disclosure required under Sec 186(4) of the Companies Act 2013

Full particulars of loans given, investment made, guarantee given, security provided together with purpose in terms of Section 186(4) of the Companies Act, 2013

Investment made

Particulars	Full particulars	Purpose	March 31,2018	March 31, 2017
Vkaao Entertainment Private Limited	Equity share of ₹ 10 each 3,000,000 (March 31, 2017: Nil)	Vkaao is engaged in the business of private screening of movies (Movie on Demand) for its consumers through theatres	227	-
PVR Pictures International Pte. Limited[1]	Equity share of SGD 1 each 500 (March 31, 2017: Nil)	Movie distribution business outside of India	0	-

Loan given

Particulars	Rate of Interest (p.a)	Due Date	Secured/ Unsecured	March 31,2018	March 31, 2017
Sandhya Prakash Limited[2]	18%	13 monthly instalments adjusted with lease rentals till April 2018.	Unsecured	55	98

[1] During the year ended March 31, 2018, PVR Pictures Limited has given an advance of ₹ 25 lakhs to its joint venture Company PVR Pictures International Pte. Limited against which share allotment is pending, which is appearing under note 'Other assets'.

[2] The loan had been given to Sandhya Prakash Ltd. (Mall Developer) for their capital expenditure requirement, where the Parent Company has an existing operational cinema. During the year, the Parent Company has created a provision against the outstanding loan amount.

41 Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value & fair value of financial instruments by categories as of March 31, 2018 were as follows:

Particulars	Notes	Level of hierarchy	Carrying Amount		
			Amortised Cost	Financial Assets/ liabilities at fair value through profit or loss	Financial Assets/ liabilities at fair value through OCI
Financial Assets:					
Investments - FVTOCI	5B	1	-	-	1,693
Investments - Amortised cost	5B	2	174	-	-
Loans	13	-	103	-	-
Trade receivables	11	-	15,561	-	-
Cash and cash equivalent	12	-	2,776	-	-
Other bank balances	12	-	503	-	-
Other financial assets	6	-	24,724	-	-
Total			**43,841**	**-**	**1,693**
Financial Liabilities:					
Borrowings (including current maturities)					
- Secured Rated Listed Non -Convertible Debentures	19	1	56,294	-	-
- Other borrowings	19	3	16,774	-	-
Trade payables	20	-	25,111	-	-
Other payables	21	-	7,251	-	-
Total			**105,430**	**-**	**-**

The carrying value & fair value of financial instruments by categories as of March 31, 2017 were as follows:

Particulars	Notes	Level of hierarchy	Carrying Amount		
			Amortised Cost	Financial Assets/ liabilities at fair value through profit or loss	Financial Assets/ liabilities at fair value through OCI
Financial Assets:					
Investments - Amortised cost	10	2	197	-	-
Loans	13	-	525	-	-
Trade receivables	11	-	10,208	-	-
Cash and cash equivalent	12	-	2,475	-	-
Other bank balances	12	-	515	-	-
Other financial assets	6	-	21,542	-	-
Total			**35,462**	**-**	**-**
Financial Liabilities:					
Borrowings (including current maturities)					
- Secured Rated Listed Non -Convertible Debentures	19	1	45,579	-	-
- Other borrowings	19	3	23,871	-	-
Trade payables	20	-	19,762	-	-
Other payables	21	-	11,131	-	-
Total			**100,343**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.

- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

42 Business Combinations

(i) Amalgamation of Bijli Holdings Private Limited with PVR Limited

In previous year, Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on September 15, 2016, between PVR Limited (the Parent Company) and Bijli holdings Private Limited (BHPL), BHPL was merged with the Parent Company from the appointed date i.e. January 01, 2016.

BHPL was forming part of the promoter group of the Parent Company, which was holding 10,031,805 equity shares in the Parent Company constituting 21.55% of the Parent Company's paid-up equity share capital. Consequent upon amalgamation of BHPL with the Parent Company, individual promoters of the Parent Company, directly hold shares in the Parent Company in the same proportion as they held through the erstwhile BHPL. The amalgamation has resulted in simplification of the shareholding structure and reduction of shareholding Tiers as well as demonstrates the promoter's direct commitment to and engagement to the Parent Company.

Pursuant to the above, BHPL stands merged with the Parent Company following 'Purchase Method' of accounting as per the Accounting standard 14 'Accounting for Amalgamation', issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi of Delhi.

Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of BHPL.

Assets acquired and liabilities assumed

Particulars		Amount
Assets		
Loans and advances		1
Cash and bank balances		77
Total	A	**78**
Liabilities		
Trade Payables		21
Other current liabilities		1
Total	B	**22**
Capital Reserve	A-B	56

Pursuant to the approved scheme, 10,031,805 fully paid up equity shares of the face value of ₹ 10 each credited as fully paid up in the share capital of the Parent Company to the members of BHPL in the ratio of their equity shareholding in BHPL. There was no change in the promoter shareholding of the Parent Company, pursuant to this scheme. The promoter continues to hold the same percentage of shares in the Parent Company, pre and immediately post the amalgamation of BHPL.

(ii) Amalgamation of Lettuce Entertain you Limited, PVR Leisure Limited with PVR Limited

In previous year, Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on January 04, 2017, between PVR Limited (the Parent Company) and PVR Leisure Limited (PVR Leisure) and Lettuce Entertain you Limited (Lettuce), later Companies were amalgamated with the Parent Company from the appointed date i.e. April 01, 2015. Lettuce and PVR Leisure are individually referred to as 'Amalgamating Company and collectively referred to as 'Amalgamating Companies' and the Parent Company is referred to as 'Amalgamated Company' for the purpose of this clause. Amalgamating Companies are subsidiaries of the Company and are engaged in similar/related businesses. Through consolidation, the synergies that exist among the entities in terms of similar business processes and resources can be put to the best advantage of the stakeholders.

Pursuant to the above, Amalgamating Companies stands merged with the Parent Company following 'Purchase Method' of accounting as per the Accounting standard 14 'Accounting for Amalgamation', issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi. Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of Amalgamating Companies.

Assets acquired and liabilities assumed

Particulars	PVR Leisure Limited	Lettuce Entertain you Limited
Assets		
Cash and cash equivalents	21	30
Fixed Assets	-	496
Inventories	-	56
Investment – PVR BluO Entertainment Limited	4,340	-
Deferred Tax Assets	-	498
Trade receivables	-	3
Loans and advances	2,460	48
Other current assets	30	-
Total	**6,851**	**1,131**
Liabilities		
Provisions	-	2
Trade payables	2	151
Other current liabilities	-	49
Borrowings	-	950
Total	**2**	**1,152**
Net	**6,849**	**(21)**
Add: Net Liability of Lettuce Entertain you Limited	(21)	21
Net	**6,828**	**-**
Value of Investment of PVR Leisure in PVR Limited	6,282	-
Capital reserve	**546**	**-**

Pursuant to the approved scheme, entire paid-up equity and non-cumulative convertible preference share capital of PVR Leisure as held by the Parent Company directly, and the entire paid-up equity share capital of Lettuce held by the Company through PVR Leisure, upon the scheme becoming effective shall stand cancelled on the effective date and no shares of the Parent Company shall be issued or allotted in consideration for amalgamation.

Had the Parent Company was required to follow the Ind AS 103, 'Business Combination' the entities under common control should have used 'Pooling of Interest method', according to which, recognised capital reserve would had been ₹ 468 lakhs as against ₹ 545 lakhs recognised in books as per the approved order of Hon'ble High Court.

(iii) Acquisition of Cinema exhibition undertaking of DLF Utilities Limited

The Parent Company during last year, acquired part of the Cinema exhibition undertaking of DLF Utilities Limited (operated under the brand name of 'DT Cinemas') on a slump sale basis. The sale and transfer of the said Cinema exhibition undertaking, as a going concern has been completed on May 31, 2016 and the same has been accounted as per Ind AS 103, 'Business combination' in financial year 2016-17.

Particulars	Amount
Total Consideration payable for taking the part of the cinema exhibition business of DLF Utilities	43,250
Fair value of tangible assets acquired	(9,038)
(Company had appointed an Independent valuer to value the tangible assets acquired from DLF Utilities Limited)	
Other net liability related to cinema exhibition business acquired by the Company	388
Goodwill	**34,600**

Out of the total consideration payable to DLF Utilities Limited as mentioned above, ₹ 10,000 lakhs are payable on obtaining two separate regulatory approvals, ₹ 5,000 lakhs payable on obtaining each approval. The Parent Company during the last year had received one such approval and had paid ₹ 5,000 lakhs accordingly and balance ₹ 5,000 lakhs had been paid on receipt of second approval during the year ended March 31, 2018.

43 Financial risk Management objective and policies

The Group's financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. Group's financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

Group is exposed to market risk, credit risk, legal, taxation and accounting risk and liquidity risk. Group's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Group's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Parent Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase effect		Decrease effect	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans`	177	246	(177)	(246)

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of Group's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and Accounting risk

Group is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to personal injury claims, landlord-tenant disputes, commercials disputes, tax disputes(including entertainment tax subsidy and other direct and indirect tax matters like GST, service tax, sales tax etc.), employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, Group records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, Group employs in-house counsel and uses third party tax & legal experts to assist in structuring significant transactions and contracts. Group also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Consolidated Balance Sheet

Particulars	March 31,2018	March 31, 2017
Trade Receivables	15,561	10,208
Cash and cash equivalents	2,776	2,475
Other bank balances	503	515
Loans	103	525
Other financial assets	3,281	3,704

Credit risk is the risk of financial loss to Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets primarily represents security deposits given to Mall Developers. Such deposit will be returned to the Company on expiry of lease entered with Mall Developer. The credit risk associated with such security deposits is relatively low.

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Trade receivables also includes receivables from Debit/credit card companies and online movie ticketing partners which are realisable within a period 1 to 3 working days. The Company monitors the economic environment in which it operates. The Company manages its credit risk through establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables (other than Government dues) are in default/doubtful if the payment is outstanding for more than 270 days and more than 365 days in case of government dues. Basis above, for the year ended March 31, 2018, Company has impaired Trade receivables of ₹ 1,211 lakhs (March 31, 2017: ₹ 921 lakhs).

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers.

Movement in the allowance for impairment in respect of trade receivables

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance at the beginning of the year	921	618
Impairment loss recognised / (reversed)	290	406
Amount written off	-	103
Balance at the end of the year	1,211	921

(d) Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, finance leases and advance payment terms.

The Company's liquidity management process as monitored by management, includes the following:

- Day to Day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

Particulars	Borrowings (including current maturities)*		Trade and other payables	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
On demand	100	1,588	-	-
Less than 3 months	11,875	12,574	32,224	25,686
3 to 12 months	15,102	7,372	-	5,069
1 to 5 years	56,211	59,351	138	138
More than 5 years	37	1,374	-	-
Total	**83,325**	**82,259**	**32,362**	**30,893**

*Borrowing includes Non-Convertible Debentures, Term loans, finance lease obligations, Bank overdraft and commercial papers excluding transaction cost.
The Group has also significant contractual obligations in the form of operating lease (Note no. 34(ii)) and capital & other commitments (Note No.35).

44 Capital Management

For the purpose of Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars		**March 31,2018**	March 31, 2017
Long term debt		73,068	69,450
Payable for purchase of fixed assets		6,549	10,435
Total	(A)	**79,617**	**79,885**
Equity	(B)	**107,536**	**96,501**
Gearing ratio	(A/B)	**74%**	**83%**

45 The Board of Directors has recommended final dividend of 20% (₹ 2 per fully paid up equity share of ₹ 10 each) for the year ended March 31, 2018 in the Board meeting dated May 04, 2018, subject to the approval of shareholders at the ensuing Annual General meeting of the Company.

46 Expenses capitalised

The Group has capitalised following expenses through capital work-in-progress (CWIP) which directly or indirectly relates to setting up of cinemas. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

Particulars	**March 31,2018**	March 31, 2017
Salary, allowance and bonus	1,364	1,244
Contribution to provident and other funds	48	51
Rent	28	81
Electricity and water charges	59	17
Repairs and maintenance	117	40
Rates and taxes	310	340
Travelling and conveyance	93	87
Architects & professional	560	849
Insurance	10	27
Communication cost	7	5
Security service charges	215	213
Finance cost	429	256
Other miscellaneous expenses	11	64
Total	**3,251**	**3,274**

47 Income tax expense

Particulars	March 31,2018	March 31, 2017
(a) Income tax expense reported in the statement of profit or loss comprises:		
Current income tax:		
Current tax	4,889	3,292
Income tax for earlier years	-	38
Total current tax	**4,889**	**3,330**
Deferred tax:		
Relating to origination and reversal of temporary differences	2,155	3,878
Less: MAT credit entitlement	-	1,336
MAT credit (entitlement)/reversal for earlier years	-	(172)
Total deferred tax	**2,155**	**2,370**
Income tax expense reported in the statement of profit or loss	**7,044**	**5,700**
Effective Income tax rate	**36.2%**	**37.3%**
(b) Statement of Other Comprehensive Income		
Net loss/ (gain) on re-measurements of defined benefit plans	63	81
(c) Statement of Other Comprehensive Income		
Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
Accounting profit before tax	19,446	15,284
Statutory income tax rate	34.61%	34.61%
Computed tax expense	6,730	5,288
Adjustments in respect of current income tax of previous years	253	(134)
Non-deductible expenses for tax purposes	61	546
Income tax charged to statement of profit & loss	**7,044**	**5,700**
(d) MAT credit entitlement		
Opening Balance	8,241	6,733
Add: MAT credit entitlement/(reversal) for earlier years	-	172
Less: Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	(85)	-
Less: MAT credit entitlement for current year	-	1,336
Less: MAT credit entitlement utilisation for the year	(715)	-
Closing Balance	**7,441**	**8,241**
(e) Deferred tax asset/(Liability)		
Opening Balance	(4,006)	(400)
Less: Impact of differences in W.D.V. block under Income tax and Books of accounts	(2,617)	(3,391)
Add: Effect of carry forward of losses and unabsorbed depreciation	6	(283)
Add: Tax income / (expenses) on other timing differences	516	68
Less: Adjustment on account of sale of Investment in PVR bluO Entertainment Limited (refer note 52)	161	0
Closing balance	**(5,940)**	**(4,006)**

48 Related Party Disclosure

Names of related parties and related party relationship:

Subsidiaries	PVR Pictures Limited
	PVR bluO Entertainment Limited till August 31, 2017 (refer note 52)
	Zea Maize Private Limited
	P V R Lanka Limited
	Erstwhile PVR Leisure Limited (Refer note 42(ii))
	Erstwhile Lettuce Entertain You Limited (Refer note 42(ii))
Other Investment	PVR Pictures International Pte Limited (Refer note 5A)
	Vkaao Entertainment Private Limited (Refer note 5A)
Key Management Personnel	Mr. Ajay Bijli, Chairman cum Managing Director
	Mr. Sanjeev Kumar, Joint Managing Director
	Mrs. Renuka Ramnath, Director
	Mr. Amit Burman – Director
	Mr. Sanjai Vohra – Director
	Mr. Vikram Bakshi – Director
	Mr. Sanjay Khanna - Director

Notes

to the Consolidated financial statements for the year ended March 31, 2018

(Rupees in lakhs, except for per share data and if otherwise stated)

Key Management Personnel	Mr. Chirag Gupta, Director
	Mr. Ankur Gupta, Director
Relatives of Key Management Personnel	Mrs. Selena Bijli, Wife of Mr. Ajay Bijli
	Ms. Niharika Bijli, Daughter of Mr. Ajay Bijli
	Mr. Aamer Krishan Bijli, Son of Mr. Ajay Bijli
	Mr. Satya Narain, Father of Mr. Ankur Gupta
Enterprises owned or significantly influenced by key management personnel or their relatives	PVR Nest
	Priya Exhibitors Private Limited
	Cinestar Limited

Particulars	Key Management Personnel and there relatives		Other Investment		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
Transactions during the year						
Remuneration Paid						
Mr. Ajay Bijli	745	730	-	-	-	-
Mr. Sanjeev Kumar	645	630	-	-	-	-
Ms. Niharika Bijli	-	14	-	-	-	-
Mr. Chirag Gupta	15	15	-	-	-	-
Mr. Ankur Gupta	15	15	-	-	-	-
Sitting fees/ commission						
Other independent directors	26	20	-	-	-	-
Rent Expense						
Priya Exhibitors Private Limited	-	-	-	-	288	288
Mr. Satya Narain	26	26	-	-	-	-
Film Distributors Share expense						
Vkaao Entertainment Private Limited	-	-	77	-	-	-
Income From Sales Of Tickets of Films						
Vkaao Entertainment Private Limited	-	-	3	-	-	-
CSR Expense						
PVR Nest	-	-	-	-	215	166
Final Dividend Paid						
Mr. Ajay Bijli	105	145	-	-	-	-
Mr. Sanjeev Kumar	75	82	-	-	-	-
Mrs. Selena Bijli	4	3	-	-	-	-
Mr. Aamer Krishan Bijli	6	7	-	-	-	-
Loan Taken						
Mr. Chirag Gupta	-	16	-	-	-	-
Loan repaid						
Mr. Chirag Gupta	6	-	-	-	-	-
Balance outstanding at the end of the year						
Trade Payable						
Vkaao Entertainment Private Limited			45			
Mr. Chirag Gupta	3	6	-	-	-	-
Mr. Ankur Gupta	4	3	-	-	-	-
Security Deposit Given						
Priya Exhibitors Private Limited	-	-	-	-	144	144
Mr. Satya Narain	6	6	-	-	-	-
Loan from Directors						
Mr. Chirag Gupta	10	16	-	-	-	-
Investment in Equity Share Capital						
Vkaao Entertainment Private Limited	-	-	300	-	-	-
PVR Pictures International Pte. Limited	-	-	25	-	0.25	-

(a) The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

(b) The financial figures in above note exclude expenses reimbursed to/by related parties.

(c) No amount has been provided as doubtful debts or advance/ written off or written back in the year in respect of debts due from/to above related parties.

(d) The financial figures in above note excludes GST/Sales tax/Service tax, as applicable.

(e) The Parent Company has given corporate guarantee for availing Bank Overdraft facility for one of its subsidiary amounting ₹ 100 lakhs (March 31, 2017 : ₹ 100 lakhs)

49 Segment Information

Operating Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company has been identified as being the chief operating decision maker to assess the financial performance and position of the Company and make strategic decisions. The Company is engaged primarily in the business Movie exhibition and Others allied activities (includes Movie production, distribution & gaming etc.) under the brand 'PVR'.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Movie exhibition is primarily the main segment and movie production, distribution & gaming etc. are less than 10% and hence aggregated under 'Others'.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Company basis.

Particulars	Movie exhibition		Others (includes Movie production, distribution & gaming etc.)		Elimination		Total	
	March' 31, 2018	March 31, 2017	**March' 31, 2018**	March 31, 2017	**March' 31, 2018**	March 31, 2017	**March' 31, 2018**	March 31, 2017
Revenue								
Revenue from operations	222,691	198,967	10,719	12,976	-	-	233,411	211,943
Inter segment sales	98	76	2,120	2,952	(2,218)	(3,027)	-	-
Other income	2,953	6,021	230	307	(48)	(104)	3,134	6,225
Total Revenue	**225,742**	**205,064**	**13,069**	**16,235**	**(2,266)**	**(3,131)**	**236,545**	**218,168**
Segment Results								
Operating profit	18,762	15,212	536	473	207	6	19,505	15,691
Exceptional items							(59)	(407)
Income tax							(7,044)	(5,700)
Net Profit before NCI	-	-	-	-	-	-	**12,402**	**9,584**
Other Information								
Total assets	226,039	205,017	8,845	17,553	-	-	234,884	222,569
Unallocated assets	6,919	7,526	2,259	2,233	-	-	9,178	9,759
Total Allocated Assets	**219,120**	**197,491**	**6,586**	**15,320**	-	-	**225,706**	**212,810**
Total liabilities	123,291	118,969	3,976	3,049	-	-	127,267	122,018
Unallocated liabilities	83,122	82,081	167	156	-	-	83,289	82,237
Total allocated liabilities	**40,169**	**36,888**	**3,809**	**2,893**	-	-	**43,978**	**39,781**
Capital Employed (allocable)	178,951	160,603	2,777	12,426	-	-	181,728	173,029
Capital Employed (unallocable)							(74,111)	(72,478)
Capital expenditure	31,160	62,311	2,842	994	-	-	34,002	63,305
Depreciation/amortisation	14,119	12,239	1,250	1,599	-	-	15,369	13,838
Provision for doubtful debts and advances	350	514	16	55	-	-	366	569

Note:

- **Secondary Segment - Geographical Segment**: Group mainly caters to the needs of the domestic market and the export turnover is less than 10% of the total revenue. Hence no Geographical segment is disclosed.
- The Company does not have revenue more than 10% of total revenue from a single customer.
- 'Other segment' financial figures reported above are not strictly comparable from previous year on account of sale of Investment in PVR BluO Entertainment Limited (refer note 52)

50 Additional Information pursuant to Schedule III of Companies Act 2013 - General Instructions for the preparation of consolidated financial statements' for the year ending March 31, 2018:

Name of the Entity	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (OCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent Company:								
PVR Limited	98.14	105,618	97.35	12,140	101.26	(999)	97.01	11,140
Indian Subsidiaries:								
PVR Pictures Limited	3.66	3,938	3.27	408	(1.06)	10	3.65	419
PVR bluO Entertainment Limited[1]			1.09	136			1.18	136
Zea Maize Private Limited	0.42	457	(1.68)	(210)	(0.51)	5	(1.79)	(205)
Foreign Subsidiaries:								
P V R Lanka Limited	0.12	128	(0.04)	(5)	0.31	(3)	(0.07)	(8)
Share of Non Controlling interest								
PVR bluO Entertainment Limited			0.25	31	-	-	0.27	31
Zea Maize Private Limited			0.30	37	-	-	0.32	36
Elimination	(2.28)	(2,451)	0.05	6	-	-	0.06	7
Share of profit/(loss) of Joint ventures	(0.06)	(73)	(0.58)	(73)	-	-	(0.63)	(73)
Total	**100**	**107,617**	**100**	**12,470**	**100**	**(987)**	**100**	**11,483**

General Instructions for the preparation of consolidated financial statements' for the year ending March 31, 2017:

Name of the Entity	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income (OCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent Company:								
PVR Limited	94.78	95,297	97.00	9,291	96.48	(143)	97.02	9,150
Indian Subsidiaries:								
PVR Pictures Limited	3.50	3,520	2.90	278	2.95	(4)	2.91	274
PVR bluO Entertainment Limited[1]	7.81	7,855	1.24	119	0.46	(1)	1.25	118
Zea Maize Private Limited	0.51	513	(1.91)	(183)	0.41	(1)	(1.95)	(184)
Share of Non Controlling interest								
PVR bluO Entertainment Limited	-	-	(0.46)	(44)	(0.22)	0	(0.47)	(44)
Zea Maize Private Limited	-	-	0.31	30	(0.08)	0	0.32	30
Elimination	(6.60)	(6,634)	0.92	88			0.93	87
Adjustment on account of Business Combination				87				
Total	**100**	**100,551**	**100**	**9,579**	**100**	**(148)**	**100**	**9,431**

Notes:
There are no subsidiaries which have not been considered in the Consolidated financial statement.

[1]Share of profit/loss of PVR bluO Entertainment Ltd. includes reversal of additional depreciation provision created in financial year 2014-15 in respect of a site whose operations were suspended, on account of sale on Investment in PVR bluO Entertainment Limited during the year (refer note 52).

51 During the year ended March 31, 2018 , the Company has invested a sum of ₹ 137 lakhs in P V R Lanka Limited, a Company incorporated on August 09, 2016 in Democratic Socialist Republic of Sri Lanka, to subscribe 320,569 number of equity shares of LKR 100 each.

52 During the year ended March 31, 2018, the Group has sold its stake in one of its subsidiary Companies 'PVR BluO Entertainment Limited ('Investment')' to 'Smaaash Entertainment Private Limited' for a total consideration of ₹ 8,600 lakhs, the details of which are as follows:

Particulars	March 31,2018
PVR share for 51% stake out of the total sale consideration of ₹ 8,600 lakhs*	4,386
Cost of Investment	(4,340)
Incidental expenses	(45)
Working Capital adjustment**	(60)
Net loss on sale of Investment shown under exceptional item	**(59)**

* As on date of sale of investment, PVR bluO Entertainment Limited had ₹ 1,411 lakhs as cash and cash equivalent.
** The said amount is outstanding for settlement by the Company as at the year ended March 31, 2018.
Further, in consolidation the difference between cost of Investment and PVR share in net worth of PVR BluO Entertainment Limited has been recognised in other equity.

53 During the year ended March 31, 2018, the PVR Pictures Limited sold off Movie on Demand platform - 'Vkaao' to Vkaao Entertainment Private Limited vide Business transfer agreement the summary of transaction entered through slump sale are as below:

Particulars	March 31,2018
Sale consideration	250
Less: Assets transferred as a part of slump sale	(99)
Add: Liabilities transferred as a part of slump sale	25
Less: Reimbursement of expenses (net)	(62)
Profit on Slump Sale	**114**

54 During the year ended March 31, 2018, an additional capital was infused amounting to ₹ 150 lakhs in Zea Maize Private Limited (Subsidiary of the Parent Company) through Compulsory convertible preference shares.

55 Under the erstwhile state entertainment tax laws, the Parent Company enjoyed exemption on payment of entertainment tax to recoup the capital investments made in cinemas. However, post implementation of GST, the mechanism on how such exemptions / refunds will be made available has not been clarified by the authorities. The Parent Company has submitted written representations to the various state governments directly and through multiplex associations, stating that since the Company has invested significant amounts on assurance that such exemptions will continue post GST, therefore, the authorities should crystalise the mechanism for extending such exemptions /refunds to the Parent Company. As the matter is still pending for conclusion with various state authorities, the Parent Company has not accounted for such incentives amounting to ₹ 1,032 lakhs from the period July 01, 2017 to March 31, 2018 in the financial statements.

56 The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of international transactions with the associated enterprises during the financial year and expects such records to be in existence latest by the due date of filing the return of income. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

57 Previous year financial statements for the year March 31, 2017 were audited by another firm of Chartered Accountants.

As per report of even date
For **B S R & Co. LLP**
ICAI Firm Registration Number: 101248W / W-100022
Chartered Accountants

Jiten Chopra
Partner
Membership Number: 092894

Place: Gurugram
Date: May 04, 2018

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M. No.: F3170

Nitin Sood
Chief Financial Officer

Place: Gurugram
Date: May 04, 2018

Summarised Financial Statement of Subsidiaries

(Rupees in lakhs, except for per share data and if otherwise stated)

S. No.	Particulars	PVR Pictures Limited		P V R Lanka Limited (Foreign Subsidiary)		Zea Maize Private Limited		PVR BluO Entertainment Limited (Subsidary till August 31, 2017)	
		March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017	**August 31, 2017**	March 31, 2017
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	April to March	April to March	April to March	April to March	April to March	April to March	April to August	April to March
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian subsidiary	Indian subsidiary	LKR, 1LKR=0.4185	NA	Indian subsidiary	Indian subsidiary	Indian subsidiary	Indian subsidiary
3	Share Capital	1,680	1,680	136	-	5	4	3,652	3,652
4	Reserve and Surplus	2,258	1,839	(8)	-	453	508	4,339	4,403
5	Total Assets	7,713	7,908	129	-	793	738	9,154	9,039
6	Total liabilities	3,775	4,388	1	-	336	226	1,163	984
7	Investments	325	-	-	-	-	-	-	-
8	Turnover	7,971	8,944	-	-	967	481	2,311	5,657
9	Profit before taxation	614	500	(5)	-	(210)	(194)	(82)	168
10	Provision for taxation	206	222	-	-	-	-	(18)	55
11	Profit after taxation	408	279	(5)	-	(210)	(194)	(64)	113
12	Other comprehensive income (net of tax)	10	(4)	-	-	5	(1)	0	(1)
13	Proposed Dividend	-	-	-	-	-	-	-	-
14	% of shareholding as on March 31,	100%	100%	100%	-	70%	70%	0%	51%

Independent Auditor's Report

To the Members of PVR Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of PVR Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 34 to the consolidated Ind AS financial statements;

ii The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2017.

iv. The Group has provided requisite disclosures in Note 46 to these consolidated Ind-AS financial statements, to the extent applicable to the Holding Company and subsidiaries incorporated in India, as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose Ind AS financial statements include total assets of Rs 8,100 Lakhs and net assets of Rs 4,032 Lakhs as at March 31, 2017, and total revenues of Rs 9,374 Lakhs and net cash outflows/ (inflows) of Rs 198 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit/loss of Rs. 341 Lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra
Partner
Membership Number: 094421

Place of Signature: Gurugram
Date: May 30, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PVR LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of PVR Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of PVR Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra
Partner
Membership Number: 094421

Place of Signature: Gurugram
Date: May 30, 2017

Consolidated Balance Sheet

as at March 31, 2017

(Rs. In lakhs)

	Note	March 31, 2017	March 31, 2016	April 01, 2015
Assets				
Non-current assets				
Property, plant and equipment	3	104,473	88,242	75,225
Capital work-in-progress	3	10,557	7,393	8,040
Goodwill	4	42,660	8,060	8,060
Goodwill on consolidation	4	705	519	313
Other intangible assets	4	3,030	3,143	2,437
Intangible assets under development	4	-	201	-
Financial assets				
Investments	5	101	103	148
Other financial assets	6	17,838	20,269	13,730
Other non current assets	7	10,840	9,864	12,502
Deferred tax assets (net) (includes MAT credit entitlement)	8A	4,326	6,333	7,874
Total non-current assets	A	194,530	144,127	128,329
Current assets				
Inventories	9	1,904	2,046	1,260
Financial assets				
Investments	10	96	82	38
Loans	11	525	1,522	1,144
Trade receivables	12	10,208	9,008	7,670
Cash and cash equivalents	13	2,475	26,137	2,134
Other bank balances	13	515	576	439
Other financial assets	6	3,704	1,635	311
Other current assets	7	8,612	4,589	3,277
Total current assets	B	28,039	45,595	16,273
Total assets [A+B]		222,569	189,722	144,602
Equity and liabilities				
Equity				
Equity share capital	14	4,674	4,669	4,153
Other equity		91,827	83,453	39,327
Equity attributable to equity holders of the Parent Company		96,501	88,122	43,480
Non-controlling interests	15	4,050	4,010	3,832
Total equity	A	100,551	92,132	47,312
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	60,504	57,182	63,268
Provisions	17	710	672	833
Deferred tax liabilities (net) (includes MAT credit entitlement)	8B	91	-	45
Total non-current liabilities	B	61,305	57,854	64,146
Current liabilities				
Financial liabilities				
Borrowings	18	12,508	-	3,199
Trade payables	19A	19,762	17,158	13,749
Other payables	19B	20,077	13,789	11,405
Provisions	17	325	405	384
Other current liabilities	20	8,041	8,384	4,407
Total non-current liabilities	C	60,713	39,736	33,144
Total equity and liabilities [A+B+C]		222,569	189,722	144,602
Summary of significant accounting policies	2.3			

The accompanying notes are an integral part of the financial statements.

As per report of even date
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Vikas Mehra
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

(Rs. In lakhs)

Particulars	Note	March 31, 2017	March 31, 2016
Income			
Revenue from operations	21	211,943	184,956
Other income	22	6,225	6,348
Total Income		218,168	191,304
Expenses			
Movie exhibition cost		46,516	41,975
Consumption of food and beverages		14,010	12,483
Employee benefits expense	23	22,051	18,594
Finance costs	24	8,058	8,395
Depreciation and amortisation	25	13,838	11,511
Other expenses	26	98,004	82,660
Total expenses		202,477	175,618
Profit before exceptional items and tax		15,691	15,686
Exceptional items	27	407	1,156
Profit before tax		15,284	14,530
Tax expense:			
Current tax		3,292	3,110
Adjustment of tax relating to earlier periods		38	-
Deferred tax (including MAT credit entitlement)		2,370	1,558
Total tax expenses		5,700	4,668
Profit for the year [A]		9,584	9,862
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period			
Re-measurement gains/(loss) on defined benefit plans		(229)	28
Income tax effect		81	(8)
Other comprehensive income for the year (net of tax) [B]		(148)	20
Total comprehensive income for the year [A+B] (comprising profit and other comprehensive income)		9,436	9,882
Total comprehensive income for the year		9,436	9,882
Attributable to:			
Equity holders of the parent		9,431	9,831
Non-controlling interests		5	51
Earnings per equity share on profit after tax and share of non controlling interest [Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]	28		
Basic		20.50	21.05
Diluted		20.50	21.03
Earnings per equity share on total Comprehensive Income attributable to equity shareholders [Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]	28		
Basic		20.18	21.10
Diluted		20.18	21.08
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements.

As per report of even date
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Vikas Mehra
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2017

A. Equity Share Capital (Refer note 14)

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Balance as per last financial statements	4,669	4,153
Changes in equity share capital during the year	5	516
Closing Balance	4,674	4,669

B. Other Equity

	Reserves and Surplus						Other comprehensive income	
Particulars	Capital Reserve	Securities Premium	Debenture redemption reserve	General reserve	Employee stock option outstanding	Retained Earnings	Re-measurement gains/ (loss) on defined benefit plans	Total
As at April 01, 2015	385	12,341	1,032	4,343	242	20,984	-	39,327
Profit for the year (before OCI and after share of non-controlling Interest)	-	-	-	-	-	9,811	-	9,811
Other comprehensive income	-	-	-	-	-	-	20	20
Total Comprehensive Income	385	12,341	1,032	4,343	242	30,795	20	49,158
Issue of share capital	-	34,500	-	-	-	-	-	34,500
Employee stock compensation for options	-	-	-	-	87	-	-	87
Exercise of share options	-	300	-	-	-	-	-	300
Deferred employee stock compensation	-	-	-	-	(5)	-	-	(5)
Transferred from stock options outstanding	-	249	-	-	(249)	-	-	-
Transaction cost on securities issue	-	(26)	-	-	-	-	-	(26)
Transfer to Debenture redemption reserve (refer below note)	-	-	1,671	-	-	(1,671)	-	-
Dividends and tax thereon (refer note 14(e))	-	-	-	-	-	(561)	-	(561)
At March 31, 2016	385	47,364	2,703	4,343	75	28,563	20	83,453
Profit for the year (before OCI and after share of non-controlling Interest)	-	-	-	-	-	9,579	-	9,579
Other comprehensive income	-	-	-	-	-	-	(148)	(148)
Total Comprehensive Income	385	47,364	2,703	4,343	75	38,142	(128)	92,884
Exercise of share options	-	98	-	-	-	-	-	98
Employee stock compensation for options	-	-	-	-	5	-	-	5
Transferred from stock options outstanding	-	80	-	-	(80)	-	-	-
Transfer to Debenture redemption reserve	-	-	2,269	-	-	(2,269)	-	-
Transfer from Debenture redemption reserve (on redemption of 20% of 11.40% NCD)	-	-	(50)	-	-	50	-	-
Dividends (refer note 14(e))	-	-	-	-	-	(971)	-	(971)
Tax on Dividends (refer note 14(e))	-	-	-	-	-	(198)	-	(198)
Adjustment on account of Business combination	217	(417)	-	-	-	59	-	(141)
Amount of Goodwill created on account additional investment in Zea Maize Private Limited (subsidiary)	-	-	-	151	-	-	-	151
At March 31, 2017	602	47,124	4,922	4,494	-	34,813	(128)	91,827

Note: The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Parent Company to create Debenture redemption reserve (DRR) out of profits of the Parent Company available for payment of Dividends. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and the Parent Company has accordingly created the same.

Summary of significant accounting policies (refer note 2.3)

The accompanying notes are an integral part of the financial statements.

As per report of even date
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Vikas Mehra
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2017

(Rs. In lakhs)

	Note	March 31, 2017	March 31, 2016
Operating activities:			
Profit before tax		15,284	14,530
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of tangible assets	25	12,477	10,582
Amortisation of intangible assets	25	1,361	929
Net loss on disposal and discard of property, plant and equipment, CWIP (including pre-operative expenses)	26	636	834
Interest Income	22	(1,345)	(1,466)
Provision for doubtful debts and advances	26	569	257
Bad debts/advaces written off	26	29	179
Interest expense	24	7,298	7,750
Employee stock option expense	23	5	78
Unspent liabilities written back	22	(89)	(120)
Exceptional items - Assets written off (March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)	27	245	666
Rent expenses (pertaining to deferred rent)	26	1,260	1,016
		37,730	35,235
Working capital adjustments:			
Increase/(Decrease) in provisions		(303)	(151)
Increase/(Decrease) in trade & other payables		2,493	7,507
Decrease/(Increase) in trade receivables		(1,624)	(1,959)
Decrease/(Increase) in inventories		142	(787)
Decrease/(Increase) in loans and advances and other assets		(3,168)	(2,392)
Cash generated from operations		35,270	37,453
Direct taxes paid (net of refunds)		(3,309)	(2,019)
Net cash flow from/(used in) operating activities (A)		31,961	35,434
Cash flows (used in) investing activities			
Purchase of Property, plant and equipment, Intangible assets, capital work-in-progress and capital advance		(63,305)	(23,452)
Security deposits to developers		(5,246)	(1,937)
Proceeds from sale of property, plant and equipment		63	24
Purchase/redemption of National saving certificate		(12)	2
Interest received		288	573
Fixed deposits with banks (includes Escrow account deposit)		5,003	(5,127)
Net cash flow from/(used in) investing activities (B)		(63,209)	(29,917)
Cash flow (used in)/from financing activities			
Proceeds from issuance of share capital including securities premium		103	35,216
Proceeds from long term borrowings		15,085	(1,404)
Repayment of long-term borrowings		(11,636)	(3,817)
Proceeds from short-term borrowings		20,936	8,000
Repayment of short-term borrowings		(10,000)	(8,000)
Payment of dividend and tax thereon		(1,169)	(560)
Interest paid on borrowings		(7,304)	(7,751)
Net cash flow from/(used in) financing activities (C)		6,015	21,684
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(25,233)	27,201
Cash and cash equivalents at the beginning of the year		26,136	2,134
Less: Bank overdraft (refer note 18)		-	(3,199)
Cash and cash equivalents at the end of the year		903	26,136

Cash and cash equivalents

(Rs. In lakhs)

		March 31, 2017	March 31, 2016
Cash and cheques on hand		319	236
With banks - on deposit accounts		74	211
With banks - on current accounts		2,082	1,415
Investment in Mutual fund		-	24,274
Sub-total (refer note 13)		2,475	26,136
Less: Bank overdraft (refer note 18)		(1,572)	-
Total cash and cash equivalent for cash flow statement		903	26,136
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements.

As per report of even date
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Vikas Mehra
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
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Director
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Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Notes

to the Consolidated financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

The Consolidated Financial Statements relate to PVR Limited (Parent Company) and its subsidiary Companies (hereinafter referred as the ("Group"). The Parent Company is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on leading stock exchanges in India. The registered office of the Parent Company is located at "61, Basant lok, Vasant Vihar, New Delhi, India – 110057".

The Group is engaged in the business of Movie exhibition, distribution and production and also earns revenue from in-house advertisement, sale of food and beverages, bowling and gaming alley and restaurant business.

The subsidiary companies which are included in the consolidation are as under:

Name of Subsidiary Company	Name of the Holding Company	Country of Incorporation	Date of acquisition	**Percentage of Ownership as at March 31, 2017**	Percentage of Ownership as at March 31, 2016	Percentage of Ownership as at April 1, 2015
PVR Pictures Limited	PVR Limited	India	Existing stake	100	100	100
Erstwhile PVR Leisure Limited			(Refer note 41 (ii))		100	100
Erstwhile Lettuce Entertain You Limited			(Refer note 41 (ii))		100	100
PVR bluO Entertainment Limited	PVR Limited	India	Existing stake through Erstwhile PVR Leisure Limited	51	51	51
Zea Maize Private Limited	PVR Limited	India	Existing stake	70 (80 through convertible preference shares)	70	-

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all years up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first financial statement of the Group prepared in accordance with Ind AS. Refer to note 29 for information on adoption of Ind AS.

The consolidated financial statements have been prepared on an accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, refer note 2.3(d)).

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at March 31, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns;
- Management of the day to day operations;
- Appointment and Termination of key management personnel; and
- Decisions over development of new sites and prevention of loss of assets.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date;

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group

and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Summary of significant accounting policies

(a) Business combinations and goodwill:

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015 (transition date). As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date on the basis of fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date on the basis of fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives, if any in host contracts by the acquire.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (Theatrical exhibition unit) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill arising from business combination is tested for impairment, considering the integrated business of PVR (Theatrical exhibition unit), as practically it is impossible to allocate to specific cinema location, considering various synergies in term of pricing of ticket, advertisement income, purchasing power and other commercial aspects.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Computation of Goodwill on consolidation:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Investment in equity shares of PVR Pictures Limited	6,000	6,000
Less: PVR Limited's share in the net assets of its subsidiary PVR Pictures Limited	4,433	4,433
Less: amount pertaining to the production business undertaking of PVR Pictures Limited merged with PVR Limited pursuant to the scheme of arrangement approved by the Court.	1,254	1,254
Balance (A)	313	313
Investment in equity shares of Zea Maize Pvt. Ltd.	500	500
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	294	294
Balance (B)	206	206
Investment in compulsory convertible preference share capital of Zea Maize Pvt. Ltd.	350	-
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	164	-
Balance (C)	186	-
Goodwill (A+B+C)	705	519

Computation of Capital Reserve:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Investment in Equity share capital of PVR Leisure Limited	2,324	2,324
Less: PVR Limited's share in net assets of its subsidiary	2,081	2,081
Goodwill (A)	243	243
Investment in compulsory convertible preference share capital of PVR Leisure Limited	1,376	1,376
Less: Preference share value in PVR Subsidiary PVR Limited's share in net assets of its subsidiary	2,004	2,004
Capital Reverse (B)	(628)	(628)
Reversal of Capital Reserve due to merger of PVR Leisure Limited in the Parent Company.	385	-
Capital Reverse (C)	385	-
Net Capital Reserve (A+B+C)	-	(385)

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(c) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

  Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons,

the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The Group collects entertainment tax, sales tax and service tax on behalf of government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenues. The following specific recognition criteria must also be met before revenue is recognized.

i. Income from sale of movie tickets (Box office revenue)

Revenue from sale of movie tickets is recognised as and when the film is exhibited.

ii. Sale of Food and Beverages

Revenue from sale of food and beverages is recognized upon passage of title to customers, which coincides with their delivery to the customer.

iii. **Revenue from Bowling games**
Revenue from bowling games is recognized as and when the games are played by patrons.

iv. **Income from Shoe rental**
Revenue from rental of shoes is recognized as and when shoes are given on rent for bowling game.

v. **Income from sale of franchise**
Revenue from sale of franchise is recognized on the date when the rights are made available to the franchisee for exploitation/when franchisee store commences its commercial operations.

vi. **Income from film production and distribution**
Revenues from film co – produced/co - owned are accounted for based on the terms of the agreement. Revenue from assignment of domestic theatrical exhibition rights of films is accounted for as per the terms of the assignment on the theatrical exhibition of the films or on the date of agreement to assign the rights, whichever is later. The revenue is recognised on gross basis.

(a) **Income from Theatrical distribution**
The revenue from theatrical distribution is recognized once the movie is released based on "Daily Collection Report" submitted by the exhibitor.

(b) **Income from sale of other rights other than theatrical distribution**
Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

Digital revenue is recognised on the date when the rights are made available to the assignee for exploitation.

(c) **Income from film consultancy**
Film Consultancy income is recognised on monthly basis as per agreement terms.

vii. **Advertisement Revenue**
Advertisement revenue is recognized as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

viii. **Management Fees**
Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreements.

ix. **Convenience Fee**
Convenience fee is recognized as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognized on accrual basis in accordance with the terms of the agreement.

x. **Rental and Food court Income**
Rental Income is recognized on accrual basis for the period the space of cinema and food court is let out under the operating lease arrangement

xi. **Virtual Print Fees Income**
Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreements.

xii. **Interest Income**
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

xiii. **Dividend Income**
Revenue is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

(f) **Government grants (Entertainment tax)**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, grants related to depreciable assets are usually recognized in statement of profit or loss on a systematic basis over the useful life of the assets.

(g) **Taxes**

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 Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT

credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(h) Property, plant and equipment (PPE)

(i) PPE and Capital work in progress (including Pre-operative expenses) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of CENVAT) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

(ii) Expenditure directly relating to construction activity are capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is adjusted against the total of the indirect expenditure. Further, Expenditure on additions and betterment of operational properties are capitalized, and expenditures for maintenance and repairs are charged to statement of Profit and loss as incurred.

(iii) An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

(iv) The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.

(v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(vi) Deemed cost of transition to Ind AS - For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as on April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(i) Depreciation on Property, plant and equipment

Leasehold Improvements are amortized over the estimated useful life generally varying in between 20-25 years or unexpired period of lease, whichever is lower, on a straight line basis.

Assets costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

Depreciation on all other assets is provided on Straight-line method at the rates computed based on estimated useful life of the assets, which are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Life as per Schedule II (in years)	Life considered by the Group (in years)
Concession equipments	15	8
Gaming equipments	15	13.33
Furniture and fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

PVR Group has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's which are taken @ 10% of original cost based on technical assessment.

(j) Intangibles assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life and the basis of amortization and impairment losses is as under:

i **Software**

Cost relating to purchased software and software licenses are capitalized and amortized on a straight-line basis over their estimated useful lives of 6 years.

ii **Goodwill**

Goodwill recognized as part of business combination has indefinite useful lives and is not amortized, but is tested for impairment on annual basis.

iii **Trademarks, Copyrights and Liquor Licenses**

Trademark and copyrights for the brand name acquired and registered by the Group are capitalised and are amortised over an estimated life of five years.

License for liquor sale acquired for are capitalised and are amortised over an estimated useful life of ten years.

iv **Movie Right's**

The intellectual property rights acquired/ created in relation to films are capitalised as film rights. The amortisation policy is as below:

(i) In respect of films which have been co produced /co owned/acquired and in which the Company holds rights for a period of 5 years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortisation relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

  In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.

- Balance 40% to 20% is amortised over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

(ii) In respect of films, where the Company holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortized on first theatrical release of the movie. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first theatrical release, whichever occurs earlier.

(iii) In case of one of the subsidiary company, PVR Pictures Limited, the film right cost (primarily for foreign films) is amortised over the period of useful lives, writing off more in year one which recognizes initial income flows and then the balance over a period of nine years, or the remaining life of the content rights, whichever is less. The amortisation policy followed by the subsidiary company, PVR Pictures Limited is as below:

- 25% to 75% of the cost of film rights on first domestic theatrical release of the film based on the management estimates if the agreement is silent on allocation of rights. The said amortisation relates to Theatrical rights.

- In case these theatrical rights are not exploited proportionate cost of such right is written off as and when the management decides to commercially not exploit such right.

- Balance 75% to 25% is amortised over the remaining license period based on an estimate of future revenue potential if the agreement is silent on allocation of rights subject to a maximum period of 10 years.

v **Movie on Demand (MOD) Platform (Vkaao)**

Investment in MOD Platform (Vkaao) is recorded at its production costs less accumulated amortization. Cost includes acquisition and production cost, direct overhead cost and borrowing costs. The same is amortised over the period of useful life which recognizes income flows.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(k) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses, if any are recognised in the statement of profit and loss.

(m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Group is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on an ongoing basis

Where the Group is the lessor

Leases in which the Company does not transfer substantially all risks and benefits of ownership of the assets are classified as operating lease. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on ongoing basis. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of profit and loss

(n) Inventories

Inventories are valued as follows:

(i) **Food and beverages**
Lower of cost and net realizable value. Cost is determined on weighted average basis.

(ii) **Stores, spares and other goods**
Lower of cost and net realizable value. Cost is determined on First In First Out (FIFO) basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition;

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

(o) Retirement and other employee benefits

i. **Provident fund**
Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

ii. **Gratuity**
Gratuity is a defined benefit obligation. The Parent Company has created an approved gratuity fund for the future payment of gratuity to the employees. PVR Group accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary.

iii. **Compensated absence**
Short term compensated absences are provided for based on estimates. Long term compensated balances are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

iv. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

(p) Provisions

General

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Earnings Per share

Basic earnings per share is calculated by dividing total comprehensive Income attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted earnings per share, total comprehensive Income for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(s) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Ind-AS 102 Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense, together with a corresponding increase in the "Employee Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest.

(t) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(u) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless stated otherwise.

3. PROPERTY, PLANT AND EQUIPMENT

(Rs. in lakhs)

Particulars	Freehold Land	Building	Leasehold Improvements	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total	Capital work in progress
Cost (Deemed cost / WDV as on April 01, 2015) (refer note (iv) below)	2	10	28,374	33,831	11,026	1,735	247	75,225	8,040
Additions	-	-	7,076	13,432	2,569	1,012	141	24,230	
Assets acquired on investment in Zea maize Private Limited	-	-	-	26	27	-	-	53	
Disposals and discard	-	-	(1,313)	(1,067)	(782)	(284)	(113)	(3,559)	
At March 31, 2016	2	10	34,137	46,222	12,840	2,463	275	95,949	-
Additions	-	-	6,577	10,803	2,772	704	228	21,084	
Additions on account of Business Combination (Refer Note 41 (ii) & (iii))	-	-	3,966	3,786	494	138	-	8,384	
Disposals and discard	-	-	(600)	(1,312)	(944)	(85)	(45)	(2,986)	
At March 31, 2017	2	10	44,080	59,499	15,162	3,220	458	122,431	-
Depreciation									
Charge for the year	-	-	3,559	4,494	1,754	692	83	10,582	
Assets acquired on investment in Zea maize Private Limited	-	-	-	4	2	-	-	6	
Disposals and discard	-	-	(1,099)	(812)	(604)	(257)	(109)	(2,881)	
At March 31, 2016	-	-	2,460	3,686	1,152	435	(26)	7,707	-
Charge for the year	-	-	4,285	5,451	1,954	679	108	12,477	
Adjustment on account of Business Combination (Refer Note 41(ii))		-	(70)	(218)	(30)	(8)	-	(326)	
Disposals and discard	-	-	(343)	(658)	(814)	(76)	(9)	(1,900)	
At March 31, 2017	-	-	6,332	8,261	2,262	1,030	73	17,958	-
Net Block									
At March 31, 2016	2	10	31,677	42,536	11,688	2,028	301	88,242	7,393
At March 31, 2017	2	10	37,748	51,238	12,900	2,190	385	104,473	10,557

Notes:

i. **Capital Work in progress**

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. **Assets on Finance lease included in:**

Particulars	Cost	WDV
March 31, 2017	5,005	4,392
March 31, 2016	3,412	3,189
April 01, 2015	-	-

iii. **Capitalised borrowing costs**

The amount of borrowing costs included in Capital work in progress during the year ended March 31, 2017 was Rs. 256 lacs (March 31, 2016: 214 lakhs).

iv. **Ind AS 101 Exemption:**

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forwarded at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has disclosed the Cost as at April 01,2015 net of accumulated depreciation/

amortisation. However as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

(Rs. in lakhs)

Particulars	Freehold Land	Building	Leasehold Improvements	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total
Gross Block as at March 31, 2015	2	15	40,975	50,608	19,777	4,507	398	116,282
Accumulated depreciation as at March 31, 2015	-	5	12,601	16,777	8,751	2,772	151	41,057
Net Block as at March 31, 2015/ Deemed cost as at April 01, 2015	2	10	28,374	33,831	11,026	1,735	247	75,225

4. INTANGIBLE ASSETS

(Rs. in lakhs)

Particulars	Goodwill on consolidation (refer note 2.3(a))	Goodwill	Software Development	Copyrights	Film Rights	Total	Intangible assets under development
	A	B	C	D	E	F=C+D+E	
Cost (Deemed cost / WDV as on April 01, 2015)	313	8,060	827	144	1,466	2,437	-
Additions	206	-	747	-	888	1,635	
Disposals and discard	-	-	(6)	-	(62)	(68)	
At March 31, 2016	519	8,060	1,568	144	2,292	4,004	
Additions	186	-	632	-	647	1,279	
Addition on account of Business Combination (Refer Note 41 (ii))	-	34,600	25	-	-	25	
Disposals and discard	-	-	(15)	-	(169)	(184)	
At March 31, 2017	**705**	**42,660**	**2,210**	**144**	**2,770**	**5,124**	
Amortisation							
For the year	-	-	255	19	655	929	
Deductions/ Adjustments	-	-	(6)	-	(62)	(68)	
At March 31, 2016	-	-	249	19	593	861	
For the year	-	-	397	19	945	1,361	
Adjustment on account of Business Combination (Refer Note 41 (ii))	-	-	(4)	(1)	-	(5)	
Deductions/ Adjustments	-	-	(15)	-	(108)	(123)	
At March 31, 2017	**-**	**-**	**627**	**37**	**1,430**	**2,094**	
Net Block							
At March 31, 2016	519	8,060	1,319	125	1,699	3,143	201
At March 31, 2017	**705**	**42,660**	**1,583**	**107**	**1,340**	**3,030**	**-**

Notes:

i. Impairment testing of Goodwill:

Our recorded goodwill is Rs. 42,660 and Rs. 8,060 as of March 31, 2017 and March 31, 2016, respectively. We evaluate goodwill for impairment annually or any time an event occurs or circumstances change that would more likely than not reduce the fair value for a reporting unit below its carrying amount. Our goodwill is related to theatrical exhibition business, which is core business for purposes of evaluating recorded goodwill for impairment. Goodwill arising from business combination is tested for impairment, considering the integrated business of PVR (Theatrical exhibition unit), as practically it is impossible to allocate to specific cinema, considering various synergies in term of pricing of ticket,

advertisement income, purchasing power and other commercial aspects. If the carrying value of the reporting unit exceeds its fair value, we are required to reallocate the fair value of the reporting unit as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the price paid to acquire the reporting unit. At March 31, 2017 and March 31, 2016, we assessed qualitative factors and reached a determination that it is not more likely than not that the fair value of our reporting unit is less than its carrying value and therefore the two step method, as described in standard, is not necessary. Factors considered in determining this conclusion include but are not limited to the excess fair value of our equity as determined by Companies closing stock price on March 31, 2017 over our carrying value as of March 31, 2016 and our Adjusted EBITDA improvement from last year. At March 31, 2017, the fair value of our total stockholders' equity exceeded the carrying value and hence, there was no goodwill impairment as of March 31, 2017 and March 31, 2016.

ii. **Ind AS 101 Exemption:**

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forwarded at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has dislcosed the Cost as at April 01, 2015 net of accumulated depreciation/ amortisation. However as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company seperately as follows:

(Rs. in lakhs)

Particulars	Goodwill on consolidation (refer note 2.3(a))	Goodwill	Software Development	Copyrights	Film Rights	Total
	A	B	C	D	E	F=C+D+E
Gross Block as at March 31, 2015	313	10,075	1,863	326	5,015	7,204
Accumulated Amortisation as at March 31, 2015	-	2,015	1,036	182	3,549	4,767
Net Block as at March 31, 2015/ Deemed cost as at April 01, 2015	313	8,060	827	144	1,466	2,437

5. NON-CURRENT INVESTMENTS

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Investments (unquoted, valued at amortised cost)			
National Savings Certificates*	197	185	186
(Deposited with various tax authorities)			
	197	185	186
Less: Amount disclosed under current investment (Refer note 10)	96	82	38
(being due for maturity within next 12 month)			
	101	103	148
Aggregate amount of unquoted investment	197	185	186
* **Notes** : National saving certificates are held in various names in the interest of the Parent Company:			
Managing Director	36	36	36
Employee	120	96	68
Developer	8	8	8
Promoters of the erstwhile subsidiary company	33	45	74

6. OTHER FINANCIAL ASSETS

(Rs. In lakhs)

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Non-current bank balances (refer note 13 and 41(iii)) (March 31, 2016: Includes deposit in Escrow account of Rs. 5,000 lakhs)	145	5,087	97	-	-	-
Interest accrued on:						
Fixed Deposits	16	8	7	13	21	10
National Saving certificate	25	25	45	54	47	19
Others	-	-	-	21	46	19
Sub-total (A)	186	5,120	149	88	114	48
Revenue earned but not billed (B)	-	-	-	336	967	256
Government grant receivable (Entertainment tax)* (C)	1,691	2,309	2,075	1,752	145	-
Security deposit						
Unsecured, considered good	15,961	12,840	11,506	1,528	409	7
Unsecured, considered doubtful	318	446	206	-	-	-
	16,279	13,286	11,712	1,528	409	7
Provision for doubtful security deposit	(318)	(446)	(206)	-	-	-
Sub-total (D)	15,961	12,840	11,506	1,528	409	7
Total (A+B+C+D)	17,838	20,269	13,730	3,704	1,635	311

*The Entertainment tax exemption in respect of some of the Multiplexes of the Parent Company has been accounted on the basis of eligibility criteria as laid down in the respective State Government schemes and applications filed with authorities and is subject to final orders yet to be received from respective state authorities for some of the exempted Multiplexes.

7. OTHER ASSETS

(Rs. In lakhs)

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Prepaid expenses	897	1,062	1,200	1,097	828	634
Deferred rent	6,828	6,234	6,503	987	888	829
(A)	7,725	7,296	7,703	2,084	1,716	1,463
Capital advances						
Unsecured, considered good	1,847	1,010	2,084	-	-	-
Unsecured, considered doubtful	2	-	32	-	-	-
	1,849	1,010	2,116	-	-	-
Provision for doubtful capital advances	(2)	-	(32)	-	-	-
(B)	1,847	1,010	2,084	-	-	-
Advances recoverable in cash or kind						
Unsecured, considered good	-	-	-	5,021	2,040	1,319
Unsecured, considered doubtful	-	-	-	9	49	239
	-	-	-	5,030	2,089	1,558
Provision for doubtful advances	-	-	-	(9)	(49)	(239)
(C)	-	-	-	5,021	2,040	1,319
Other assets						
Unsecured, considered good						
Advance income tax (net of provision)	378	668	1,825	-	-	-
Income tax paid under protest	890	890	890	-	-	-
Balances with statutory/government authorities	-	-	-	1,507	833	495
(D)	1,268	1,558	2,715	1,507	833	495
Total (A+B+C+D)	10,840	9,864	12,502	8,612	4,589	3,277

8. DEFERRED TAX ASSETS (NET) (INCLUDES MAT CREDIT ENTITLEMENT)

(Rs. In lakhs)

			March 31, 2017	March 31, 2016	April 01, 2015
8A	**Deferred tax Assets (net)**				
	Deferred tax asset				
	Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		283	353	354
	Provision for doubtful debts and advances		424	384	342
	Unabsorbed depreciation/ losses available for offsetting against future taxable income		-	320	4,468
	Others		398	336	279
	Gross deferred tax asset		1,105	1,392	5,443
	Less: Deferred tax liability				
	Impact of differences in depreciation/ amortisation in block of tangible and intangible assets as per tax books and financial books		4,925	1,792	2,550
	Gross deferred tax liabilities		4,925	1,792	2,550
	Deferred tax assets/(liabilities) (net)	A	(3,820)	(400)	2,893
	Add: Minimum Alternative Tax (MAT) credit entitlement (refer below note)	B	8,146	6,733	4,981
	Net deferred tax Assets (Includes MAT credit entitlement)	A+B	4,326	6,333	7,874

(Rs. In lakhs)

			March 31, 2017	March 31, 2016	April 01, 2015
8B.	**Deferred tax Liabilities (net) (Includes MAT credit entitlement)**				
	Deferred tax liability				
	Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books		259	-	265
	Gross deferred tax liability		259	-	265
	Deferred tax asset				
	Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis		36	-	10
	Unabsorbed depreciation/ losses available for offsetting against future taxable income		37	-	150
	Gross deferred tax asset		73	-	160
	Net deferred tax liability	A	186	-	105
	Less: Minimum Alternative Tax (MAT) credit entitlement	B	95	-	60
	Deferred tax Liabilities (net) (Includes MAT credit entitlement)	(A-B)	91	-	45

Notes:

i. The MAT credit entitlement asset recognized by PVR Group represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of Section 115JAA of the Income Tax Act, 1961. The management, based on the present trend of profitability and also the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

9. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Food and beverages	1,155	915	797
Stores and spares (includes Goods in transit Rs. Nil (March 31, 2016: Rs. 513 lakhs, April 01, 2015: Rs. Nil)	722	1,113	449
Others	27	19	14
	1,904	2,046	1,260

10. CURRENT INVESTMENTS

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Investments (unquoted, valued at amortised cost)			
National Savings Certificates (refer note 5)	96	82	38
(Deposited with various State tax Authorities)			
	96	82	38

11. LOANS

(Rs. In lakhs)

		March 31, 2017	March 31, 2016	April 1, 2015
Loan and advances to related parties (Unsecured, consider good)				
Loan to Key management personnel		-	262	395
	A	-	262	395
Loan to others (Unsecured, considered good)				
Loan to body corporate		98	98	98
Loan to employees		427	1,162	651
	B	525	1,260	749
Total	(A+B)	525	1,522	1,144

Note:

Key Management Personnel in terms of Companies Act 2013:

Mr. Nitin Sood	-	245	395
Mr. N C Gupta	-	17	-

12. TRADE RECEIVABLES

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Secured, considered good	72	67	115
Unsecured, considered good	10,136	8,941	7,555
Unsecured, considered doubtful	921	618	515
	11,129	9,626	8,185
Provision for doubtful debt	(921)	(618)	(515)
	10,208	9,008	7,670

Note:

i Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days.

13. CASH AND CASH EQUIVALENT

(Rs. In lakhs)

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Cash and cash equivalents						
Balances with banks:						
On current accounts	-	-	-	2,082	1,415	1,928
Deposits with original maturity of less than 3 months	-	-	-	74	211	54
Cash on hand	-	-	-	319	236	152
Investment in Mutual fund (Refer note (a) below)	-	-	-	-	24,274	-
	-	-	-	2,475	26,137	2,134
Other bank balances						
Deposits with maturity for more than 12 months	145	87	97	-	-	-
Deposits with maturity for more than 3 months but less than 12 months	-	-	-	507	569	431
Restricted cash: Deposit in Escrow account (refer note 45(iii))	-	5,000	-	-	-	-
Unpaid and unclaimed dividend accounts	-	-	-	8	8	8
	145	5,087	97	515	576	439
Amount disclosed under non-current assets (refer note 6)	(145)	(5,087)	(97)	-	-	-
	-	-	-	2,990	26,713	2,573

Note:

(a) Investment in Mutual fund

Nil (March 31, 2016: 896,444; April 01, 2015: Nil) units of Birla Sun life Cash Plus	-	2,174	-
Nil (March 31, 2016: 127,527; April 01, 2015: Nil) units of Reliance liquid fund	-	4,700	-
Nil (March 31, 2016: 120,250; April 01, 2015: Nil) units of DSP Blackrock Fund	-	2,600	-
Nil (March 31, 2016: 1,566,752; April 01, 2015: Nil) units of Birla Sunlife Fund	-	3,800	-
Nil (March 31, 2016: 236,476; April 01, 2015: Nil) units of UTI Fund	-	4,000	-
Nil (March 31, 2016: 1,341,678; April 01, 2015: Nil) units of ICICI Fund	-	3,000	-
Nil (March 31, 2016: 168,624; April 01, 2015: Nil) units of SBI Mutual Fund	-	4,000	-
	-	24,274	-

(b) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

14. SHARE CAPITAL

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Authorised share capital			
Equity shares of Rs. 10 each	11,070	9,370	9,370
0.001% Non-cumulative convertible Preference shares of Rs. 341.52 each	2,015	-	-
	13,085	9,370	9,370
Issued, subscribed and fully paid-up shares			
Equity shares of Rs. 10 each fully paid	4,674	4,669	4,153
Total issued, subscribed and fully paid-up share capital	4,674	4,669	4,153

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

i. Authorised Equity shares

(Rs. In lakhs)

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	93,700,000	9,370	93,700,000	9,370	93,700,000	9,370
Increased during the year on account of Business combination (Refer Note 41 (i) & (ii))	17,000,000	1,700	-	-	-	-
Balance at the end of the year	110,700,000	11,070	93,700,000	9,370	93,700,000	9,370

ii. Authorised Non-cumulative convertible Preference shares

(Rs. In lakhs)

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	-	-	-	-	-	-
Increased during the year on account of Business combination (Refer Note 41 (ii))	590,000	2,015	-	-	-	-
Balance at the end of the year	590,000	2,015	-	-	-	-

iii. Issued Equity shares

(Rs. In lakhs)

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	46,686,938	4,669	41,528,888	4,153	41,528,888	4,153
Shares Issued during the year:						
Employee stock options plan (refer note 31)	51,650	5	158,050	16	-	-
Preferential allotment	-	-	5,000,000	500	-	-
Shares outstanding at the end of the year	46,738,588	4,674	46,686,938	4,669	41,528,888	4,153

b. Terms and rights attached to equity shares

The Parent Company has only one class of equity shares issued having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company as on year end

	March 31, 2017		March 31, 2016		April 01, 2015	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs. 10 each fully paid						
Mr. Ajay Bijli (refer note 41(i))	5,260,298	11.25	-	-	-	-
Mr. Sanjeev Kumar Bijli (refer note 41(i))	3,728,892	7.98	-	-	-	-
Berry Creek Investment Ltd	3,582,585	7.67	-	-	-	-

	March 31, 2017		March 31, 2016		April 01, 2015	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gray Birch Investment Ltd	2,958,888	6.33	-	-	-	-
Multiples Private Equity Fund I Ltd	1,771,598	3.79	2,908,125	6.23	2,908,125	7.00
Plenty Private Equity Fund I Ltd	1,392,508	2.98	4,119,762	8.82	-	-
Major Cineplex Group Public Company Ltd	755,000	1.62	1,671,000	3.58	2,300,932	5.54
Bijli Holdings Private Ltd (refer note 41(i))	-	-	10,031,805	21.49	10,031,805	24.16
L Capital Eco Ltd	-	-	-	-	6,244,898	15.04

As per records of the Parent Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date, wherever applicable is given below:

	(Aggregate No. of Shares)				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
The Parent Company issued shares during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideraton was received in form of employee services	51,650	158,050	422,668	398,942	204,126
Equity shares allotted as fully paid up pursuant to the scheme of amalgamation for consideration other than cash	-	-	-	1,090,203	-

e. Distribution made and Proposed

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Cash Dividends on equity shares declared and paid:			
Final Dividend for the year ended March 31,	935	466	1,028
Dividend Distribution Tax on final Dividend	190	95	175
Interim Dividend declared by erstwhile Bijli Holdings Private Limited	36	-	-
Dividend Distribution Tax on Interim Dividend	8	-	-
	1,169	561	1,203
Proposed dividends on Equity shares:*			
Final Dividend for the year ended March 31, 2017: Rs. 2 per share (March 31, 2016: Rs. 2 per share, April 01, 2015: Re. 1) per share	935	934	414
DDT on proposed Dividend	190	190	85
	1,125	1,124	499

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

15. NON-CONTROLLING INTEREST

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
(a) PVR bluO Entertainment Limited			
Non-controlling Interest in Equity	1,790	1,790	1,790
Non-controlling Interest in Securities premium	2,052	2,052	2,052
Non-controlling Interest in Non-Equity			
Share of profit/(loss) brought forward	61	(10)	(10)
Share of profit/(loss) of the current year	44	71	0
	3,947	3,903	3,832
(b) Zea Maize Private Limited			
Non-controlling Interest in Equity	1	1	-
Non-controlling Interest in Securities premium	160	134	-
Non-controlling Interest in Non-Equity			
Share of profit/(loss) brought forward	(28)	(9)	-
Share of profit/(loss) of the current year	(30)	(19)	-
	103	107	-
Note:			
Non-controlling Interest in Equity of subsidiaries	1,791	1,791	1,790
Non-controlling Interest in Securities premium of a subsidiaries	2,212	2,186	2,052
Non-controlling Interest in Non-Equity of subsidiaries	47	33	(10)
	4,050	4,010	3,832

16. LONG TERM BORROWINGS (AT AMORTISED COST)

(Rs. In lakhs)

	Non-current portion			Current maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Debentures						
Secured Redeemable Non-Convertible Debentures (net of transaction cost) (refer note (a) below)	43,729	35,573	35,721	1,850	200	-
Term loans						
Secured term loans from banks	13,856	18,631	27,235	6,525	8,144	7,167
Secured term loans from body corporate	-	-	172	-	-	750
Other loans						
Secured car finance loans from banks	50	97	140	47	43	38
Secured Finance lease obligation from body corporate (refer note 32)	2,869	2,881	-	524	433	-
	60,504	57,182	63,268	8,946	8,820	7,955
Amount disclosed under the head "other current liabilities" (refer note 19)	-	-	-	(8,946)	(8,820)	(7,955)
	60,504	57,182	63,268	-	-	-

Notes:

a. Secured Redeemable Non-Convertible Debentures (NCD):

(Rs. In lakhs)

Particulars	Effective Interest Rate	Issue Date	Repayment Period	Repayment Schedule	Amount
80 (March 31, 2016: 100) of Rs. 1,000,000 each	11.40%	1-Jan-10	7th to 10th years	20:20:30:30	800
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.95%	25-Feb-14	5th year	100	5,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.75%	10-Jun-14	5th year	100	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	11.00%	16-Oct-14	4th to 7th years	25:25:25:25	10,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	11.00%	24-Nov-14	5th to 7th years	30:30:40	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	10.75%	9-Jan-15	6th and 7th year	50:50	10,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	8.90%	29-Jul-16	1st, 2nd and 3rd Year	33:33:34	5,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	7.84%	12-Jan-17	3 Years and 6 Months	100	5,000
					45,800

- All Debenturs are secured by mortgage on immovable properties (excluding immovable properties at Gujarat, a flat at Bengaluru and assets taken on finance lease) ranking pari passu and secured by first pari passu charge on movable tangible assets of the Parent Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Parent Company both present and future.

b. (i) Term loan from banks and bodies corporate are secured by first pari passu charge over all tangible assets of the Parent Company (excluding immovable properties at Gujarat and a flat at Bengaluru and vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Parent Company both present and future.

(ii) Car loans of Rs. 97 lakhs (March 31, 2016: Rs. 140 lakhs; April 01, 2015: Rs. 178 lakhs) carries interest @ 10.25% p.a. and is repayable in 60 monthly instalments. The loan is secured by hypothecation of vehicles purchased out of the proceeds of the loan.

(iii) Above loans are repayable in equal/ unequal monthly/ quarterly installments as follows:

Debentures:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	1,850	200	-
Repayable within 1 - 3 year	20,450	8,000	400
Repayable after 3 years	23,500	27,800	35,600

Term Loan:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	6,525	8,144	7,917
Repayable within 1 - 3 year	11,148	15,200	16,478
Repayable after 3 years	2,708	3,431	10,929

Secured car finance loans from banks:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	47	43	38
Repayable within 1 - 3 year	50	97	90
Repayable after 3 years	-	-	50

(iv) Term Loan from banks and body corporate carries variable interest rate based on respective bank/ body corporate benchmark rate, effective rate of interest varying in between 8.55%p.a to 10.75% pa.

(v) Finance lease obligations are secured by hypothecation of respective machinery taken on lease. The interest rate implicit in the lease is varying in between 11.37% p.a. to 13.99% p.a. The payment is scheduled in 28 equal quaterly installments from the start of lease agreements.

(vi) The Group has satisfied all material debt covenants.

17. PROVISIONS

(Rs. In lakhs)

	Long-term			Short-term		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Provision for employee benefits						
Provision for gratuity (net) (refer note 30)	343	387	620	15	206	112
Provision for leave benefits	367	285	213	310	199	272
	710	672	833	325	405	384

18. SHORT-TERM BORROWINGS (AT AMORTISED COST)

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Unsecured loan from directors repayable on demand	16	-	-
Unsecured commercial paper	10,920	-	-
Secured bank overdraft	1,572	-	3,199
	12,508	-	3,199

Notes:

i. Bank overdraft is secured by first pari passu charge on all current assets of the Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks/ body corporate benchmark rate, effective rate of interest varying in between 10.15% to 11% p.a.

ii. In respect of Commercial Paper maximum amount outstanding during the year was Rs. 11,000 lakhs (March 31, 2016: Rs. 8,000 lakhs; April 01, 2015 : Rs. 4,000 lakhs) with a maturity period of 3 months.

iii. Commercial paper are presented at value on which these have been sold and accrued interest upto date.

iv. At March 31, 2017, the PVR Group had available Rs. 4,528 lakhs (March 31, 2016: Rs. 6,000 lakhs, April 01, 2015: 2,801 lakhs) of undrawn committed borrowing facilities.

19. CURRENT FINANCIAL LIABILITIES

19A Trade payable

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Total outstanding dues of trade payables other than micro and small enterprises (refer note 49)	19,762	17,158	13,749
A	19,762	17,158	13,749

19B Other Payables

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Payables on purchase of Property, plant and equipment	10,435	4,409	2,890
Security deposits	501	360	358
Current maturities of long-term borrowings (Including current maturity of finance lease obligation) (refer note 16)	8,946	8,820	7,955
Interest accrued but not due on borrowings :			
Car loans	1	-	5
Debentures	186	192	189
Unpaid dividends	8	8	8
	20,077	13,789	11,405

20. OTHER CURRENT LIABILITIES

(Rs. In lakhs)

	March 31, 2017	March 31, 2016	April 01, 2015
Advances from customers	3,482	3,400	1,659
Employee benefits payables	2,700	3,135	1,444
Statutory dues payable	1,859	1,849	1,304
	8,041	8,384	4,407

21. REVENUE FROM OPERATIONS

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Sale of services [refer (a) below]	152,113	133,709
Sale of food and beverages and others [refer (b) below]	57,942	49,774
Other operating revenue [refer (c) below]	1,888	1,473
	211,943	184,956

(a) Details of services rendered

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Income from sale of movie tickets	112,488	99,480
Advertisement income	25,176	21,454
Income from movie distribution	6,037	6,752
Convenience fees	5,816	3,329
Income from bowling games	2,331	2,422
Income from shoe rentals	265	272
	152,113	133,709

(b) Details of products sold

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Sale of food and beverages	57,813	49,673
Others	129	101
	57,942	49,774

(c) Details of other operating revenue

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Food court rental Income	990	979
Virtual print fees	865	459
Management fees	33	35
	1,888	1,473

22. OTHER INCOME

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Interest Income from:		
Bank deposits	110	268
NSC's Investments	14	20
Financial assets at amortised cost	1,076	863
Others	145	315
Government Grant	3,721	2,718
Net gain on redemption of mutual fund Investments	541	1,724
Foreign exchange differences (net)	21	14
Other non-operating income (net) (includes excess liability written back Rs. 89 lakhs (March 31, 2016: Rs. 120 lakhs)	597	426
	6,225	6,348

23. EMPLOYEE BENEFITS EXPENSE

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Salaries, wages, allowances and bonus	19,744	16,349
Contribution to provident and other funds (refer note 30)	1,083	1,023
Employee stock option scheme (refer note 31)	5	78
Gratuity expense (unfunded)	18	18
Staff welfare expenses	1,201	1,126
	22,051	18,594

24. FINANCE COSTS

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Interest on		
Debentures	4,252	3,719
Term loans	2,595	3,695
Banks and others	451	336
Other financial charges	760	645
	8,058	8,395

25. DEPRECIATION AND AMORTISATION

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Depreciation of tangible assets (refer note 3)	12,477	10,582
Amortisation of intangible assets (refer note 4)	1,361	929
	13,838	11,511

26. OTHER EXPENSES

(Rs. In lakhs)

		March 31, 2017		March 31, 2016
Rent (refer note 32)		39,558		33,783
Less: Rental income from sub-lessees		(543)		(623)
Net rent expenses		39,015		33,160
Electricity and water charges (net of recovery)		14,031		12,270
Common area maintenance (net of recovery)		11,205		8,829
Repairs and maintenance		9,161		7,178
Movie production, distribution and print charges		6,237		5,839
Advertisement and sales promotion		4,210		3,623
Rates and taxes		3,133		1,929
Security service charges		2,504		1,952
Travelling and conveyance		2,392		2,023
Legal and professional fees (refer below note)		2,046		1,924
Communication costs		1,002		806
Loss on disposal and discard of PPE and intangible assets (net)		636		656
Printing and stationery		558		542
Insurance		345		295
CSR Expenditure (refer note 50)		185		138
Provision for doubtful debts and advances		569		257
Bad Debts/advances written off	405		546	
Less: Utlised from provisions	(376)	29	(367)	179
Capital work in progress written off		-		178
Directors' sitting fees		11		7
Miscellaneous expenses		735		875
		98,004		82,660

Notes:

(a) Payment to auditors (included in legal and professional charges above)

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
As auditor:		
Audit fee	46	54
Limited Review	20	20
Tax audit fee	7	5
Other Certifications	7	17
Reimbursement of out of pocket expenses	4	4
	84	100

27. EXCEPTIONAL ITEMS

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
Assets written off	245	424
Business acquisition related cost	162	732
(March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)		
	407	1,156

28. EARNING PER SHARE (EPS)

(Rs. In lakhs)

	March 31, 2017	March 31, 2016
The following reflects the profit and shares data used in the basic and diluted EPS computations:		
Profit after tax and share of non controlling interest	9,579	9,811
Total Comprehensive Income attributable to equity shareholders	9,431	9,831
Weighted average number of equity shares in calculating basic EPS:		
-Number of equity shares outstanding at the beginning of the year	46,686,938	41,528,888
-Number of equity shares issued on May 31, 2016	34,000	-
-Number of equity shares issued on July 29, 2016	650	-
-Number of equity shares issued on September 01, 2016	17,000	-
-Number of equity shares issued on May 01, 2015	-	19,800
-Number of equity shares issued on July 22, 2015	-	5,000,000
-Number of equity shares issued on September 04, 2015	-	16,500
-Number of equity shares issued on January 29, 2016	-	92,750
-Number of equity shares issued on February 29, 2016	-	8,600
-Number of equity shares issued on March 31, 2016	-	20,400
Number of equity shares outstanding at the end of the year	46,738,588	46,686,938
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661	45,043,250
Weighted average number of equity shares in calculating diluted EPS:		
Number of equity shares outstanding at the beginning of the year	46,686,938	41,528,888
Number of equity shares outstanding at the end of the year	46,738,588	46,686,938
Weighted number of equity shares of Rs. 10 each outstanding during the year (as above)	46,725,661	45,043,250
Add: Effect of stock options vested and outstanding for Nil (March 31, 2016: 51,650) equity shares	-	36,257
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661	45,079,507
EPS on Profit after tax and share of non controlling interest:		
Basic earnings per equity share (in Rs.)	20.50	21.05
Diluted earnings per equity share (in Rs.)	20.50	21.03
EPS on total comprehensive income:		
Basic earnings per equity share (in Rs.)	20.18	21.10
Diluted earnings per equity share (in Rs.)	20.18	21.08

29. FIRST-TIME ADOPTION OF Ind AS

These are PVR Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2.3 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with IGAAP.

29.1 EXEMPTIONS AVAILED AND APPLIED

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. PVR Group has applied the following exemptions:

- Ind AS 103 Business combinations: PVR Group has elected to apply Ind AS 103 prospectively to business combination done after its transition date. Business combination made prior to the transition date have not been restated;
- Deemed cost: Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, PVR Group has elected to measure all of its property, plant and equipment, intangible assets at their IGAAP carrying value;
- Ind AS 102 requires share based payments to be measured at fair value. However Ind AS 101 provides an exemption on application of Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind AS. Accordingly, PVR Group has availed this exemption and measure the unvested options at fair value. The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to the retained earnings as on the transition date.

29.2 RECONCILIATION

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

29.2.1 Reconciliation of equity as previously reported under IGAAP to Ind AS:

(Rs. In lakhs)

Particulars		Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind As
Assets							
Non current assets							
Property, Plant and Equipment		75,225		75,225	88,242		88,242
Capital work in progress		8,040		8,040	7,393		7,393
Goodwill		8,060		8,060	8060		8060
Goodwill on Consolidation		313		313	519		519
Other Intangible assets	A	2,437		2,437	2,135	1,008	3,143
Intangible assets under development		-		-	201		201
	(I)	94,075	-	94,075	106,550	1,008	107,558
Financial assets:							
Investments		148		148	103		103
Other Financial assets	C	11,602	2,128	13,730	17,295	2,974	20,269
Other non current assets	D	15,462	(2,960)	12,502	14,329	(4,465)	9,864
Deferred tax assets (net) (includes MAT credit entitlement)	B	4,979	2,895	7,874	6,333		6,333
	(II)	32,191	2,063	34,254	38,060	(1,491)	36,569

(Rs. In lakhs)

Particulars		Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind As
Current assets							
Inventories		1,260		1,260	2,046		2,046
Investments		38		38	82		82
Loans		1,144		1,144	1,522		1,522
Trade Receivables		7,670		7,670	9,008		9,008
Cash and cash equivalent		2,134		2,134	26,137		26,137
Other bank balances		439		439	576		576
Other Financial assets		311		311	1,635		1,635
Other current assets		3,277		3,277	4,589		4,589
	(III)	16,273		16,273	45,595		45,595
Total assets [I+II+III]		142,539	2,063	144,602	190,205	(483)	189,722
Equity and liabilities							
Equity							
Equity share capital		4,153		4,153	4,669		4,669
Other Equity	F	36,764	2,563	39,327	82,277	1,176	83,453
Non-controlling interests		3,832		3,832	4,010		4,010
Total equity	(I)	44,749	2,563	47,312	90,956	1,176	92,132
Non-current liabilities							
Financial liabilities:							
Borrowings		63,268		63,268	57,182		57,182
Provision	E	1,333	(500)	833	1,796	(1,124)	672
Deferred tax liabilities (net) (includes MAT credit entitlement)		45		45	535	(535)	-
	(II)	64,646	(500)	64,146	59,513	(1,659)	57,854
Current liabilities							
Financial liabilities:							
Borrowings		3,199		3,199	-		-
Trade Payables		13,749		13,749	17,158		17,158
Other Payables		11,405		11,405	13,789		13,789
Provision		384		384	405		405
Other current liabilities		4,407		4,407	8,384		8,384
	(III)	33,144	-	33,144	39,736	-	39,736
Total equity and liabilities [I+II+III]		142,539	2,063	144,602	190,205	(483)	189,722

Explanations for reconciliation of Balance sheet as previously reported under IGAAP to Ind AS:

A Goodwill Amortization:

Adjustment includes reversal of Goodwill amortization amounting to Rs. 1,008 lakhs, as under Ind AS Goodwill is tested for impairment.

B. Deferred tax Assets (DTA):

Adjustment includes creation of DTA amounting to Rs. 2,895 lakhs on business losses and unabsorbed depreciation on account of reasonable certainty and other temporary differences arising out of Ind AS.

C. Other financial assets:

Security deposit paid to Mall Developers discounted and recorded at Present value.

D. Other non-current assets:

a) Acquisition-related costs have been expensed off under "exceptional item" in accordance with Ind AS 103 "Business combination" amounting to Rs. 490 lakhs for the year ended March 31, 2016;

b) Security deposit paid to Mall Developers discounted and deferred rent portion classified under other non current assets.

E. Provision:

Adjustments reflects proposed dividend (including corporate dividend tax), declared and approved post reporting period amounting to Rs. 1,124 lakhs for March 2016 and Rs. 500 lakhs for March 2015.

The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirement for this note.

F. Other Equity:

a) Adjustments to retained earnings and other comprehensive Income have been made in accordance with Ind AS for the above mentioned lines.

b) In addition, as per Ind AS19, actuarial gains and losses are recognized in other comprehensive Income as compared to being recognized in the statement of Profit and loss under IGAAP.

29.2.2 Reconciliation of Statement of Profit and Loss as previously under IGAAP to Ind AS:

(Rs. In lakhs)

Particulars		Year ended March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations	I	187,674	(2,718)	184,956
Other income	I,D	2,784	3,564	6,348
Total Income		**190,458**	**846**	**191,304**
Expenses				
Movie exhibition cost		41,975	-	41,975
Consumption of food and beverages		12,483	-	12,483
Employee benefits expense	G	18,534	60	18,594
Finance costs		8,395	-	8,395
Depreciation and amortisation	A	12,519	(1,008)	11,511
Other expenses	D	81,645	1,015	82,660
Total expenses		**175,551**	**67**	**175,618**
Profit before Share of Non-controlling Interest in Profit/ (loss), exceptional items and tax		14,907	779	15,686
Share of (profit)/loss of an associates and a joint venture		(51)		(51)
Profit/(loss) before exceptional items and tax		14,856	779	15,635
Exceptional items	D	666	490	1,156
Profit before tax		14,190	289	14,479
Tax expense:				
Current tax	H	3,118	(8)	3,110
Deferred tax (including MAT credit entitlement)	B	(801)	2,359	1,558
Total tax expenses/(credit)		2,317	2,351	4,668
Profit/(loss) for the year [I]		11,873	(2,062)	9,811
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans		-	28	28
Income tax effect	H	-	(8)	(8)
Other comprehensive income for the year (net of tax) [II]		-	20	20
Total comprehensive income for the period [I+II]		**11,873**	**(2,042)**	**9,831**

Explanations for reconciliation of statement of Profit & loss as previously reported under IGAAP to Ind AS:

G. Employee Benefits Expense:

(a) As per Ind AS 19, "Employee benefits", actuarial gains and losses are recognized in other comprehensive Income and not reclassified to profit and loss in subsequent period amounting to Rs. 20 lakhs net of tax; and

(b) The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to statement of profit and loss amounting to Rs. 32 lakhs.

H. Current Tax:

The tax component on actuarial gains and losses which are transferred to other comprehensive income under Ind AS.

I. Government Grant:

As per Ind AS 20, Government grant has been reclassified to Other Income amounting to Rs. 2,718 lakhs.

29.3 CASH FLOW STATEMENT

There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS.

30. GRATUITY PLAN:

The PVR Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service in terms of payment of Gratuity Act, 1972. The Parent Company scheme is funded with two insurance companies in the form of a qualifying insurance policies. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets. Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

As the plan assets include investments in quoted mutual funds, the Parent Company has diversified the market risk.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Gratuity scheme of subsidiaries is unfunded.

Statement of Profit and Loss
Net employee benefit expense recognized in employee cost

(Rs. In lakhs)

Particulars	Funded		Unfunded	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
Current service cost	138	145	16	13
Interest cost on benefit obligation	16	73	4	3
Expected return on plan assets	-	(21)	-	-
Net actuarial loss/(gain) recognised in the year	-	-	4	2
Net benefit expense	154	197	24	18
Actual return on plan assets	-	21		

Balance Sheet
Benefit Assets/ Liabilities

(Rs. In lakhs)

Particulars	Funded			Unfunded		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Defined benefit obligation	1,556	1,139	937	70	59	41
Fair value of plan assets	1,268	605	246	-	-	-
Plan asset/(liability)	(288)	(534)	(691)	(70)	(59)	(41)

Changes in the present value of the defined benefit obligation are as follows:

(Rs. In lakhs)

Particulars	Funded			Unfunded		
	March 31, 2017	March 31, 2016	April 01, 2015	**March 31, 2017**	March 31, 2016	April 01, 2015
Opening defined benefit obligation	1,139	937	937	58	42	41
Interest cost	80	73	-	4	3	-
Current service cost	138	145	-	16	12	-
Benefits paid	(68)	(82)	-	(12)	(2)	-
Actuarial losses/(gain) on obligation	246	66	-	4	2	-
Acquisitions (credit)/ cost	21	-	-	-	-	-
Closing defined benefit obligation	1,556	1,139	937	70	59	41

Changes in the fair value of plan assets are as follows:

(Rs. In lakhs)

Particulars	**March 31, 2017**	March 31, 2016	April 01, 2015
Opening fair value of plan assets	605	246	246
Expected return	23	21	-
Interest income on plan assets	64	-	-
Benefits paid	(68)	(82)	-
Contribution by employer	644	420	-
Actuarial Gain/(losses)	0	0	-
Closing fair value of plan assets	1,268	605	246

The Parent Company expects to contribute Rs. 644 lakhs (March 31, 2016 Rs. 420 lakhs; April 01, 2015: Rs. 200 lakhs) to gratuity fund in the financial year 2017-18.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	**2016-17**	2015-16	2014-15
	%	%	%
Investments with insurer	99.52	99.06	96.17
Bank balances with the trust	0.48	0.94	3.83

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Parent Company's plans are shown below:

Particulars	2016-17	2015-16	2014-15
	%	%	%
Discount rate	6.70	7.25	7.80
Expected rate of return on plan assets	8.50	8.50	8.50
Increase in compensation cost	10.50 for first 2 years and 9.00 thereafter	9.00	8.00
Employee turnover			
Manager Grade	15	20	25
Executive Grade	55	65	60

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market. The assumption for employee turnover has been changed during the year based on the trend in the industry.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2017 is as follows:

(Rs. In lakhs)

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(61.45)	67.72
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	61.94	57.33
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.32)	66.90

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2016 is as follows:

(Rs. In lakhs)

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(38.15)	41.21
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	29.42	(27.70)
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(20.73)	26.88

The sensitivity analysis above have been determined basis actuarial certificate.

Defined Contribution Plan:

(Rs. In lakhs)

Contribution to Provident Fund	2016-17	2015-16
Charged to Statement of Profit and Loss (including Capital work in progress of Rs. 51 lakhs (March 31, 2016: Rs. 46 lakhs) (refer note no. 47)	912	809

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017:

(Rs. In lakhs)

	Gratuity cost charged to statement of profit and loss						Re-measurement gains/(losses) in OCI						
	April 1 2016	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefits paid	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	Acquisitions credit/ (cost)	**March 31 2017**
Defined benefit obligation	(1,139)	(138)	(80)	(218)	68	-	(56)	(49)	(141)	(246)	-	(21)	**(1,556)**
Fair value of plan assets	605	-	64	64	(68)	23	-	-	-	23	644	-	**1268**
Benefit liability	(534)	-	-	(154)	-	-	-	-	-	(223)	644	(21)	**(288)**

Changes in the defined benefit obligation and fair value of plan assets of the Parent Company as at March 31, 2016:

(Rs. In lakhs)

	Gratuity cost charged to statement of profit and loss						Re-measurement gains/(losses) in OCI				Contributions by employer	Acquisitions credit/ (cost)	March 31 2016
	April 1 2015	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefits paid	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI			
Defined benefit obligation	(937)	(145)	(73)	(218)	82	-	-	(66)	-	(66)	-	-	(1139)
Fair value of plan assets	246	-	-	-	(82)	21	-	-	-	21	420	-	605
Benefit liability	(691)	-	-	(218)	-	-	-	-	-	(45)	420	-	(534)

31. EMPLOYEE STOCK OPTION PLANS

The Parent company has provided stock option scheme to its employees. During the year 2016-17, the following schemes were in operation:

PVR ESOS 2012:

Date of grant	January 14, 2013
Date of Shareholder's approval	September 13, 2012
Date of Board Approval	August 01, 2012
Number of options granted	550,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at January 11, 2013	Rs. 287.25
Weighted average fair value of options granted on the date of grant	Rs. 147.85

The details of activity under PVR ESOS 2012 have been summarized below:

Particulars	2016-17		2015-16	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	34,650	200	176,200	200
Granted during the year	-	-	-	-
Forfeited during the year	-		-	
Exercised during the year	34,650	200	141,550	200
Expired during the year	-		-	
Outstanding at the end of the year	-	-	34,650	200
Exercisable at the end of the year	-	-	34,650	200
Weighted average remaining contractual life of options (in years)	-	-	2.79	200

The weighted average share price at the date of exercise for stock options was Rs. 883.06 (March 31, 2016:Rs. 727.53)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
Dividend yield (%)	0.70%	0.70%
Expected volatility	36.99%	36.99%
Risk-free interest rate	7.80%	7.80%
Exercise price (Rs.)	Rs. 200	Rs. 200
Expected life of option granted in years	6	6

The Parent company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. Nil (March 2016: Rs. 60.77 lakhs) is recorded in the statements of profit and loss.

PVR ESOS 2013:

Date of grant	August 21, 2013
Date of Shareholder's approval	August 20, 2013
Date of Board Approval	May 28, 2013
Number of options granted	50,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at August 21, 2013	Rs. 365.35
Weighted average fair value of options granted on the date of grant	Rs. 241.14

The details of activity under PVR ESOS 2013 have been summarized below:

Particulars	2016-17		2015-16	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
Outstanding at the beginning of the year	17,000	200	33,500	200
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	17,000	200	16,500	200
Expired during the year	-	-	-	
Outstanding at the end of the year	-	-	17,000	200
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	3.39	200

The weighted average share price at the date of exercise for stock options was Rs. 1183.15 (March 31, 2016:Rs. 816.25)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
Dividend yield (%)	0.27%	0.27%
Expected volatility	39.51%	39.51%
Risk-free interest rate	8.63%	8.63%
Exercise price (Rs.)	Rs. 200	Rs. 200
Expected life of option granted in years	6	6

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. 5.29 lakhs (March 31,2016: Rs. 21.41 lakhs) is recorded in the statements of profit and loss.

32. LEASES

a. Rental expenses in respect of operating leases are recognized as an expense in the statement of profit and loss and Pre-operative expenditure (pending allocation), as the case may be.

Operating Lease (for assets taken on lease)

(i) The PVR Group has taken various cinemas, multiplexes, offices, food courts, bowling alleys and godown premises under operating lease agreements. These are generally renewable at the option of the PVR Group. The management of the PVR Group based on inputs from valuation experts, has allocated rent into two parts i.e. rent paid for use of land and building separately.

(ii) Disclosure for assets taken under non cancellable leases, where the Company is presently carrying commercial operations is as under; which reflects the outstanding amount for non-cancellable period.

(Rs. In lakhs)

Particulars	2016-17	2015-16
Lease payments for the year recognized in statement of profit and loss (including deferred rent portion)	39,558	33,783
Lease payments for the year included in Capital work in progress (refer note 47)	81	249
Minimum Lease Payments:		
Not Later than one year	24,269	20,283
Later than one year but not later than five years	73,090	59,281
Later than five years	52,240	38,867

b. Rental income/Sub-Lease income in respect of operating leases are recognized as an income in the statement of profit 'and loss and netted off from rent expense, as the case may be.

(i) Operating Lease (for assets given on lease)

The PVR Group has given various spaces under operating lease agreements. These are generally cancellable on mutual consent and the lessee can vacate the rented property at any time. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

(Rs. In lakhs)

Particulars	2016-17	2015-16
Sub-lease rent receipts	1,070	1,138

The PVR Group has given spaces of cinemas/ food courts under operating lease arrangements taken on lease or being operated under revenue sharing arrangements. The PVR Group has common fixed assets for operating multiplex/giving on rent. Hence separate figures for the fixed assets given on rent are not ascertainable.

c. Finance lease: Company as lessee

The Parent Company has finance leases contracts for plant and machinery (Projectors). These leases involve significant upfront lease payment; have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

(Rs. In lakhs)

Particulars	March 31, 2017		March 31, 2016	
	Minimum payments	Present value of Minimum lease payments	Minimum payments	Present value of Minimum lease payments
Within one year	899	524	813	433
After one year but not more than five years	3,259	2,537	3,145	2,282
More than five years	352	332	642	599
Total minimum lease payments	4,510	3,393	4,600	3,314
Less: amounts representing finance charges	(1,117)	-	(1,286)	-
Present value of minimum lease payments	3,393	3,393	3,314	3,314

33. CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	9,784	6,659	5,918

(b) Other Commitments

The Parent Company is availing Entertainment tax exemptions in some states, in respect of certain Multiplexes as per the State Government schemes and is under obligation to operate respective Multiplexes for a certain number of years.

34. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:

(Rs. In lakhs)

S. No.	Particulars	March 31, 2017	March 31, 2016	April 01, 2015
a)	Possible exposure against various appeals filed by the Parent Company against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2014, 2013, 2012,2011, 2010, 2009, 2008, 2007, 2006 respectively. {the Parent Company has paid an amount of Rs. 890 lakhs (Rs. 890 Lakhs as at March 31, 2016 and March 31, 2015) which is appearing in the Schedule of Other non current assets}.	6,966	5,777	4,577
b)	Possible exposure on account of entertainment tax exemption treated as capital subsidy basis past on going assessment at Assessing Officer level.	999	2,188	3,503
c)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before High Court.	334	334	334
d)	Notice from Entertainment Tax Department Chennai against short deposit of Entertainment Tax on regional movies.	43	43	43
e)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823	823
f)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees	143	-	-
g)	Show cause notices raised by Service tax Commissionerate. New Delhi. (The Parent Company has already deposited under protest an amount of Rs. 90 lakhs which is appearing under loans and advances).	5,383	5,464	2,110
h)	Possible exposure of Service tax on sale of food and beverages.	4,949	2,229	1,614
i)	Demand of Sales tax under Various States VAT Acts where appeal is pending before competent authority (the Parent Company has paid an amount of Rs.53 lakhs under protest).	1,285	498	225
j)	Claims against the Parent Company not acknowledged as debts.	419	553	553
k)	Amount involved/ exposure in respect of matter under litigation with various parties including developers.	-	354	364
l)	Sales tax matter in subsidiaries	187	4	-
m)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

*In view of the several numbers of cases, pending at various forums/courts, it is not practicable to furnish the details of each case; however, as per estimate of management, the amount in aggregate is not material. Based on the discussions with the solicitors, the management believes that the PVR Group has strong chances of success in the cases and hence no provision is considered necessary.

35. SEGMENT INFORMATION

Operating Segments:

The PVR Group is engaged in the business of film exhibition, distribution and production and bowling games and restaurant business. There are no separately identifiable business segment considering the proportion of revenues, profits and assets of the PVR Group. Hence no separate disclosures have been made in line with Ind AS – 108 on Segment Reporting.

36. RELATED PARTY DISCLOSURE

Names of related parties and related party relationship	Details
Key Management Personnel	Mr. Ajay Bijli, Chairman cum Managing Director Mr. Sanjeev Kumar, Joint Managing Director Mrs. Renuka Ramnath, Director Mr. Amit Burman, Director Mr. Sanjai Vohra, Director Mr. Vikram Bakshi, Director Mr. Sanjay Khanna, Director
Key Management Personnel in Subsidiaries	Mr. Chirag Gupta, Director Mr. Ankur Gupta, Director
Enterprises having significant influence over the Company	Erstwhile Bijli Holding Private Limited (Merged with the Parent Company from January 01, 2016 Refer note 41(i))
Relatives of Key Management Personnel	Mrs. Selena Bijli, Wife of Mr. Ajay Bijli Ms. Niharika Bijli, Daughter of Mr. Ajay Bijli Mr. Aamer Krishan Bijli, Son of Mr. Ajay Bijli Mr. Satya Narain, Father of Mr. Ankur Gupta
Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	PVR Nest Priya Exhibitors Private Limited

(Rs. In lakhs)

Particulars	Enterprises having significant influence over the Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-17	31-Mar-16	**31-Mar-17**	31-Mar-16	**31-Mar-17**	31-Mar-16
Transactions during the year						
Remuneration paid						
Mr. Ajay Bijli	-	-	730	325	-	-
Mr. Sanjeev Kumar	-	-	630	225	-	-
Mrs. Selena Bijli	-	-	-	23	-	-
Ms. Niharika Bijli	-	-	14	3	-	-
Other independent directors	-	-	20	23	-	-
Mr. Chirag Gupta	-	-	21	16	-	-
Mr. Ankur Gupta	-	-	18	16	-	-
Rent Expense						
Priya Exhibitors Private Limited	-	-	-	-	325	288
Mr. Satya Narain	-	-	30	29	-	-
CSR Expense						
PVR Nest	-	-	-	-	166	107
Final Dividend Paid						
Bijli Holding Private Limited	-	100	-	-	-	-
Mr. Ajay Bijli	-	-	167	13	-	-
Mr. Sanjeev Kumar	-	-	96	3	-	-
Mrs. Selena Bijli	-	-	3	2	-	-
Mr. Aamer Krishan Bijli	-	-	7	5	-	-

(Rs. In lakhs)

Particulars	Enterprises having significant influence over the Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-17	31-Mar-16	**31-Mar-17**	31-Mar-16	**31-Mar-17**	31-Mar-16
Loan Taken						
Mr. Chirag Gupta	-	-	17	-	-	-
Loan repaid						
Mr. Chirag Gupta	-	-	1	55	-	-
Mr. Ankur Gupta	-	-	-	35	-	-

(Rs. In lakhs)

Particulars	Enterprises having significant influence over the Company			Key Management Personnel and their relatives			Enterprises owned or significantly influenced by key management personnel or their relatives		
	31-Mar-17	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15
Balance Outstanding at the end of the year									
Security Deposit Given									
Priya Exhibitors Private Limited	-	-	-	-	-	-	144	144	66
Mr. Satya Narain	-	-	-	6	6	-	-	-	-
Loan from Directors									
Mr. Chirag Gupta	-	-	-	16	-	-	-	-	-

Notes:

(a) The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the PVR Group as a whole. It also does not include employer's contribution to provident fund.

(b) No amount has been provided as doubtful debt or advance/written off or written back in the year in respect of debts due from/to above related parties.

(c) All of the above transactions are inclusive of the indirect taxes being levied.

37. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR 2016-17:

(Rs. In lakhs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
PVR Limited	94.78	95,297	97.00	9,292	96.45	(142)	97.02	9,150
Indian Subsidiaries								
PVR Pictures Limited	3.50	3,520	2.91	278	2.98	(4)	2.91	274
PVR BluO Entertainment Limited	7.81	7,855	1.24	119	0.46	(1)	1.25	118
Zea Maize Private Limited	0.51	513	(1.91)	(183)	0.41	(1)	(1.95)	(184)
Share of Non controlling Interest								
PVR BluO Entertainment Limited			(0.46)	(44)	(0.22)	0	(0.47)	(44)
Zea Maize Private Limited			0.31	30	(0.08)	0	0.32	30
Elimination	(6.60)	(6,634)						
Adjustment on account of Business combination			0.91	87			0.93	87
Total	100.00	100,551	100.00	9,579	100.00	(148)	100.00	9,431

All above subsidiaries are consolidated with Parent Company, for consolidating financial statements.

38. DISCLOSURE REQUIRED UNDER SEC 186(4) OF THE COMPANIES ACT 2013

Included in loans and advance are certain inter corporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

(Rs. In lakhs)

Particulars	Rate of Interest	Due date	Secured/ unsecured	March 31,2017	March 31,2016	April 01,2015
Sandhya Prakash Ltd.	18%	13 monthly instal-ments adjusted with lease rentals till April 2018.	Unsecured	98	98	98

The loan has been given to Sandhya Prakash Ltd. (Mall Developer) for their capital expenditure requirement, where the Parent Company is running operational cinema.

39. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the PVR Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future year/periods.

a) Estimates and assumptions:

(i) The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The PVR Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(ii) Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

(iii) Taxation

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The PVR Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the PVR Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(iv) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the PVR Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The PVR Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the PVR Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.

(v) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 40 for such measurement.

(vi) Intangible asset under development

The PVR Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

40. FAIR VALUE

Set out below, is a comparison by class of the carrying amounts and fair value of the PVR Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value & fair value of financial instruments by categories as of March 31, 2017 were as follows:

(Rs. In lakhs)

Particulars	Amortised Cost	Financial Assets/ liabilities at fair value through profit and loss	Financial Assets/ liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	197	-	-	197	197
Loans	525	-	-	525	525
Trade receivables	10,208	-	-	10,208	10,208
Cash and cash equivalent	2,475	-	-	2,475	2,475
Other bank balances	515	-	-	515	515
Other financial assets	21,542	-	-	21,542	21,542
Total	35,462	-	-	35,462	35,462
Liabilities:					
Borrowings	73,012	-	-	73,012	73,012
Trade payables	19,762	-	-	19,762	19,762
Other payables	20,077	-	-	20,077	20,077
Total	1,12,851	-	-	1,12,851	1,12,851

The carrying value & fair value of financial instruments by categories as of March 31, 2016 were as follows:

(Rs. In lakhs)

Particulars	Amortised Cost	Financial Assets/ liabilities at fair value through profit and loss	Financial Assets/ liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	185	-	-	185	185
Loans	1,522	-	-	1,522	1,522
Trade receivables	9,008	-	-	9,008	9,008
Cash and cash equivalent	1,863	24,274	-	26,137	26,137
Other bank balances	576	-	-	576	576
Other financial assets	21,904	-	-	21,904	21,904
Total	**35,058**	**24,274**	**-**	**59,332**	**59,332**
Liabilities:					
Borrowings	57,182	-	-	57,182	57,182
Trade payables	17,158	-	-	17,158	17,158
Other payables	13,789	-	-	13,789	13,789
Total	**88,129**	**-**	**-**	**88,129**	**88,129**

The carrying value & fair value of financial instruments by categories as of April 01, 2015 were as follows:

(Rs. In lakhs)

Particulars	Amortised Cost	Financial Assets/liabilities at fair value through profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	186	-	-	186	186
Loans	1,144	-	-	1,144	1,144
Trade receivables	7,670	-	-	7,670	7,670
Cash and cash equivalent	2,134	-	-	2,134	2,134
Other bank balances	439	-	-	439	439
Other financial assets	14,041	-	-	14,041	14,041
Total	**25,614**	**-**	**-**	**25,614**	**25,614**
Liabilities:					
Borrowings	66,467	-	-	66,467	66,467
Trade payables	13,749	-	-	13,749	13,749
Other payables	11,405	-	-	11,405	11,405
Total	**91,621**	**-**	**-**	**91,621**	**91,621**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the PVR Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/depsoits.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

41. BUSINESS COMBINATIONS

(i) Amalgamation of Bijli Holdings Private Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on September 15, 2016, between PVR Limited (the Parent Company) and Bijli holdings Private Limited (BHPL), BHPL was merged with the Parent Company from the appointed date i.e January 01, 2016.

BHPL was forming part of the promoter group of the Parent Company, which was holding 10,031,805 equity shares in the Company constituting 21.55% of the Parent Company's paid-up equity share capital. Consequent upon amalgamation of BHPL with the Parent Company, individual promoters of the Parent Company, directly hold shares in the Parent Company in the same proportion as they held through the erstwhile BHPL. The amalgamation has resulted in simplification of the shareholding structure and reduction of shareholding tiers as well as demonstrates the promoter's direct commitment to and engagement to the Parent Company.

Pursuant to the above, BHPL stands merged with the Parent Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of BHPL.

Assets acquired and liabilities assumed

(Rs. In lakhs)

Particulars		Amount
Assets		
Loans and advances		0.96
Cash and bank balances		77.38
Total	A	**78.34**
Liabilities		
Trade Payables		21.02
Other current liabilities		0.53
Total	B	**21.55**
Capital reserve (Balancing figure)	A-B	**56.79**

Pursuant to the approved scheme, 10,031,805 fully paid up equity shares of the face value of Rs. 10 each credited as fully paid up in the share capital of the Parent Company to the members of BHPL in the ratio of their equity shareholding in BHPL. There was no change in the promoter shareholding of the Parent Company, pursuant to this scheme. The promoter continues to hold the same percentage of shares in the Parent Company, pre and immediately post the amalgamation of BHPL.

Had the above merger would have been accounted for, following Ind AS 103 'Business Combination' there would not be having any difference in above transaction.

(ii) Amalgamation of Lettuce Entertain you Limited, PVR Leisure Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on January 04, 2017, between PVR Limited (the Parent Company) and PVR Leisure Limited (PVR Leisure) and Lettuce Entertain you Limited (Lettuce), later Companies were amalgamated with the Company from the appointed date i.e. April 01, 2015. Lettuce and PVR Leisure are individually referred to as "Amalgamating Company and collectively referred to as "Amalgamating Companies" and the Parent Company is referred to as "Amalgamated Company" for the purpose of this clause.

Amalgamating Companies are subsidiaries of the Parent Company and are engaged in similar/related businesses. Through consolidation, the synergies that exist among the entities in terms of similar business processes and resources can be put to the best advantage of the stakeholders.

Pursuant to the above, Amalgamating Companies stands merged with the Parent Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of Amalgamating Companies.

Assets acquired and liabilities assumed

(Rs. In lakhs)

Particulars	PVR Leisure Limited	Lettuce Entertain you Limited
Assets		
Cash and cash equivalents	20.93	29.76
Fixed Assets	-	496.32
Inventories	-	56.45
Investment – PVR BluO Entertainment Limited	4,340.00	-
Deferred Tax Assets	-	498.44
Trade receivables	-	2.57
Loans and advances	2,458.58	48.40
Other current assets	29.87	-
Total	**6,849.38**	**1,131.94**
Liabilities		
Provisions	0.43	2.25
Trade payables	1.54	151.23
Other current liabilities	0.14	48.95
Borrowings	-	950
Total	**2.11**	**1,152.42**
Net Assets over (liabilities)	**6,847.27**	**(20.49)**
Add: Net Liability of Lettuce Entertain you Limited	(20.49)	20.49
Net value of assets taken over	**6,826.78**	**-**
Value of Investment of PVR Leisure in PVR Limited	6,281.62	
Capital reserve (Balancing Figure)	**545.16**	

Pursuant to the approved scheme, entire paid-up equity and non-cumulative convertible preference share capital of PVR Leisure as held by the Parent Company directly, and the entire paid-up equity share capital of Lettuce held by the Parent Company through PVR Leisure, upon the scheme becoming effective shall stand cancelled on the effective date and no shares of the Parent Company shall be issued or allotted in consideration for amalgamation.

Had the Parent Company was required to follow the Ind AS 103, 'Business Combination" the entities under common control should have used "Pooling of Interest method", according to which, recognized capital reserve would had been Rs.468 lakhs as against Rs. 545 lakhs recognized in books as per the approved order of Hon'ble High Court.

(iii) Acquisition of Cinema exhibition undertaking of DLF Utilities Limited

The Parent Company during the year, acquired part of the Cinema exhibition undertaking of DLF Utilities Limited (operated under the brand name of "DT Cinemas") on a slump sale basis. Last year, in connection with this, Company had deposited Rs. 5,000 lakhs in an Escrow account. The sale and transfer of the said Cinema exhibition undertaking, as a going concern had been completed on May 31, 2016 and the same has been accounted as per Ind AS 103, "Business combination".

(Rs. In lakhs)

Particulars	Amount
Total Consideration payable for taking the part of the film exhibition business of DLF Utilities	43,250
Fair value of assets acquired (The Parent Company had appointed an Independent valuer to value the assets acquired from DLF Utilities Limited)	9,038
Other net liability related to film exhibition business acquired by the Company	(388)
Balancing figure recognized as Goodwill	**34,600**

Out of the total consideration payable to DLF Utilities Limited as mentioned above, Rs. 10,000 lakhs are payable on obtaining two separate regulatory approvals, Rs. 5,000 lakhs payable on obtaining each approval. The management at the time of acquisition has assessed that it shall obtain all the approvals shortly and thus no adjustment in this regard are made. The Parent Company during the year has received one such approval and has paid Rs. 5,000 lakhs accordingly and is confident of receiving the other approval.

42. During the year on August 09, 2016, Company has incorporated a new subsidiary "P V R Lanka Limited" in Democratic Socialist Republic of Sri Lanka. Subsequent to the year end on May 18, 2017, the Parent Company has invested a sum of USD 59,993, to subscribe 91,249 number of shares of LKR 100 each.

43. The Board of Directors has recommended final dividend of 20% (Rs. 2 per fully paid up equity share of Rs 10 each) for the year ended March 31, 2017, subject to the approval of shareholders at the ensuing Annual General meeting of the Company.

44. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The PVR Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance PVR Group's operations and to provide guarantees to support its operations. PVR Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

PVR Group is exposed to Market risk, credit risk, Legal, taxation and Accounting risk and liquidity risk. PVR Group's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. PVR Group's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

PVR Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Parent Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. In lakhs)

Particulars	Increase effect		Decrease effect	
	March 31, 2017	March 31, 2016	**March 31, 2017**	March 31, 2016
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans	**246**	305	**(246)**	(305)

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of PVR Group's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and Accounting risk:

Change to any of the applicable laws, rules, regulations related to PVR Group's Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost of PVR Group. Failure to fully comply with various laws, rules and regulations may expose PVR Group to proceedings which may materially affect its performance.

PVR Group is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to landlord-tenant disputes and tax disputes (including entertainment tax subsidy and other direct and indirect tax matters like Service tax, Sales tax etc.), employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In Situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, PVR Group records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, PVR Group employs in-house counsel and uses third party tax and legal experts to assist in structuring significant transactions and contracts. PVR Group also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

Credit risk is the risk of financial loss to PVR Group if a customer fails to meet its contractual obligation. Management believes the credit risk on cash and cash equivalents is low because the counterparties are banks with high credit ratings.

Trade receivables are amount billed to customers for the sale of goods and services, and represent the maximum exposure to credit risk of those financial assets, exclusive of the allowance for doubtful debts. Normal credit terms for amounts due from customers is within 0 - 90 days which is in line with Industry practice.

PVR Group does not require collateral or other security from customers; however, credit evaluations are performed prior to the initial granting of credit when warranted and periodically thereafter. Based on policy, the Company records a reserve for estimated uncollectible amounts, which management believes reduce credit risk. Management assesses the adequacy of reserve quarterly, taking into account historical experience, current collection trend, the age of the receivables and, when warranted and available, the financial condition of specific counterparties.

Due to diversified client base, management believes PVR Group does not have a significant concentration of credit risk.

Trade Receivables after adjusting provision (basis past experience and trends) are as follows:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Trade Receivables	10,208	9,008	7,670

(d) Liquidity risk

Liquidity risk is the risk that PVR Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

PVR Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, finance leases and advance payment terms.

Year ended March 31, 2017

(Rs. In lakhs)

Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	1,588	12,574	7,372	59,351	1,374	82,259
Trade and Other Payable	-	25,686	5,069	138	-	30,893

Year ended March 31, 2016

(Rs. In lakhs)

Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	-	2,064	6,756	47,310	10,099	66,229
Trade and Other Payables	-	21,852	69	206	-	22,127

Year ended March 31, 2015

(Rs. In lakhs)

Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	3,199	1,915	6,040	45,047	18,500	74,701
Trade and Other Payables	-	17,199	-	-	-	17,199

The PVR Group has also significant contractual obligations in the form of operating lease (Refer note no. 32) and capital and other commitments (Refer note No.33).

45. CAPITAL MANAGEMENT

For the purpose of the PVR Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The PVR Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the PVR Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The PVR Group monitors capital using a gearing ratio.

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Long term debt	69,450	66,002	71,223
Payable for purchase of Property, plant and equipment	10,435	4,409	2,890
Total	79,885	70,411	74,113
Total Equity	1,00,551	92,132	47,312
Less: Minority	4,051	4,010	3,832
Equity	96,501	88,122	43,480
Gearing ratio	83%	80%	170%

46. During the year, the PVR Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBN's and other notes as per the notification is given below:

(Rs. In lakhs)

Particulars	SBN's (Rs.)*	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on November 08, 2016	423	8	431
(+) Permitted receipts	-	7,035	7,035
(+) Amount withdrawal from bank	-	2	2
(-) Permitted payments	-	(206)	(206)
(-) Amount deposited in Banks	(423)	(6,451)	(6,874)
Closing cash in hand as on December 30, 2016	**-**	**388**	**388**

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 08, 2016.

47. EXPENSES CAPITALIZED DURING THE YEAR

The Group has incurred following expenses as pre-operative expenses through Capital work-in-progress

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Salaries, allowances and bonus	1,244	1,268
Contribution to provident and other funds	51	46
Rent	81	249
Electricity and water charges	17	18
Repairs and maintenance	40	52
Rates and taxes	340	80
Travelling and conveyance	87	75
Legal and Professional expenses	849	431
Insurance	27	33
Communication cost	5	7
Security service charges	213	182
Finance cost	256	214
Other miscellaneous expenses	64	26
Total	3,274	2,681

48.1 INCOME TAX EXPENSE

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
(a) Income tax expense reported in the statement of profit or loss comprises:		
Current income tax:		
Current tax (MAT payable)	3,292	3,110
Less: MAT credit entitlement	1,336	1,575
Current income tax charge	1,956	1,535
Income tax for earlier years	38	-
MAT credit (entitlement)/reversal for earlier years	(172)	(117)
Total current tax	1,822	1,418
Deferred tax:		
Relating to origination and reversal of temporary differences	3,878	3,250
Income tax expense reported in the statement of profit or loss	5,700	4,668
Effective Income tax rate	37.31%	32.24%

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
(b) Statement of Other Comprehensive Income		
Net loss/ (gain) on remeasurements of defined benefit plans	81	(8)
(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
Accounting profit before tax	15,279	14,479
Statutory income tax rate	34.61%	34.61%
Computed tax expense	5,288	5,011
Adjustments in respect of current income tax of previous years	(134)	(117)
Non-deductible expenses for tax purposes	546	(226)
Income tax charged to statement of profit & loss	5,700	4,668

48.2 TAX MOVEMENT

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
(a) MAT credit entitlement			
Opening Balance	6,733	5,041	4,959
Add: MAT credit entitlement/(reversal) for earlier years	172	177	82
Add: MAT credit entitlement for current year	1,336	1,575	-
Closing Balance	8,241	6,733	5,041
(b) Deferred Tax Asset / (Liability)			
Opening Balance	(400)	2,788	-
Less: Impact of differences in W.D.V. block under Income Tax and Books of Accounts	(3,391)	1,022	(2,814)
Add: Effect of carry forward of losses and unabsorbed depreciation	(283)	(4,298)	4,618
Add: Tax income / (expenses) on other timing differences	68	728	984
Closing balance	(4,006)	(400)	2,788

49. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprise Development Act, 2006 which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Parent Company and its subsidiaries have sent the confirmation letters to its suppliers at the year end, to identify the supplier registered with the act. As per the information available with the Parent Company and its subsidiaries, none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure done.

50. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Parent Company as per the Act.

During the year, the Parent Company has spent Rs. 185 lakhs, through its foundation PVR Nest & others. PVR Nest focuses on providing education, healthcare, nutrition and rehabilitation to children.

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Gross amount required to be spent by the Parent company during the year	165	88
Amount spent during the year	185	138

51. DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE :

Particulars of un-hedged foreign currency exposure as at the balance sheet date:

(Rs. In lakhs)

Particulars	Currency	March 31, 2017	March 31, 2016	April 01, 2015
Cash in Hand	Thai Bhat	0.31	0.31	0.33
	Hongkong Dollar	0.06	0.06	0.04
	Sterling Pound		0.08	0.08
	Singapore Dollar	0.39	0.41	0.19
	USD	1.27	1.00	1.20
	Euro	1.91	1.62	0.31
	UK Pound	0.90	-	-
	Korian Won	0	-	-
	Dirham	0.74	0.72	0.72
Total		5.58	4.20	2.87
Payables for purchase of fixed asset	US Dollar	277.53	464.14	-

52. Effective September 06, 2013 there has been a temporary cessation in operations in one of the operational bowling game centre in PVR bluO Entertainment Limited, a subsidiary Company at Vasant Kunj, New Delhi on account of certain irregularities observed in the Mall by National Green Tribunal (NGT).

Subsequent to the year end, management of the subsidiary company was informed by the mall developer of such clearance by NGT and the subsidiary company has entered into process of renegotiating the existing lease agreement with the Mall Developer.

53. (i) Expenditure in foreign currency

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Travelling	111	155
Professional fees	631	282
Others	246	156
Total	988	977

(ii) Income in foreign currency

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Advertisement Income	149	-
Income from sale of tickets and food and beverages	391	229
Total	540	486

(iii) CIF value of imports

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016
Capital Goods	2,950	982
Store and spares	1,252	1,163
Total	4,202	2,145

54. OTHERS

The figures in the financial statements and notes thereto have been rounded off to nearest rupees in lakhs, and where one lakh is equal to one hundred thousand.

As per report of even date
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

per Vikas Mehra
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Summarised Financial Statements of Subsidiaries

FY 2016-17				(Rs. In lakhs)
Sl. No.	Particulars	Details		
1	Name of the Subsidiary	PVR Pictures Ltd.	Zea Maize Private Limited	PVR bluO Entertainment Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2016 To March 31, 2017	April 01, 2016 To March 31, 2017	April 01, 2016 To March 31, 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share Capital	1,680	4	3,652
5	Reserves & surplus	1,839	508	4,403
6	Total assets	7,908	738	9,039
7	Total liabilities	4,388	226	984
8	Investments	-	-	-
9	Turnover	8,944	481	5,657
10	Profit before taxation	500	(194)	168
11	Provision for taxation	222	-	55
12	Profit after taxation	279	(194)	113
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	70%	51%

INDEPENDENT AUDITOR'S REPORT

To the Members of SPI Cinemas Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SPI Cinemas Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and in, doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 1, 2017 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. The predecessor auditor's reports for the years ended March 31, 2018 and March 31, 2017 dated July 5, 2018 and December 26, 2017 respectively, expressed an unmodified opinion on those financial statements.

Our opinion on the financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its financial statements - Refer Note 31 to the financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2019.

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company is a private limited company and hence, the provisions of section 197 of the Act are not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No: 092894
Place: Gurugram
Date: May 9, 2019

Annexure A to the Independent Auditor's Report to the Members of SPI Cinemas Private Limited for the year ended March 31, 2019
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SPI Cinemas Private Limited of even date)

Page 1 of 2

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and the Company is in the process of reconciling them to the books of accounts. According to the information and explanations given to us, we understand that there were no material discrepancies.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans and investments made and guarantees and securities provided by it.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under subsection (1) of Section 148 of the Act in respect of any of the activities of the Company. Accordingly paragraph 3 (vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of customs, income-tax, goods and services tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in few cases. As explained to us, the Company did not have any dues on account of sales-tax, excise duty and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, duty of customs, income-tax, goods and services tax, cess and any other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor's Report to the Members of SPI Cinemas Private Limited for the year ended March 31, 2019
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SPI Cinemas Private Limited of even date)

(b) According to the information and explanations given to us, the dues set out in Appendix 1 in respect of income-tax, service tax, entertainment tax, entry tax and provident fund that have not been deposited with the appropriate authorities on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions. The Company did not have any outstanding loans or borrowings to government or debenture holders during the year.

(ix) The Company did not raise any money by initial public offer or further public offer (including debt instruments). The term loans have been applied for the purposes for which they were obtained.

(x) According to the information and explanations given to us, no material fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company is a private limited company and hence, the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. The Company is a private limited company and hence the provisions of section 177 of the Act is not applicable.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No: 092894
Place: Gurugram

Date: May 9, 2019

Annexure to the Independent Auditor's Report to the Members of SPI Cinemas Private Limited for the year ended March 31, 2019
(Referred to in clause (vii) b of Annexure A to the Independent Auditor's Report to the Members of SPI Cinemas Private Limited for the year ended March 31, 2019)

Appendix I

The following dues have not been deposited by the Company on account of disputes:

Nature of statute	Nature of dues	Amount disputed (in INR lakhs)	Amount paid under protest (in INR lakhs)	Disputed but not deposited (in INR lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	722	144	578	Assessment year 2015-16	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income tax	27	-	27	Assessment year 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	43	25	18	Assessment year 2011-12	Highcourt of Andhra Pradesh
Income Tax Act, 1961	Income tax	205	125	80	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	204	-	204	Assessment year 2009-10	Highcourt of Andhra Pradesh
Telangana Tax on Entry of Goods into local areas Act, 2001	Entry tax	101	25	76	Financial years 2016-17 to 2017-18	Commissioner of Appeals
Service Tax Act, 1994	Service tax	155	11	144	Financial years 2015-16 to 2017-18	Customs and Service Tax Appellate Tribunal (CESTAT), Chennai
Service Tax Act, 1994	Service tax	236	11	225	Financial years 2012-13 to 2014-15	Customs and Service Tax Appellate Tribunal (CESTAT), Chennai
Service Tax Act, 1994	Service tax	205	14	191	Financial year 2011-12	Customs and Service Tax Appellate Tribunal (CESTAT), Chennai
Tamilnadu Entertainment Tax Act, 1939	Entertainment tax	2,314	-	2,314	Financial year 2007-8 to period ended December 2014	High Court of Madras, Chennai

Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	106	38	68	November 2008 to March 2015	Employees Provident Fund Appellate Tribunal, New Delhi (Bangalore Bench)

Annexure B to the Independent Auditor's Report to the members of SPI Cinemas Private Limited for the year ended March 31, 2019

Page 1 of 2

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **SPI Cinemas Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls with reference to the financial statements

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Annexure B to the Independent Auditor's Report to the members of SPI Cinemas Private Limited for the year ended March 31, 2019

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Jiten Chopra
Partner
Membership No. 092894
Place: Gurugram
Date: May 9, 2019

SPI Cinemas Private Limited
Balance sheet as at March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Notes	March 31, 2019	March 31, 2018	April 01, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	3	18,557	12,274	8,996
Capital work-in-progress	3	2,253	5,214	3,616
Intangible assets	4	335	314	220
Financial assets				
Investments	5(a)	1	205	204
Loans	5(e)	2,282	2,498	2,148
Other financial assets	5(f)	160	-	-
Deferred tax assets (net)	6	1,068	1,143	766
Income tax assets (net)	7	868	985	301
Other non-current assets	8	4,553	4,416	4,339
Total non-current assets	**A**	**30,077**	**27,049**	**20,590**
Current assets				
Inventories	9	304	199	123
Financial assets				
Investments	5(b)	-	393	-
Trade receivables	5(c)	2,341	1,987	1,217
Cash and cash equivalents	5(d)	399	594	405
Bank balances other than cash and cash equivalents, above	5(d)	28	-	-
Loans	5(e)	51	315	553
Other financial assets	5(f)	109	5	-
Other current assets	10	1,960	1,195	1,703
Total current assets	**B**	**5,192**	**4,688**	**4,001**
Total assets [A+B]		**35,269**	**31,737**	**24,591**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11(a)	31	31	31
Other equity	11(b)	9,853	6,952	7,115
Total equity	**A**	**9,884**	**6,983**	**7,146**
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	15,077	12,763	13,069
Provisions	13	446	152	122
Other non-current liabilities	14	1,361	4,074	-
Total non-current liabilities	**B**	**16,884**	**16,989**	**13,191**
Current liabilities				
Financial liabilities				
Borrowings	12(b)	900	350	850
Trade payables	12(d)			
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,693	1,658	885
Other financial liabilities	12(e)	1,097	2,828	1,561
Provisions	15	30	129	31
Other current liabilities	16	3,781	2,800	927
Total current liabilities	**C**	**8,501**	**7,765**	**4,254**
Total liabilities (B+C)		**25,385**	**24,754**	**17,445**
Total equity and liabilities [A+B+C]		**35,269**	**31,737**	**24,591**
Summary of significant accounting policies	**2.2**			

The accompanying notes are an integral part of these financial statements.

As per report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

for and on behalf of the Board of Directors of
SPI Cinemas Private Limited
CIN: U92111DL1991PTC346125

Jiten Chopra
Partner
Membership No. 092894

Swaroop Reddy
Director
DIN No: 00143738

Nitin Sood
Director
DIN No: 05325741

Divya Ann Mathew
Company Secretary
Membership No: 39069

Place: Gurugram
Date: May 9, 2019

Place: Gurugram
Date: May 9, 2019

SPI Cinemas Private Limited
Statement of profit and loss for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Notes	March 31, 2019	March 31, 2018
Revenue from operations	17	45,761	33,066
Other income	18	146	228
Total income		**45,907**	**33,294**
Expenses			
Movie exhibition	19	8,415	5,645
Consumption of food and beverages		5,319	3,665
Employee benefits expense	20	6,311	5,592
Finance costs	21	2,667	1,969
Depreciation and amortisation expense	22	1,700	3,026
Other operating expenses	23	17,180	13,563
Total expenses		**41,592**	**33,460**
Profit before exceptional items and tax		**4,315**	**(166)**
Exceptional items	24	14	-
Profit/ (loss) before tax		**4,329**	**(166)**
Tax expense			
- Current tax		1,406	297
- Adjustment of tax relating to earlier periods		-	22
- Deferred tax		132	(359)
Income tax expense		**1,538**	**(40)**
Profit/ (loss) for the year [A]		**2,791**	**(126)**
Other comprehensive income			
Items that will not to be re-classified to profit or loss in subsequent period			
Changes in fair value of FVOCI equity instruments		-	10
Re-measurement gains/ (losses) on defined benefit plans		(160)	(66)
Income tax effect		56	19
		(104)	**(37)**
Total comprehensive income for the year [A+B] (comprising profit and other comprehensive income for the year)		**2,687**	**(163)**
Earnings per equity share on net profit after tax (Nominal value of Share Rs. 10 (March 31, 2018: Rs. 10)			
Basic and diluted earnings per share (in Rs.)	27	898.38	(40.56)
Summary of significant accounting policies	**2.2**		

The accompanying notes are an integral part of these financial statements.

As per report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No. 092894

Place: Gurugram
Date: May 9, 2019

for and on behalf of the Board of Directors of
SPI Cinemas Private Limited
CIN: U92111DL1991PTC346125

Swaroop Reddy
Director
DIN No: 00143738

Nitin Sood
Director
DIN No: 05325741

Divya Ann Mathew
Company Secretary
Membership No: 39069

Place: Gurugram
Date: May 9, 2019

SPI Cinemas Private Limited
Statement of changes in equity for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

A. Equity Share Capital (Refer note 11(a))

	March 31, 2019	March 31, 2018
Balance as per last financial statements	31	31
Changes in equity share capital during the year	-	-
Closing balance	**31**	**31**

B. Other equity

	Reserve and surplus				Other comprehensive income		
Particulars	**Securities premium**	**General reserve**	**Retained earnings**	**Contribution from Parent company**	**Re-measurement gains/ (losses) on defined benefit plans**	**Changes in fair value of FVOCI equity instruments**	**Total**
As at April 01, 2017	3,829	15	3,271	-	-	-	7,115
Loss for the year	-	-	(126)	-	-	-	(126)
Other comprehensive income	-	-	-	-	(44)	7	(37)
As at March 31, 2018	**3,829**	**15**	**3,145**	**-**	**(44)**	**7**	**6,952**
Profit for the year	-	-	2,791	-	-	-	2,791
Addition during the year	-	-	-	214	-	-	214
Other comprehensive income	-	-	7	-	(104)	(7)	(104)
As at March 31, 2019	**3,829**	**15**	**5,943**	**214**	**(148)**	**-**	**9,853**

Summary of significant accounting policies **2.2**

The accompanying notes are an integral part of the financial statements

As per report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No. 092894

Place: Gurugram
Date: May 9, 2019

for and on behalf of the Board of Directors of
SPI Cinemas Private Limited
CIN: U92111DL1991PTC346125

Swaroop Reddy
Director
DIN No: 00143738

Nitin Sood
Director
DIN No: 05325741

Divya Ann Mathew
Company Secretary
Membership No: 39069

Place: Gurugram
Date: May 9, 2019

SPI Cinemas Private Limited
Cash flow statement for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Particulars	Note	March 31, 2019	March 31, 2018
Operating activities:			
Profit/(loss) before tax		**4,329**	**(166)**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment	22	1,622	2,802
Amortisation of intangible assets	22	78	224
Allowance for doubtful debts and advances	23	300	139
Bad debts/advances written off	23	68	88
Net gain on disposal of property, plant and equipment	18	(13)	-
Interest income	18	(72)	(58)
Finance costs	21	2,667	1,969
Dividend income from investments	18	(7)	(87)
Corporate guarantee charges		18	-
Exceptional items	24	(14)	-
Convenience fees		(326)	-
Rent expenses (pertaining to deferred rent)		104	-
		8,754	**4,911**
Working capital adjustments:			
(Increase) in trade receivables		(602)	(865)
(Increase) in inventories		(105)	(76)
Decrease/(increase) in loans and advances and other assets		(1,442)	(463)
Increase/(decrease) in trade and other payables		(1,371)	6,402
Increase in provisions		35	62
Cash generated from operations		**5,269**	**9,971**
Direct taxes paid (net of refunds)		(1,290)	(860)
Net cash flow from operating activities (A)		**3,979**	**9,111**
Cash flows from/ (used in) investing activities			
Purchase of property, plant and equipment, intangible assets, capital work in progress and capital advances		(4,269)	(7,483)
Proceeds from sale of property, plant and equipment		81	-
Sale of investment in subsidiaries		218	(1)
Redemption of / (investment in) Mutual funds		400	(297)
Loan repaid by related parties		184	-
Loans repaid by subsidiaries		-	130
Interest received on deposits		2	11
(Investment) / redemption of Fixed deposits with banks		(188)	-
Net cash flow (used in) investing activities (B)		**(3,572)**	**(7,640)**
Cash flow (used in)/from financing activities			
Proceeds from long term borrowings		16,116	2,015
(Repayment) of long-term borrowings		(15,393)	(1,202)
Proceeds from short-term borrowings		200	1,400
(Repayment) of short-term borrowings		(550)	(1,900)
Interest paid on Borrowings		(1,875)	(1,595)
Net cash flow (used in) financing activities (C)		**(1,502)**	**(1,282)**
Net (decrease)/increase in cash and cash equivalents (A + B + C)		**(1,095)**	**189**
Cash and cash equivalents at the beginning of the year		594	405
Cash and cash equivalents at the end of the year		**(501)**	**594**

SPI Cinemas Private Limited
Cash flow statement for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Components of cash and cash equivalents	**March 31, 2019**	**March 31, 2018**
Cash on hand	135	67
Balance with banks:		
On current accounts	264	499
On deposits with original maturity of less than three months	-	28
Cash and cash equivalents (refer note 5(d))	399	594
Less: Bank overdraft (refer note 12(b))	(900)	-
Total cash and cash equivalent	**(501)**	**594**

Note:

- Statement of cash flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash flows"

- During the year, the Company paid in cash Rs. 21 lakhs (March 31, 2018: Rs. 92 lakhs) towards corporate social responsibility (CSR) expenditure (Refer note 33).

- A Reconciliation of movement of liabilities to cash flows arising from financing activities is given in note 12(c) to the financial statements.

Summary of significant accounting policies **2.2**

The accompanying notes are an integral part of the standalone financial statements

As per report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No: 092894

Place: Gurugram
Date: May 9, 2019

for and on behalf of the Board of Directors of
SPI Cinemas Private Limited
CIN: U92111DL1991PTC346125

Swaroop Reddy
Director
DIN No: 00143738

Nitin Sood
Director
DIN No: 05325741

Divya Ann Mathew
Company Secretary
Membership No: 39069

Place: Gurugram
Date: May 9, 2019

1 Reporting entity

SPI Cinemas Private Limited ("the Company") is engaged in the business of operating and managing multiplexes and cinemas theaters in southern region of India. The Company also engaged in production of feature films.

2 Significant accounting policies

2.1 Basis of preparation

(i) Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 26.

(ii) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

(iii) Basis of measurement

These financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, refer note2.2)

(iv) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

- Note 2.2 (m) (iii) and 28 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2.2 (b),(c), (d), Note 3, 4 and 41 - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;
- Note 31 - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy;
- Note 2.2 (n) - judgement required to determine probability of recognition of current tax and deferred tax assets ; and
- Note 2.2 (l)- fair value measurement of financial instruments.

There are no assumptions and estimation that have a significant risk resulting in a material adjustment within the next financial year.

2.2 Summary of significant accounting policy

(a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;, or

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle for the purpose of classification of assets and liabilities as current and non-current.

(b) Property, plant and equipment (PPE)

(i) Recognition and measurement:

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of trade discounts, rebates and refundable taxes) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition or construction of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for their intended use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.

Expenditure directly relating to construction activity are capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Expenses those are capitalised are considered as pre-operative expenses and are disclosed under capital work-in-progress.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Cost of property, plant and equipment not ready for its intended use as at the reporting date is disclosed as capital work-in-progress.

(ii) Subsequent expenditure:

Subsequent expenditure on additions and betterment of operational properties are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and expenditures for maintenance and repairs are charged to statement of profit and loss as incurred.

(iii) Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

(c) Depreciation on Property, plant and equipment (PPE)

For the year ended March 31, 2018, depreciation was calculated on cost of items of PPE less their estimated residual values using the written down value method over the useful life as prescribed in Schedule II to the Companies Act, 2013, and recognised in the statement of profit and loss.

During the year, the Company changed its method of calculating depreciation on PPE to straight-line method and performed a technical assessment of the useful life of fixed assets. Estimated useful life of the assets are generally in line with Schedule II to the Companies Act, 2013 except in the following cases, where the Company considers the useful life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Useful life as per Schedule II (in years)	Management estimate of Useful life (in years)
Concession equipment	15	8
Gaming equipment	15	13.33
Furniture & fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4
Projectors	13	10

The Company has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's which are taken @ 10% of original cost based on technical assessment done by management.

Leasehold improvements are amortised on a straight-line basis over the total period of lease including renewals or unexpired period of lease, whichever is shorter.

Assets under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of lease term.

(d) Intangible assets

(i) Recognition and measurement:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

(d) Intangible assets (Contd)

(ii) Subsequent expenditure:

Subsequent expenditure is capitalized only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit or loss as incurred.

(iii) Transition to Ind AS

The Company had elected to continue with the carrying value of all of its intangible assets using the transition provisions of Ind AS, measured as per the previous GAAP and use that carrying value as the deemed cost of such intangible assets.

(iv) The useful life and the basis of amortization and impairment losses are as under:

- **Software**

Cost relating to purchased software and software licenses are capitalized and amortized on a straight-line basis over their estimated useful lives of 6 years.

- **Film right's**

The intellectual property rights acquired/ created in relation to films are capitalized as film rights. The amortization policy is as below:

(i) In respect of films which have been co-produced /co owned/acquired and in which the Company holds rights for a period of 5 years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

In case these rights are not exploited along with or prior to their first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.

- Balance 40% to 20% is amortized over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

(ii) In respect of films, where the Company holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortized on first theatrical release of the movie. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

In case these rights are not exploited along with or prior to the first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first theatrical release, whichever occurs earlier.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(e) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the statement of profit and loss as incurred.

(f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment loss, if any is recognised in the statement of profit and loss.

(f) Impairment of non-financial assets (contd.)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(g) Investment

Investment in subsidiaries and associates are carried at cost as per Ind AS 27 in the financial statements. Investment accounted for at cost is accounted for in accordance with Ind AS 105 when they are classified as held for sale and Investment carried at cost is tested for impairment as per Ind AS 36.

(h) Inventories

Inventories are valued as follows:

(i) Food and beverages
Lower of cost and net realizable value. Cost is determined on weighted average basis.

(ii) Stores and spares
Lower of cost and net realizable value. Cost is determined on First In First Out (FIFO) basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and Net realizable value is made on an item-by-item basis.

(i) Leases

(i) Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the incremental borrowing rate.

For arrangements entered into prior to April 01, 2017, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

(ii) Assets held under lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.
Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

(iii) Lease payments

Payments made under operating leases are generally recognized in the statement of profit and loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.
Payments made under finance lease are allocated between the outstanding liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax, sales tax and entertainment tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.

GST has been implemented with effect from July 01, 2017 which replaces entertainment tax, service tax and other indirect taxes like sales tax and value added taxes. As per the requirement of Ind AS 18, revenue is reported net of applicable taxes.

(j) Revenue recognition (contd.)

Effective April 01, 2018, the Company has adopted Ind AS 115 (Revenue from contracts with customers) which establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Ind AS 115 "Revenue from contracts with customers" replaces Ind AS 18 "Revenue recognition and related interpretations". The Company has adopted Ind AS 115 "Revenue from contracts with customers" using the cumulative effect method , with the effect of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018). Under this transition method, the comparative information is not restated – i.e. the comparative information continues to be reported under Ind AS 18 "Revenue recognition and related interpretations". The adoption of the standard did not have any material impact on the financial statements of the Company.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Income from sale of movie tickets (Box office revenue)
Revenue from sale of movie tickets is recognized as and when the film is exhibited.

(ii) Sale of food and beverages

Revenue from sale of food and beverages is recognized upon passage of title to customers, which coincides with their delivery to the customer.

(iii) Income from movie production
Revenues from film produced, co –produced/co -owned are accounted for based on the terms of the agreement.

(iv) Advertisement Revenue

Advertisement revenue is recognized as and when advertisement are displayed at the cinema halls and in accordance with the term of the agreement.

(v) Income from distribution business
Revenue from assignment of domestic theatrical exhibition rights of films is accounted for as per the terms of the assignment on the theatrical exhibition of the films or on the date of agreement to assign the rights, whichever is later. The revenue is recognised on gross basis.

(vi) Management fee
Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreements.

(vii) Convenience fee
Convenience fee is recognized as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts with digital ticketing partners, revenue is recognized on accrual basis in accordance with the terms of the agreement.

(viii) Gaming income
Revenue from gaming is recognized as and when the games are played by customers.

(ix) Virtual print fees income
Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreements.

(x) Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

(xi) Dividend income
Dividend Income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

(k) Foreign currency transaction and translations
Transactions and balances
Transactions in foreign currencies are initially recorded in functional currency's spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies remaining unsettled are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(l) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuer's are involved for valuation of significant assets, liabilities, such as ESOP, Gratuity etc.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.
- Financial instruments (including those carried at amortised cost) (note 2.2(s))

(m) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

The Company has the following employee benefit plans:

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, incentives, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders service.

(iii) Defined benefit plan

Gratuity is a defined benefit obligation. The Company has approved gratuity funds managed with Insurance Company for the payment of gratuity to the employees. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income.

(iv) Other long term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur.

(n) Income taxes

Income Tax 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 Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in OCI.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares (unless the effect is anti-dilutive), which includes all stock options granted to employeees, if any.

(p) Provisions

General

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Dividend

The Company recognise a liability to make dividend distributions to equity holders when the distribution is approved by the shareholders.

(s) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit & Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(s) Financial instruments (contd.)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18;

The Company impairs its trade receivables basis past experience and trend. Other financial asset, are impaired on case to case basis.

(t) Corporate Social Responsibility ("CSR") expenditure:

CSR expenditure incurred by the Company is charged to the statement of the profit and loss.

(u) Recent accounting pronouncements

Ind AS 116- 'Leases'

The Company is required to adopt Ind AS 116, Leases from April 1, 2019. Accordingly, the company will recognise new assets and liabilities for its operating lease, which will change the nature of expenses related to those leases, i.e., the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities. Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

The Company plans to apply Ind AS 116 initially on April 1,2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings as at April 1, 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before April 1, 2019 and identified as leases in accordance with Ind AS 17.
The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

3 Property, plant and equipment

Particulars	Leasehold land	Leasehold improvements	Plant and machinery	Office equipment	Furniture & fixtures	Vehicles	Total	Capital work in progress
Deemed Cost as on April 01, 2017	608	3,858	3,718	86	706	20	8,996	
Additions	-	2,075	3,238	256	476	35	6,080	
Disposals and discard	-	-	-	-	-	-	-	
At March 31, 2018	**608**	**5,933**	**6,956**	**342**	**1,182**	**55**	**15,076**	
Additions	-	3,073	4,385	210	304	1	7,973	
Disposals and discard	-	(30)	(55)	-	(13)	(4)	(102)	
At March 31, 2019	**608**	**8,976**	**11,286**	**552**	**1,473**	**52**	**22,947**	
Depreciation								
Charge for the year	6	652	1,747	125	261	11	2,802	
Disposals and discard	-	-	-	-	-	-	-	
At March 31, 2018	**6**	**652**	**1,747**	**125**	**261**	**11**	**2,802**	
Charge for the year	6	567	785	85	168	11	1,622	
Disposals and discard	-	(10)	(18)	-	(4)	(2)	(34)	
At March 31, 2019	**12**	**1,209**	**2,514**	**210**	**425**	**20**	**4,390**	
Net block								
At March 31, 2018	**602**	**5,281**	**5,209**	**217**	**921**	**44**	**12,274**	**5,214**
At March 31, 2019	**596**	**7,767**	**8,772**	**342**	**1,048**	**32**	**18,557**	**2,253**

Notes:

(i) Capital work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

(ii) Capitalised borrowing costs

The amount of borrowing costs included in capital work-in-progress during the year ended March 31, 2019 was Rs. 10 lakhs (March 31, 2018: Rs 224 lakhs, April 01, 2017 Rs 149 lakhs).

4 Intangible assets

Particulars	Computer Software	Total
Cost (Deemed Cost/ WDV as on April 01, 2017)	220	220
Additions	318	318
Disposals and discard	-	-
At March 31, 2018	**538**	**538**
Additions	99	99
Disposals and discard	-	-
At March 31, 2019	**637**	**637**
Depreciation		
Charge for the year	224	224
Disposals and discard	-	-
At March 31, 2018	**224**	**224**
Charge for the year	78	78
Disposals and discard	-	-
At March 31, 2019	**302**	**302**
Net block		
At March 31, 2018	**314**	**314**
At March 31, 2019	**335**	**335**

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

5(a) Non-current investments

	March 31, 2019	March 31, 2018	April 01, 2017
Investments (valued at cost unless stated otherwise)			
Investment in equity instrument (unquoted)			
Subsidiary Companies			
SPI Entertainment Project (Tirupati) Private Limited	1	1	-
10,000 (March 31, 2018: 10,000, April 01, 2017: Nil) equity shares of Rs.10 each			
Investment in associates (Non-trade, Unquoted investments at cost)			
Magic Hat Child Care Services Private Limited	-	1	1
Nil (March 31, 2018: 975, April 01, 2017: 975) equity shares of Rs.100 each (Refer note 41)			
`	-	-	-
Total Investments in subsidiaries and associates	**1**	**2**	**1**
Investments (valued at cost unless stated otherwise)			
Equity shares at FVTOCI			
SPI Properties Pvt. Ltd.	-	308	308
Nil (March 31, 2018: 16,880, April 01, 2017: 16,880) equity shares of Rs.10 each (refer Note 41)			
Less: Provision for impairment loss	-	(105)	(105)
KR Wind Energy LLP	-	-	-
1% of the total contribution			
Total investments in Equity shares at FVTOCI	-	**203**	**203**
Total non-current investments	**1**	**205**	**204**

5(b) Current investments

	March 31, 2019	March 31, 2018	April 01, 2017
Investment in mutual fund			
Nil units (March 31, 2018: 30,640 units, April 01, 2017: Nil units) in Aditya Birla Sun Life Cash Plus - Regular Plan- Growth)	-	308	-
Nil units (March 31, 2018: 11,22,986 units, April 01, 2017: Nil units) in ICICI Prudential Advisor Series - Dynamic Accrual Plan -Growth	-	85	-
Total current investments	-	**393**	-

5(c) Trade receivables

	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good			
Trade receivables	2,210	1,589	913
Receivables from related parties (refer note 37)	131	398	304
Unsecured, considered doubtful	480	232	137
Less: Allowance for doubtful debts	(480)	(232)	(137)
Total receivables	**2,341**	**1,987**	**1,217**
Current portion	**2,341**	**1,987**	**1,217**
Non-current portion	**-**	**-**	**-**

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

5(d) Cash and cash equivalents

	March 31, 2019	March 31, 2018	April 01, 2017
Balances with banks			
- in current accounts	264	499	343
Deposits with maturity of less than three months[1]	-	28	16
Cash on hand	135	67	46
Total cash and cash equivalents	**399**	**594**	**405**

1. Amounts under lien as at March 31, 2019: Nil (March 31, 2019: Rs.28 lakhs ; April 01, 2017: Rs.16 lakhs)

Bank balances other than cash and cash equivalents, above

Deposits with remaining maturity for more than 3 months but less than 12 months	28	-	-
Deposits with remaining maturity for more than 12 months	160	-	-
	188	-	-
Amount disclosed under other non-current financial assets (refer note 5(f))	(160)	-	-
Total other bank balances	**28**	-	-

Other bank balances under lien as at March 31, 2019: Rs. 28 lakhs (March 31, 2018: Nil ; April 01, 2017: Nil)

5(e) Loans

	March 31, 2019	March 31, 2018	April 01, 2017
Non-current			
Security deposits			
- Related parties (refer note 37)	31	150	150
- Others			
- Considered good	2,251	2,348	1,998
Total non-current loans	**2,282**	**2,498**	**2,148**
Current			
Loan to related parties (refer note 37)			
- Considered good	13	249	511
- Considered doubtful	52	132	-
Less: Provision for doubtful advances	(52)	(132)	-
Loan to others			
- Considered doubtful	132	-	-
Less: Provision for doubtful advances	(132)	-	-
Loan to employees	38	66	42
Total current loans	**51**	**315**	**553**

5(f) Other financial assets

	March 31, 2019	March 31, 2018	April 01, 2017
Non current			
Non-current bank balances (refer note 5(d))	160	-	-
Total non current other financial assets	**160**	-	-

Non-current bank balances under lien as at March 31, 2019 Rs.160 lakhs (March 31, 2018: Nil ; April 01, 2017: Nil)

Current			
Interest accrued on:			
Fixed deposits	7	5	-
Revenue earned but not billed	102	-	-
Total current other financial assets	**109**	**5**	-

6 Deferred tax assets (net)

The balance comprises temporary differences attributable to:

	March 31, 2019	March 31, 2018	April 01, 2017
Deferred tax liability			
Others	-	-	-
Gross deferred tax liability	-	-	-
Deferred tax assets			
Defined benefit obligations	115	45	30
Provision for doubtful debts and advances	236	125	78
Others	202	56	26
Property, plant & equipment and Intangibles	515	917	632
Gross deferred tax asset	**1,068**	**1,143**	**766**
Net deferred tax (liability)/ asset	**1,068**	**1,143**	**766**

7 Income tax assets (net)

	March 31, 2019	March 31, 2018	April 01, 2017
Advance income tax (net of provision)	574	691	151
Income taxes paid under protest (refer note 31)	294	294	150
Closing balance of Income tax assets (net)	**868**	**985**	**301**

8 Other non-current assets

	March 31, 2019	March 31, 2018	April 01, 2017
Capital advances			
- Considered good	2,775	3,617	4,034
Prepaid expenses	294	-	-
Deferred rent	1,289	699	264
Balance with government authorities paid under protest (refer note 31)	98	71	41
Balance with government authorities	97	29	-
Total other non-current assets	**4,553**	**4,416**	**4,339**

9 Inventories

	March 31, 2019	March 31, 2018	April 01, 2017
Food and beverages	248	155	123
Consumables	56	44	-
Total inventories	**304**	**199**	**123**

10 Other current assets

	March 31, 2019	March 31, 2018	April 01, 2017
Prepaid expenses	465	121	116
Deferred rent	113	68	40
Defined benefit assets (refer note 28)	-	-	4
Advance to suppliers			
- Related parties	-	1	48
- Others			
- Considered good	1,379	1,004	1,484
- Considered doubtful	5	5	5
Less: Allowance for doubtful advances	(5)	(5)	(5)
Advances recoverable in cash or kind			
- Considered good	3	1	11
- Considered doubtful	7	7	95
Less: Allowance for doubtful advances	(7)	(7)	(95)
Total other current assets	**1,960**	**1,195**	**1,703**

11(a): Equity

	March 31, 2019	March 31, 2018	April 01, 2017
Authorised share capital:			
1,30,00,000 (March 31, 2018: 1,30,00,000, April 01, 2017: 1,30,00,000) equity shares of Rs.10 each)	1,300	1,300	1,300
Issued, subscribed and fully paid up:			
3,10,670 (March 31, 2018: 3,10,670, April 01, 2017: 3,10,670) equity shares of Rs.10 each	31	31	31
Total equity share capital	**31**	**31**	**31**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	March 31, 2019		March 31, 2018	
	Number	Amount	Number	Amount
Issued equity shares				
Share outstanding at the beginning of the year	310,670	31	310,670	31
Less : Transfer to Securities Premium Account	-	-	-	-
Shares outstanding at the end of the year/ period	310,670	31	310,670	31

b. Terms and rights attached to equity shares

The Company has only one class of shares i.e. equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to shareholding.

c. Details of shareholders holding more than 5% shares in the Company as on year end

	March 31, 2019		March 31, 2018	
	No of shares held	% of holding	No of shares held	% of holding
PVR Limited	222,711	71.69%	-	-
SS Theatres LLP.	87,959	28.31%	279,493	89.96%
S V Swaroop Reddy	-	-	31,177	10.04%

d. The Company has not issued any bonus shares issued or shares issued for consideration other than cash no shares were bought back during the period of five years immediately preceding the reporting date.

11(b): Other equity (Refer statement of changes in equity)

	March 31, 2019	March 31, 2018
Securities premium account		
Balance as at the beginning of the year	3,829	3,829
Additions during the year	-	-
Balance as at the end of the year	**3,829**	**3,829**
General Reserve		
Balance as at the beginning of the year	15	15
Additions during the year	-	-
Balance as at the end of the year	**15**	**15**
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	3,108	3,271
Retained earnings comprise of the Company's accumulated undistributed earning after taxes including Other Comprehensive Income (OCI).	2,687	(163)
Balance as at the end of the year	**5,795**	**3,108**
Contribution from Parent company		
Balance as at the beginning of the year	-	-
Additions during the year	214	-
Balance as at the end of the year	**214**	-
Total Other equity	**9,853**	**6,952**

Contribution from Parent company
The corporate guarantee given by the parent company PVR Limited in favour of bank loans taken by the Company has been recognized as deemed equity.

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

12(a) Long term borrowings

	March 31, 2019	March 31, 2018	April 01, 2017
Term loans			
Secured term loans from bank			
- India rupees loan from Axis Bank	15,863	-	-
- India rupees loan from HDFC Bank	-	14,956	14,090
Amount disclosed under the head "Other financial liabilities" (Refer Note no 12(e))	(786)	(2,193)	(1,021)
Total long term borrowings	**15,077**	**12,763**	**13,069**

Notes:
A. Term and repayment schedule
Terms and conditions of outstanding borrowings are as follows:

Particulars	Amount in Rupees Lakhs	Maturity Date	Interest rate	Terms of Repayment
India rupees loan from Axis Bank (Refer note 1)	15,863	31-Mar-26	MCLR + 0.25% Spread (which currently stands at 9.05% p.a.)	28 quarterly installments after moratorium of 6 months.
India rupees loan from HDFC Bank (Refer note 2)	-	Refer note 2	MCLR + Spread (which currently stands at 9.40% p.a.)	24 equal quarterly installments after moratorium of 12 months.

1) The loan is secured by way of first pari passu charge on all movable and immovable assets of the Company both present and future, first pari passu charge on receivables of the company both present and future. Also, the loan is secured unconditional and irrevocable Corporate guarantee by PVR Limited.

2) The loan was secured by exclusive mortgage of land And building of Sathyam Multiplex owned by Sree Shyam Sayi Corporation Private Limited. Mortgage of immovable properties present and future of the Company and hypothecation of movables including plant and machinery, spares and tools, fit outs, accessories, furniture and fixtures, vehicles and all other movable properties present and future. First pari passu charge on the current assets, operating cash flows, receivables, commissions, revenues of whatsoever nature present and future, corporate guarantee given by Samayanallur Power Investments Pvt. Ltd. and SS Theatres LLP. The said loan was repaid during the year.

12(b) Short term borrowings

	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured term loans from bank (refer note 1)	-	350	850
Secured bank overdraft (refer note 2)	900	-	-
Total short term borrowings	**900**	**350**	**850**

1) The short term loan is sanctioned to an extent of Rs.1,000 Lacs at an interest rate of 10% p.a repayable on demand, to meet the working capital requirement of the company.

2) The bank overdraft is availed from Axis Bank is secured by First pari-passu charge by way of hypothecation of entire current assets of the Company including stock anc book-debts, both present and future ; further secured by an unconditional and irrevocable Corporate Guarantee of PVR Limited ("the Parent company"). The overdraft carries an interest rate of 8.75% p.a payable at monthly intervals and is repayable on demand.

12(c) Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	Non-current borrowings	Current borrowings	Bank overdrafts
Balance as at March 31, 2018	14,956	350	-
Balance as at March 31, 2019	15,863	-	900

Particulars of movement	Non-current borrowings	Current borrowings	Bank overdrafts
Balance as at April 1, 2017	**14,090**	**850**	**-**
Proceeds from loans and borrowings	2,015	1,400	-
Repayment of borrowings	(1,202)	(1,900)	-
Non-cash changes			
- Impact of effective interest amortisation	53	-	-
Balance as at March 31, 2018	**14,956**	**350**	**-**
Proceeds from loans and borrowings	16,116	200	
Repayment of borrowings	(15,393)	(550)	
Change in bank overdraft			900
Non-cash changes			
- Impact of effective interest amortisation	184	-	-
Balance as at March 31, 2019	**15,863**	**-**	**900**

Non-current borrowings include current maturities of long term borrowings for the purpose of reconciliation in note 12(c) above

12(d) Trade Payable

	March 31, 2019	March 31, 2018	April 01, 2017
(a) Total outstanding dues of micro enterprises and small enterprises and	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,609	1,563	852
(c) Trade payables to related parties (refer note 37)	84	95	33
Total trade payable	**2,693**	**1,658**	**885**

12(e) Other financial liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
Payables on purchase of fixed assets	183	115	22
Security deposits	6	14	6
Current maturities of long-term borrowings (refer note 12(a))	786	2,193	1,021
Interest accrued but not due on borrowings	122	124	130
Other payables to related parties	-	382	382
Total other financial liabilities	**1,097**	**2,828**	**1,561**

13 Long term provisions

	March 31, 2019	March 31, 2018	April 01, 2017
Provision for employee benefits			
Provision for leave benefits	264	152	122
Defined benefit liability (refer note 28)	182	-	-
Total long term provisions	**446**	**152**	**122**

14 Other non-current liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
Income received in advance	1,361	4,074	-
Total other non-current liabilities	**1,361**	**4,074**	**-**

15 Short term provisions

	March 31, 2019	March 31, 2018	April 01, 2017
Provision for employee benefits			
Defined benefit liability (refer note 28)	-	97	-
Provision for leave benefits	30	32	31
Total short term provisions	**30**	**129**	**31**

16 Other current liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
Income received in advance	3,054	2,274	240
Advances from customers	177	10	23
Employee benefits payable	343	210	235
Dividend distribution tax payable	-	79	79
Statutory dues payable	207	227	350
Total other current liabilities	**3,781**	**2,800**	**927**

	For the year ended March 31, 2019	For the year ended March 31, 2018
17 Revenue from operations		
Sale of services (refer (a) below)	31,327	22,380
Sale of food and beverages	14,231	10,316
Other operating revenue (refer (b) below)	203	370
Total revenue from operations	**45,761**	**33,066**
(a) Sale of services		
Advertisement income	3,675	2,794
Income from sale of movie tickets	19,453	13,512
Income from film distribution	4,304	3,413
Convenience fees	3,636	2,455
Virtual print fees	259	206
	31,327	**22,380**
(b) Details of other operating revenue		
Gaming income	54	67
Management fees	32	39
Parking charges	117	264
	203	**370**
18 Other income		
Dividend income from investments mandatorily measured at fair value through profit or loss	7	87
Interest income from financial assets at amortised cost	72	58
Net gain on disposal of property, plant and equipment	13	-
Other non-operating income	54	83
Total other income	**146**	**228**
19 Movie exhibition		
Distributors share	8,415	5,645
Total movie exhibition	**8,415**	**5,645**
20 Employee benefits expense		
Salaries, wages, allowances and bonus	5,084	4,574
Contribution to provident and other funds	483	471
Gratuity	93	102
Staff welfare expenses	651	445
Total employee benefits expense	**6,311**	**5,592**

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
21 Finance costs		
Interest on		
Term loans	1,888	1,495
Unwinding discount of advance income	610	326
Other financial charges	169	148
Total finance cost	**2,667**	**1,969**
22 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	1,622	2,802
Amortisation on intangible assets	78	224
Total depreciation and amortisation expenses	**1,700**	**3,026**
23 Other operating expenses		
Rent	5,429	3,962
Electricity and water charges	2,673	2,023
Repairs and maintenance	1,234	1,120
Marketing expenses	121	117
Rates and taxes	317	263
Travelling and conveyance	313	437
Payments to auditors (refer note below)	62	10
Legal and professional fees	626	545
Movie distribution and print charges	3,920	3,146
Communication costs	594	154
Comman Area Maintenance	998	945
Printing and stationery	77	59
Insurance	166	165
Corporate social responsibility expenditure (refer note 33)	21	92
Security Charges	23	3
Bad debts/advances written off	68	88
Allowance for doubtful debts and advances	300	139
Miscellaneous expenses	238	295
Total other expenses	**17,180**	**13,563**
As auditor:		
Audit fees	13	10
Limited Review	2	-
Certification and other services	45	-
Reimbursement of out of pocket expense	2	-
	62	**10**
24 Exceptional items (refer note 41)		
Net gain on sale of investments	14	-
Net loss incurred on sale of investments	(105)	-
Add: Provision for impairment of investments adjusted	105	-
Total exceptional items	**14**	-

25 Exemption from preparing consolidated financial statements

These financial statements are the standalone financial statements of the Company. The Company has used the exemption under Paragraph 4(a) of Ind AS 110 and has elected not to prepare the Consolidated financial statements. The consolidated financial statements are prepared by the Parent company, PVR Limited. Refer below for the details of subsidiaries/associates of the Company:

	% of shares held	
Name of the investee	**March 31, 2019**	**March 31, 2018**
SPI Entertainment Projects (Tirupati) Pvt Ltd	99.99%	99.99%
Evergreen Cine Services Pvt Ltd	-	49.00%
Magic Hat Child Care Services Pvt Ltd	-	50.00%

26 First-time adoption of Ind AS

As stated in Note 2.1 (i), these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2.2 have been applied in preparing these financial statements for the year ended March 31, 2019 including the comparative information for the year ended March 31, 2018 and the opening Ind AS balance sheet on the date of transition i.e. April 01, 2017.

In preparing its Ind AS balance sheet as at April 01, 2017 and in presenting the comparative information for the year ended March 31, 2018, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

1. Deemed cost: Property, plant and equipment , Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

2. Investment in subsidiaries and associates

Ind AS 27 requires investments in subsidiaries, joint ventures and associates to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. The Company has availed the above exemption and recognised the investment in subsidiaries and associates at the previous GAAP carrying amount at the date of transition to Ind AS.

3. Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has availed the above exemption and recognised the investment in equity instruments FVOCI.

4. Determining whether an arrangement contains a lease

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.
The Company has elected to apply this exemption for such contracts/arrangements.

5. Business combination

Ind AS 103 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combination prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occuring after its transition date. Business combinations occuring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint ventures

A.2 Ind AS mandatory exceptions

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP
- Investment in equity instruments carried at FVOCI;
- Impairment of financial assets based on expected credit loss model.

2. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirement in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Company has applied the above requirement on transition date.

B. Reconciliations between previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

Reconciliation of equity:

		Opening Balance Sheet as at April 01, 2017			Balance Sheet as at March 31, 2018		
Particulars	**Note**	**IGAAP**	**Effect of transition to Ind AS**	**Ind AS**	**IGAAP**	**Effect of transition to Ind AS**	**Ind AS**
Assets							
Non-current assets							
Property, plant and equipment		8,996	-	8,996	12,274	-	12,274
Capital work-in-progress		3,616	-	3,616	5,214	-	5,214
Intangible assets		220	-	220	314	-	314
Financial assets							
Investments	a	309	(105)	204	310	(105)	205
Loans	c	2,498	(350)	2,148	3,323	(825)	2,498
Deferred tax assets (net)	b	1,182	(416)	766	1,069	74	1,143
Non current tax assets (net)		301	-	301	934	51	985
Other non-current assets	c	4,095	244	4,339	3,737	679	4,416
Total non-current assets		**21,217**	**(627)**	**20,590**	**27,175**	**(126)**	**27,049**
Current assets							
Inventories		123	-	123	199	-	199
Financial assets							
Investments	a				383	10	393
Trade receivables	g	1,298	(81)	1,217	2,163	(176)	1,987
Cash and cash equivalents		405	-	405	594	-	594
Loans		553	-	553	315	-	315
Other financial assets		-	-	-	5	-	5
Other current assets	c	1,658	45	1,703	1,127	68	1,195
Total current assets		**4,037**	**(36)**	**4,001**	**4,786**	**(98)**	**4,688**
Total assets		**25,254**	**(663)**	**24,591**	**31,961**	**(224)**	**31,737**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		31	-	31	31	-	31
Other equity							
Reserves and surplus		6,112	1,003	7,115	7,341	(389)	6,952
Total equity		**6,143**	**1,003**	**7,146**	**7,372**	**(389)**	**6,983**
Non-current liabilities							
Financial liabilities							
Borrowings	d	13,249	(180)	13,069	12,887	(124)	12,763
Long term provisions	f	1,636	(1,514)	122	152	-	152
Other non-current liabilities	e	-	-	-	3,832	242	4,074
Total non-current liabilities		**14,885**	**(1,694)**	**13,191**	**16,871**	**118**	**16,989**
Current liabilities							
Financial liabilities							
Borrowings		850	-	850	350	-	350
Trade payables		885	-	885	1,658	-	1,658
Other financial liabilities	d	1,614	(53)	1,561	2,885	(57)	2,828
Provisions	h	31	-	31	104	25	129
Current tax liabilities		(2)	2	-	-	-	-
Other current liabilities		848	79	927	2,721	79	2,800
Total current liabilities		**4,226**	**28**	**4,254**	**7,718**	**47**	**7,765**
Total liabilities		**19,111**	**(1,666)**	**17,445**	**24,589**	**165**	**24,754**
Total equity and liabilities		**25,254**	**(663)**	**24,591**	**31,961**	**(224)**	**31,737**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of Statement of Profit and Loss:

		Year ended March 31, 2018		
Particulars	**Note**	**IGAAP**	**Effects of transition to Ind As**	**Ind AS**
Revenue from operations	e	32,981	85	33,066
Other income	c	186	42	228
Other gains / (losses) - net		-	-	-
Total income		**33,167**	**127**	**33,294**
Expenses				
Movie exhibition		5,645	-	5,645
Consumption of food and beverages		3,665	-	3,665
Employee benefits expense	h	5,628	(36)	5,592
Depreciation and amortisation expense		3,026	-	3,026
Other expenses	c, f & g	11,899	1,664	13,563
Finance costs	d & e	1,590	379	1,969
Total expenses		**31,453**	**2,007**	**33,460**
Profit/ (loss) before exceptional items and tax		1,714	(1,880)	(166)
Exceptional items		-	-	-
Profit/(loss) before tax		**1,714**	**(1,880)**	**(166)**
Tax expense				
- Current tax		351	(54)	297
- Deferred tax	b	112	(471)	(359)
- Tax adjustment for earlier years		22	-	22
Income tax expense		**485**	**(525)**	**(40)**
Profit/(loss) for the year		**1,229**	**(1,355)**	**(126)**
Other comprehensive income				
Net other comprehensive income not to be re-classified to profit or loss in subsequent period				
Changes in fair value of FVOCI equity instruments	a	-	10	10
Re-measurement gains/ (losses) on defined benefit plans	h	-	(66)	(66)
Income tax effect		-	19	19
Other comprehensive income for the year, net of tax		**-**	**(37)**	**(37)**
Total comprehensive income for the year, net of tax		**1,229**	**(1,392)**	**(163)**

Notes to first-time adoption

Note a: Fair valuation of investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for diminution, other than temporary, in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in retained earning as at date of transition and subsequently in the other comprehensive income for the year ended March 31, 2018. This decreased the retained earning by Rs 105 lakhs as at April 01, 2017 and increase the other comprehensive income by Rs 10 lakhs as at March 31, 2018. Consequently to this total equity and investment as at March 31, 2018 decreased by Rs 95 lakhs (April 01, 2017 Rs 105 lakhs).

Note b: Deferred tax

Under Ind AS, deferred tax has been recognised on the adjustments made on transition to Ind AS.

Note c: Other assets

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid expense. Consequent to this change, the amount of security deposits decreased by Rs.825 lakhs as at March 31, 2018 (April 1, 2017 - Rs. 350 lakhs). The prepaid rent increased by Rs 766 lakhs as at March 31, 2018 (April 1, 2017 - Rs. 304 lakhs). Total equity decreased by Rs. 46 lakhs lacs as on April 1, 2017. The profit for the year and total equity as at March 31, 2018 decreased by Rs. 13 lakhs due to amortisation of prepaid rent of Rs 55 lakhs which is partially off set by the notional interest income of Rs 42 lakhs recognised on security deposits

Note d: Borrowings

Ind As 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. If the transactions cost are paid in advance i.e before the drawn down of the borrowing facility, then such transaction costs are reflected as prepayments and recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred. Accordingly, borrowings as at March 31, 2018 have been reduced by Rs. 181 lakhs (April 01, 2017: Rs 233 lakhs). The total equity increased by Rs 234 lakhs. The profit for the year ended March 31, 2018 decreased by Rs 53 lakhs as a result of the additional interest expenses.

Note e: Other non current liabilities

Under the previous GAAP, income received in advance which are long term in nature to be recorded at their transaction value. Under Ind AS, these are required to be recognised at fair value. Accordingly, the Company has fair valued these advances under Ind AS. Consequent to this change, the amount of advances increased by Rs. 242 lakhs as at March 31, 2018. The profit for the year and total equity as at March 31, 2018 decreased by Rs. 242 lakhs due to recognition of the notional interest expense of Rs 326 lakhs which is partially off-set by income of Rs.85 lakhs recognised on advance.

Note f: Lease rent equalisation reserve

Under the previous GAAP, the lease payments under an operating lease were recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Under Ind AS, the lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met. Since the lease payments under all the operating leases entered into by the Company as a lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, the lease rent equalisation reserve created in respect of such leases amounting to Rs 1,514 lakhs under the previous GAAP, has been reversed with corresponding adjustment to retained earnings as at April 1, 2017. Consequently, the total equity increased by an equivalent amount. The profit for the year as at March 31, 2018 decreased by Rs 1,514 lakhs, due to reversal of utilisation of lease rent equalisation reserve created in respect of the aforesaid leases under the previous GAAP. The impact on total equiy as at March 31, 2018 is Nil.

Note g: Trade receivables
As per Ind AS 109, the Company recognised additional impairment loss on trade receivables. The impact on the statement of profit and loss arising from the change amounts to Rs. 95 lakhs for the year ended March 31, 2018. The impact on the retained earnings as at March 31, 2018 amounts to Rs 176 lakhs (April 01, 2017: Rs 81 lakhs).

Note h: Remeasurements of post-employment benefit obligation
1. As per Ind AS 19, "Employee benefits", Re-measurement losses on defined benefit plans not to be re-classified to profit or loss in subsequent period amounting to Rs. 66 lakhs (Rs.44 lakhs net of tax) were reclassified from employee benefit expense to other comprehensive income.

2. Impact of excess/ less defined benefit cost measured taken in profit or loss in March 31, 2018 and in equity as on April 01, 2017. The total equity increased by Rs 4 lakhs as at April 01, 2017. The profit for the year ended March 31, 2018 decreased by Rs 30 lakhs and the total equity decreased by Rs 25 lakhs.

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27 Earnings per share (EPS)

The following reflects the profit and shares data used in the basic and diluted EPS computations:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(loss) for the year	2,791	(126)
Total comprehensive income	2,687	(163)
Weighted average number of equity shares in calculating basic and diluted EPS:		
- Number of equity shares outstanding at the beginning of the year/ period	310,670	310,670
- Number of equity shares outstanding at the end of the year/ period	310,670	310,670
Weighted number of equity shares of Rs. 10 each outstanding during the year/ period	**310,670**	**310,670**
EPS on profit for the year:		
Basic and diluted earnings per equity share (in Rs.)	898.38	(40.56)
EPS on total comprehensive income		
Basic and diluted earnings per equity share (in Rs.)	864.90	(52.47)

28 Gratuity plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with insurance company in the form of a qualifying insurance policy. The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Statement of profit and loss

Net employee benefit expense recognised in employee cost

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current service cost	92	88
Past service cost	-	16
Interest cost on benefit obligation	1	15
Expected return on plan assets	-	(17)
Net benefit expense	**93**	**102**

Balance sheet

Benefit Assets/ Liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
Defined benefit obligation	(574)	(358)	(199)
Fair value of plan assets	392	261	203
Plan asset/(liability)	**(182)**	**(97)**	**4**

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2019	March 31, 2018	April 01, 2017
Opening defined benefit obligation	358	199	149
Interest cost	25	15	12
Current service cost	92	88	49
Past service cost	-	16	
Benefits paid	(57)	(21)	(12)
Actuarial losses/(gain) on obligation	156	61	1
Acquisitions (credit)/ cost	-	-	-
Closing defined benefit obligation	**574**	**358**	**199**

Changes in the fair value of plan assets are as follows:

	March 31, 2019	March 31, 2018	April 01, 2017
Opening fair value of plan assets	261	203	156
Interest income on plan assets	24	18	14
Benefits paid	(57)	(21)	(12)
Contribution by employer	169	66	43
Actuarial gain/(losses)	(5)	(5)	2
Closing fair value of plan assets	**392**	**261**	**203**
Net provision for gratuity	182	97	-
Net Defined benefit assets	-	-	4

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2019	March 31, 2018
Assets held by Insurance Company	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Discount rate	7.60%	7.72%	7.40%
Expected rate of return on plan assets*	-	-	-
Increase in compensation cost	8%	5%	5%
Employee turnover	8%	5%	5%

* Not applicable for the benefit plan

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market. The assumption for employee turnover has been changed during the year based on the trend in the industry.

Historical information

Particulars as at year ended	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Present value of defined benefit obligation	(574)	(358)	(199)	(149)	(119)
Fair value of plan assets	392	261	203	156	104
Asset / (liability) recognized	(182)	(97)	4	7	(15)

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions as at March 31, 2019 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	56	67
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	68	58
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	29	40

A quantitative sensitivity analysis for significant assumptions as at March 31, 2018 is as follows:

Particulars	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	327	395
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	395	326
Effect of Increase/decrease in withdrawal rate by 10% on Defined benefit obligations	362	354

The sensitivity analysis above has been determined on the basis of actuarial certificate

Defined Contribution Plan:

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Contribution to Provident Fund - Charged to Statement of Profit and Loss	483	471

Changes in the defined benefit obligation and fair value of plan assets:

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2017	**199**	**(203)**	**(4)**
Current service cost	88	-	88
Past service cost	16	-	16
Interest expense/(income)	15	(18)	(3)
Total amount recognised in profit or loss	**318**	**(221)**	**97**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	5	5
(Gain)/loss from change in demographic assumptions			-
(Gain)/loss from change in financial assumptions	(11)	-	(11)
Experience (gains)/losses	72	-	72
Total amount recognised in other comprehensive income	**379**	**(216)**	**163**
Employer contributions		(66)	(66)
Benefit payments	(21)	21	-
March 31, 2018	**358**	**(261)**	**97**
April 1, 2018			
Current service cost	92	-	92
Interest expense/(income)	25	(24)	1
Total amount recognised in profit or loss	**475**	**(285)**	**190**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	5	5
(Gain)/loss from change in demographic assumptions			-
(Gain)/loss from change in financial assumptions	162	-	162
Experience (gains)/losses	(6)	-	(6)
Past service cost, including losses/(gains) on curtailments			
Total amount recognised in other comprehensive income	**631**	**(280)**	**351**
Employer contributions	-	(169)	(169)
Benefit payments	(57)	57	-
March 31, 2019	**574**	**(392)**	**182**

29 Leases

The Company is operating some of the multiplexes under Operating Lease / Business Conducting Arrangement. These arrangements are for a period of 10-18 years with a minimum lock-in period of 3-6 years and the agreement provides for escalation in rentals after pre-determined periods. Property Rent is included in 'rent' charged in the statement of profit and loss. The company has been given rights to construct, interiors, alterations, install plant and machinery and the same will be the absolute property of the Company and can be removed after the license period. The company shall not during the continuance of agreement and any renewal(s)thereof, mortgage, sell or otherwise charge the license.

Operating Lease (for assets taken on lease)

Disclosure for assets taken under non-cancellable leases, where the Company is presently carrying commercial operations is as under, which reflects the outstanding amount for non-cancellable period:

Particulars	March 31, 2019	March 31, 2018
Lease payments for the year recognised in statement of profit and loss (including deferred rent portion)	5,429	3,962
Minimum lease payments :		
Within one year	1,701	311
After one year but not more than five years	6,137	1,507
More than five years	567	713

30 Capital & other commitments

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
(a) Capital commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,766	1,689	3,138

31 Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Possible exposure against various appeals filed by the Company against the demand with Commissioner of Income Tax (Appeals and High Court with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2009, 2010, 2011, 2013, 2015 respectively. (the Company has paid an amount of Rs. 294 lakhs (Rs. 294 Lakhs as at March 31, 2018 and Rs 150 lakhs as at April 01, 2017) which is appearing in the Schedule of non-current tax assets).	1,200	1,200	478
Possible exposure on account of entertainment tax levied on online booking. High Court has stayed the demand and case is still pending.	2,314	2,107	2,107
Possible exposure against appeal filed by the Company against the demand with the CESTAT regard to service tax demand on 3D Glass and Theatre Maintenance Charges. (The Company has paid an amount of Rs 11 lakhs (Rs 11 lakhs as at March 31, 2018 and Rs 11 lakhs as at April 01, 2017) which is appearing in the Schedule of Other non current assets.)	236	236	236
Possible exposure against appeal filed by the Company against the demand with the Commissioner (Appeal) regard to service tax demand on movie production of 180 movies. (The Company has paid an amount of Rs 14 lakhs (Rs 10 lakhs as at March 31, 2018 and Rs Nil as at April 01, 2017) which is appearing in the Schedule of Other non current assets.)	205	205	205
Demand for entry tax on material entered into Telengana by VAT authorities. Appeal filed by the Company against the demand. (The Company has paid an amount of Rs 25 lakhs (Rs 13 lakhs as at March 31, 2018 and Rs Nil as at April 01, 2017) which is appearing in the Schedule of Other non current assets.)	101	101	-
Demand for Levy of Service Tax on 3D glass charges and TMC Charges for the financial year 2015-16, 2016-17 and 2017-18. (The Company has paid an amount of Rs 10 lakhs (Rs Nil as at March 31, 2018 and Rs Nil as at April 01, 2017) which is appearing in the Schedule of Other non current assets.)	156	-	-
Possible exposure against the appeal filed by the Company against the demand of providend fund on all components of salary with the PF Appellate Tribunal. The Company has paid an amount of Rs 38 lakhs (Rs 38 lakhs as at March 31, 2018 and Rs 30 lakhs as at April 01, 2017) which is appearing in the Schedule of Other non current assets.)	106	106	68

32 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

33 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Particulars	March 31, 2019	March 31, 2018
Gross amount required to be spent by the Company during the year	18	9
Amount spent during the year		
(a) Construction / acquisition of any assets	-	-
(b) On purposes other than (a) above	21	92

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34(a) Disclosure required under Section 186(4) of the Companies Act 2013

Included in loans and advance are certain inter corporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

Particulars	Rate of interest (p.a)	Repayment terms	Secured/ Unsecured	March 31, 2019	March 31, 2018	April 01, 2017
Evergreen Cine Services Pvt Ltd	Nil	On demand	Unsecured	132	132	131
SPI Entertainment Projects (Tirupati) Pvt Ltd	Nil	On demand	Unsecured	52	42	2
SPI Music Pvt Ltd	Nil	Within 200 days	Unsecured	13	128	-
SPI Diners Pvt Ltd	Nil	On demand	Unsecured	-	79	56
Madurai Power Corporation Pvt Ltd	11%	Within 20 days	Unsecured	-	-	321

34(b) Significant investments in subsidiaries, associates and other companies
These financial statement are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements".
The Company has following investment as at March 31, 2019

Name of Company	Nature	Country of incorporation	Percentage of holding		
			March 31, 2019	March 31, 2018	April 01, 2017
SPI Entertainment Project (Tirupati) Private Limited	Subsidiary	India	99.99%	99.99%	0%
Magic Hat Child Care Services Private Limited	Associates	India	0%	50.00%	50.00%
Evergreen Cine Services Private Limited	Associates	India	0%	49.00%	49.00%
SPI Properties Private Limited	Refer note 37	India	0%	11.93%	11.93%

35 Fair Value
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

Particulars	Level of hierarchy	Amortised cost	FVPL	FVOCI	Carrying Value	Fair Value
Assets:						
Current and non-current						
Investments	1 and 3	-	-	-	-	-
Trade receivables		2,341	-	-	2,341	2,341
Cash and cash equivalents		399	-	-	399	399
Other bank balances		28	-	-	28	28
Loans		2,333	-	-	2,333	2,333
Other financial assets		269	-	-	269	269
Total		**5,370**	-	-	**5,370**	**5,370**
Liabilities:						
Borrowings		15,977	-	-	15,977	15,977
Trade payables		2,693	-	-	2,693	2,693
Other financial liabilities		1,097	-	-	1,097	1,097
Total		**19,767**	-	-	**19,767**	**19,767**

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

Particulars	Level of hierarchy	Amortised cost	FVPL	FVOCI	Carrying Value	Fair Value
Assets:						
Current and non-current						
Investments	1 and 3	-	-	596	596	596
Trade receivables		1,987	-	-	1,987	1,987
Cash and cash equivalents		594	-	-	594	594
Loans		2,813	-	-	2,813	2,813
Other financial assets		5	-	-	5	5
Total		**5,399**	-	**596**	**5,995**	**5,995**
Liabilities:						
Borrowings		13,113	-	-	13,113	13,113
Trade payables		1,658	-	-	1,658	1,658
Other financial liabilities		2,828	-	-	2,828	2,828
Total		**17,599**	-	-	**17,599**	**17,599**

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The carrying value and fair value of financial instruments by categories as of April 01, 2017 were as follows:

Particulars	Level of hierarchy	Amortised cost	FVPL	FVOCI	Carrying Value	Fair Value
Assets:						
Current and non-current						
Investments in subsidiaries and associates	3	-	-	-	-	-
Investments	1 and 3	-	-	203	203	203
Trade receivables		1,217	-	-	1,217	1,217
Cash and cash equivalents		405	-	-	405	405
Loans		2,701	-	-	2,701	2,701
Other financial assets		-	-	-	-	-
Total		**4,323**	-	**203**	**4,526**	**4,526**
Liabilities:						
Borrowings		13,919	-	-	13,919	13,919
Trade payables		885	-	-	885	885
Other financial liabilities		1,561	-	-	1,561	1,561
Total		**16,365**	-	-	**16,365**	**16,365**

The management assessed that fair values of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other current liabilities approximate their carrying amounts.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.

(ii) The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

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36 Segment information

A. Basis of segmentation

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Director of the Company has been identified as being the chief operating decision maker to assess the financial performance and position of the Company and make strategic decisions. The Company is currently engaged in the business of exhibition of feature films, running and operating restaurants and gaming zones in multiplex complexes and distribution of feature films.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The business of exhibition of feature films, running and operating restaurants and gaming zones in multiplex complexes, as all the activities carries similar risks and rewards, all the above activities were treated as main segment i.e movie exhibition, and the distribution of feature films reported as separate segment.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

Finance costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Company basis.

	Movie exhibition		**Distribution of feature films**		**Total**	
Particulars	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Revenue						
Revenue from operations	41,457	29,653	4,304	3,413	**45,761**	33,066
Inter segment sales	-	-	-	-	-	-
Other income	146	228	-	-	146	228
Other gains / (losses) - net	-	-	-	-	-	-
Total Revenue	**41,603**	**29,881**	**4,304**	**3,413**	**45,907**	**33,294**
Segment results						
Expense						
Distribution share	-	-	3,920	3,146	**3,920**	3,146
Employee cost	6,298	5,577	13	15	6,311	5,592
Other cost	31,361	24,703	-	19	31,361	24,722
Total Expense	**37,659**	**30,280**	**3,933**	**3,180**	**41,592**	**33,460**
Operating profit	**3,944**	**(399)**	**371**	**233**	**4,315**	**(166)**
Exceptional items	14	-	-	-	14	-
Income tax	-	-	-	-	(1,538)	40
Net profit before NCI	**3,958**	**(399)**	**371**	**233**	**2,791**	**(126)**
Other information						
Total assets	33,923	31,509	1,346	228	35,269	31,737
Unallocated assets	3,021	3,428	-	-	3,021	3,428
Total allocated assets	**30,902**	**28,081**	**1,346**	**228**	**32,248**	**28,309**
Total liabilities	24,833	24,200	552	554	25,385	24,754
Unallocated liabilities	16,891	15,429	-	-	16,891	15,429
Total allocated liabilities	**7,942**	**8,771**	**552**	**554**	**8,494**	**9,325**
Capital employed (allocable)	22,960	19,310	794	(326)	23,754	18,984
Capital employed (unallocable)	(13,870)	(12,001)	-	-	(13,870)	(12,001)
Capital expenditure	4,269	7,483	-	-	4,269	7,483
Depreciation/ amortisation	1,700	3,026	-	-	1,700	3,026
Provision for doubtful debts and advances	245	139	55	-	300	139

Note:

- Secondary Segment - Geographical Segment: The Company mainly caters to the needs of the domestic market and the export turnover is less than 10% of the total revenue. Hence no Geographical segment is disclosed.

- The Company does not have revenue more than 10% of total revenue from a single customer.

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

37 Related party disclosure

Investing party	PVR Limited (w.e.f. August 17, 2018)
	SS Theatres LLP
Associates	Evergreen Cine Services Pvt Ltd (Upto August 14, 2018)
	Magic Hat Child Care Services Pvt Ltd (Upto August 14, 2018)
Wholly owned Subsidiary	SPI Entertainment Projects (Tirupati) Pvt Ltd
Fellow subsidiary	PVR Pictures Limited (w.e.f. August 17, 2018)
	Zea Maize Private Limited (w.e.f. August 17, 2018)
	PVR Lanka Limited (w.e.f. August 17, 2018)
	PVR International Pte. Ltd. (w.e.f. August 17, 2018)
Enterprise Significantly influenced by Key Management Personnel	Think Music Digital Entertainment Pvt Ltd (Upto August 17, 2018)
	Samayanallur Power Investments Pvt Ltd (Upto August 17, 2018)
	SPI Power Operations Pvt Ltd. (Upto August 17, 2018)
	Madurai Power Corporation Pvt Ltd (Upto August 17, 2018)
	Shree Shyam Sayi Corporation Pvt Ltd
	SS Theatres LLP
	K R Wind Energy LLP (Formerly - K R Energy) (Upto August 17, 2018)
	SPI Music Pvt Ltd.
	Gourmet Popcornica LLP (Upto August 17, 2018)
	SPI Properties Pvt Ltd (Upto August 14, 2018)
	SPI Diners Pvt Ltd (Upto August 17, 2018)
	Arsenal Film Production Pvt Ltd (Upto August 17, 2018)
Key Management Personnel	Mr. S V Swaroop Reddy
	Mr. M. Kiran Reddy (upto August 17, 2018)
	Mr. R. Krishnamurthy (upto August 17, 2018)
	Mr. K. Niranjan Reddy (upto August 17, 2018)

Transactions during the year/ period	**Holding Company**		**Subsidiary Companies/ Fellow subsidiary Companies**		**Associates**		**Key Management Personnel and their relatives**		**Enterprises owned or significantly influenced by key management personnel or their relatives**	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
Loans and advances received from related parties										
PVR Limited	2,050	-			-	-	-	-	-	-
PVR Pictures Limited	-	-	250	-	-	-	-	-	-	-
Repayment of Loans and advances received to related parties										
PVR Limited	2,050	-			-	-	-	-	-	-
PVR Pictures Limited	-	-	250	-	-	-	-	-	-	-
Loans and advances given to related parties										
Madurai Power Corporation Pvt Ltd	-	-	-	-	-	-	-	-	-	350
Sree Shyam Sayi Corporation Pvt Limited	-	-	-	-	-	-	-	-	27	-
SPI Diners Pvt Ltd (net)	-	-	-	-	-	-	-	-	1	22
Evergreen Cine Services Pvt Ltd	-	-	-	-	-	1	-	-	-	-
SPI Entertainment Projects (Tirupati) Pvt Ltd	-	-	11	-	-	-	-	-	-	42
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	99	125
Repayment of loan and advance given to related parties										
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	214	-
SPI Diners Pvt Ltd (net)	-	-	-	-	-	-	-	-	80	-
Madurai Power Corporation Pvt Ltd	-	-	-	-	-	-	-	-	-	670

SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Transactions during the year	Holding Company		Subsidiary Companies/ Fellow subsidiary Companies		Associates		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Sale of goods and Services										
SPI Diners Private Limited	-	-	-	-	-	-	-	-	27	97
Think Music Digital Entertainment Pvt Ltd	-	-	-	-	-	-	-	-	11	-
PVR Limited	59	-	-	-	-	-	-	-	-	-
Income from Movie distribution										
PVR Limited	391	-	-	-	-	-	-	-	-	-
Purchase of goods										
Gourmet Popcornica LLP (net)	-	-	-	-	-	-	-	-	211	352
Movie distribution charges										
PVR Pictures Limited	-	-	10	-	-	-	-	-	-	-
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	489	-
Lease Rent, Interest and Electricity, Other charges										
Sree Shyam Sayi Corporation Pvt Ltd.	-	-	-	-	-	-	-	-	919	722
KR Wind Energy LLP	-	-	-	-	-	-	-	-	15	216
PVR Limited	12	-	-	-	-	-	-	-	-	-
PVR Pictures Limited	-	-	4	-	-	-	-	-	-	-
Remuneration paid										
Mr. R. Krishnamurthy	-	-	-	-	-	-	3	6	-	-
Mr. K.Niranjan Reddy	-	-	-	-	-	-	7	15	-	-
Mr. S V Swaroop Reddy	-	-	-	-	-	-	120	100	-	-
Mr. M.Kiran Reddy	-	-	-	-	-	-	76	110	-	-
Investment made by company										
SPI Entertainment Projects (Tirupati) Pvt Ltd	-	-	-	1	-	-	-	-	-	-
Sale of business										
SPI Diners Private Limited	-	-	-	-	-	-	-	-	160	-
Reimbursement of Expenses										
Magic Hat Child Care Services Pvt Ltd	-	-	-	-	2	-	-	-	-	-
Sale of Investment / Reduction in Capital of Company										
Evergreen Cine Services Pvt Ltd	-	-	-	-	0.49	-	-	-	-	-
Magic Hat Child Care Services Pvt Ltd	-	-	-	-	1	-	-	-	-	-
Samayanallur Power Investments Pvt Ltd	-	-	-	-	-	-	-	-	344	-
SPI Properties Pvt Ltd	-	-	-	-	-	-	-	-	308	-
Interest on loan and advances given										
Madurai Power Investments Pvt Ltd.	-	-	-	-	-	-	-	-	-	4
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	-	3
Share of Profit from LLP										
KR Wind Energy LLP	-	-			-	0.10	-	-	-	-

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SPI Cinemas Private Limited
Notes forming part of the financial statements for the year ended March 31, 2019
(Rupees in lakhs, except for per share data and if otherwise stated)

Balance outstanding at the end of the year	Holding Company / Fellow subsidiaries			Subsidiary Companies			Associates			Key Management Personnel and their relatives			Enterprises owned or significantly influenced by key management personnel or their relatives		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Loans and advances given to related parties															
Evergreen Cine Services Pvt Ltd	-	-	-	-	-	-	-	132	131	-	-	-	-	-	-
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	13	128	-
SPI Diners Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	79	56
SPI Entertainment Projects (Tirupati) Pvt Ltd	-	-	-	52	42	2	-	-	-	-	-	-	-	-	-
Madurai Power Corporation Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	321
Security deposit given															
Sree Shyam Sayi Corporation Pvt Ltd. (Lease Deposit)	-	-	-	-	-	-	-	-	-	-	-	-	150	150	150
Advance to suppliers															
SPI Properties Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	1	21
Sree Shyam Sayi Corporation Pvt Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
Advance from customer															
Magic Hat Child Care Services Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables															
SPI Diners Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	398	300
PVR Limited	131	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Magic Hat Child Care Services Pvt Ltd	-	-	-	-	-	-	-	0.27	4	-	-	-	-	-	-
Samayanallur Power Investments Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Balance outstanding at the end of the year	Holding Company / Fellow subsidiaries			Subsidiary Companies			Associates			Key Management Personnel and their relatives			Enterprises owned or significantly influenced by key management personnel or their relatives		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Trade and other payable															
Samayanallur Power Investments Pvt Ltd	-	-	-				-	-	-	-	-	-	-	344	344
Mr. S V Swaroop Reddy	-	-	-	-	-	-	-	-	-	-	38	38	-	-	-
KR Wind Energy LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	42	22
Gourmet Popcornica LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	6	11
Sree Shyam Sayi Corporation Pvt Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	84	47	-
SPI Music Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PVR Pictures Limited	0.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment made by company															
Magic Hat Child Care Services Pvt Ltd	-	-	-	-	-	-	-	1	1	-	-	-	-	-	-
Evergreen Cine Services Pvt Ltd	-	-	-	-	-	-	-	0.49	0.49	-	-	-	-	-	-
KR Wind Energy LLP	-	-	-	-	-	-	-	0.01	0.01	-	-	-	-	-	-
SPI Properties Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	308	308
SPI Entertainment Projects (Tirupati) Pvt Ltd	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-

38 Financial risk management objective and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to Market risk, credit risk, Legal, taxation and Accounting risk and liquidity risk. Company's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase effect		Decrease effect	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans	(154)	(153)	154	153

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of the Company's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and Accounting risk:

Change to any of the above laws, rules, regulations related to Company's Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost to Company. Failure to fully comply with various laws, rules and regulations may expose Company to proceedings which may materially affect its performance.

Company is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to landlord-tenant disputes, tax disputes(including entertainment tax subsidy and other direct and indirect tax matters like Service tax, Sales tax etc.), and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, Company records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, Company employs in-house counsel and uses third party tax and legal experts to assist in structuring significant transactions and contracts. Company also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. Management believes the credit risk on cash and cash equivalents is low because the counterparties are banks with high credit ratings

Trade receivables are amount billed to customers for the sale of goods and services, and represent the maximum exposure to credit risk of those financial assets, exclusive of the allowance for doubtful debts. Normal credit terms for amounts due from customers is within 0-90 days which is in line with Industry practice.

The Company does not require collateral or other security from customers; however, credit evaluations are performed prior to the initial granting of credit when warranted and periodically thereafter. Based on policy, the Company records a reserve for estimated uncollectible amounts, which management believes reduce credit risk. Management assesses the adequacy of reserve quarterly, taking into account historical experience, current collection trend, the age of the receivables and, when warranted and available, the financial condition of specific counterparties.

Due to diversified client base, management believes the Company does not have a significant concentration of credit risk.

Trade Receivables after adjusting provision (basis past experience and trends) are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Trade receivables	2,341	1,987	1,217

(d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and advance payment terms.

Period ended March 31, 2019

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowing (including current maturities)	-	196	590	11,897	3,180	15,863
Short term borrowing	900	-	-	-	-	900
Trade payable	-	2,693	-	-	-	2,693
Other financial liabilities						
Payables on purchase of fixed assets	-	183	-	-	-	183
Security deposits	-	-	6	-	-	6
Interest accrued but not due on borrowings	-	122	-	-	-	122
Total	**900**	**3,194**	**596**	**11,897**	**3,180**	**19,767**

Year ended March 31, 2018

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowing (including current maturities)	-	429	1,933	11,730	864	14,956
Short term borrowing	-	350	-	-	-	350
Trade payable	-	1,658	-	-	-	1,658
Other financial liabilities						
Payables on purchase of fixed assets	-	115	-	-	-	115
Security deposits	-	-	14	-	-	14
Interest accrued but not due on borrowings	-	124	-	-	-	124
Other payable	-	-	382	-	-	382
Total	**-**	**2,676**	**2,329**	**11,730**	**864**	**17,599**

Year ended April 01, 2017

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowing (including current maturities)	-	-	1,188	11,616	1,286	14,090
Short term borrowing	-	850	-	-	-	850
Trade payable	-	885	-	-	-	885
Other financial liabilities						
Payables on purchase of fixed assets	-	22	-	-	-	22
Security deposits	-	-	6	-	-	6
Interest accrued but not due on borrowings	-	130	-	-	-	130
Other payable	-	-	382	-	-	382
Total	**-**	**1,887**	**1,576**	**11,616**	**1,286**	**16,365**

The Company has also significant contractual obligations in the form of operating lease (Note no. 29) and capital and other commitments (Note No.30).

39 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

Particulars	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Long term debt including current maturities (refer Note no. 12(a))	15,863	14,956	14,090
Payable for purchase of property, plant and equipment (refer Note no.12(e))	183	115	22
Total	**16,046**	**15,071**	**14,112**
Equity (refer note no 11)	9,884	6,983	7,146
Gearing ratio	**162%**	**216%**	**197%**

40 Income tax expense

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
(a) Income tax expense reported in the statement of profit or loss comprises		
Current income tax:		
Current tax		
Current income tax charge	1,406	297
Tax adjustments for earlier years	**1,406**	**297**
Total current tax	-	22
Deferred tax:	**1,406**	**319**
Relating to origination and reversal of temporary differences		
Income tax expense reported in the statement of profit and loss	132	(359)
	1,538	**(40)**
Effective Income tax rate		
	35.53%	24.10%
(b) Statement of Other Comprehensive Income		
Net loss/ (gain) on re-measurements of defined benefit plans	56	19
(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
Accounting profit/(loss) before tax	**4,329**	**(166)**
Statutory income tax rate	34.94%	33.06%
Computed tax expense	1,513	(55)
Adjustments in respect of current income tax related to earlier periods	-	22
Non-deductible expenses for tax purposes	81	18
Difference in tax rate of income from sale of mutual fund	(3)	(15)
Income from share of partnership firm	-	-
Difference due to variance in tax rate for future periods	(53)	(10)
Other item	-	-
Income tax charged to statement of profit and loss	**1,538**	**(40)**

Tax Movement

Particulars	**March 31, 2019**	**March 31, 2018**
(a) Deferred Tax Asset/ (Liability)		
Opening balance	1,143	766
Add/(Less): Difference in Book Value and written down value as per Income Tax	(402)	284
Add: Tax income on other timing differences	327	93
Closing balance	**1,068**	**1,143**

41 Disposal of investments

The Company has during the period disposed off investments in group companies aggregating to Rs. 309 lakhs for a value of Rs. 218 lakhs leading to loss of Rs. 91 lakhs . The amount disclosed under Note 24 as Exceptional items includes reversal of provision of impairment loss on these investments amounting to Rs. 105 lakhs. The disposal of such investments is a part of restructuring of investments and have been disposed off basis valuation carried out by independent experts. Also Refer Notes 5(a) and 5(b).

42 During the year, the Company has accounted for service tax and other indirect tax related dues aggregating to Rs. 148 lakhs pertaining to differential amounts of taxes (including interest and penalties, if any) charged by the relevant tax authorities / voluntarily suo moto offered by the Company. This amount reflects the amount of differential taxes (including interest and penalties, if any) on income accounted upto March 31, 2018 (March 31, 2017 for previous year). The same has been included under Note 23 within Rates and taxes.

43 As on March 31, 2019, the Company has 99.99% stake in a subsidiary company namely SPI Entertainment Project (Tirupati) Private Limited and 1% stake in KR Wind Energy LLP. During years ended March 31, 2017 and March 31, 2018 there were further investments (disposed off during current period) in Magic Hat Child Care Services Private Limited (Associate), Evergreen Cine Services Private Limited (Associate) and SPI Properties Private Limited. However, the Company believes that the consolidated financial statements of the Company need not be prepared / presented under IND AS. Accordingly, same have been considered as Investments and no adjustment has been made towards fair value of such investments (mention reference to relevant policy of investments) but have been tested for impairment loss, if any on each reporting date.

44 The disclosures regarding details of specified bank notes held and transacted during November 8, 2018 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2019.

45 During the year, PVR Limited ('parent company' or 'PVR') acquired 71.69% of the equity shares of the Company. PVR has started the process of merger between SPI Cinemas and PVR Limited. The proposed scheme of amalgamation has been approved by National Stock Exchange of India Limited & BSE Limited. Further, the scheme of amalgamation has been approved by the members, secured and unsecured creditors of PVR and unsecured creditors of the Company in the NCLT convened meetings on April 24, 2019. PVR has filed an application with NCLT for final order in the matter. NCLT vide order dated May 8, 2019 has fixed July 10, 2019 as the next date of hearing of the Petition for the consideration of the approval of the Scheme of Amalgamation between the Petitioner Companies.

As per report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jiten Chopra
Partner
Membership No. 092894

Place: Gurugram
Date: May 9, 2019

for and on behalf of the Board of Directors of
SPI Cinemas Private Limited
CIN: U92111DL1991PTC346125

Swaroop Reddy
Director
DIN No: 00143738

Nitin Sood
Director
DIN No: 05325741

Divya Ann Mathew
Company Secretary
Membership No: 39069

Place: Gurugram
Date: May 9, 2019

GENERAL INFORMATION

1. Our Company was incorporated on April 26, 1995 under the Companies Act, 1956 as 'Priya Village Roadshow Limited' with a certificate of incorporation granted by the RoC and also obtained a certificate of commencement of business on December 4, 1995. On June 28, 2002 the name of our Company was changed to 'PVR Limited' consequent to the exit of 'Village Roadshow Limited' from our Company pursuant to a fresh certificate of incorporation dated June 28, 2002.

2. The registered office of our Company is located at 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India and our corporate office is located at Block A, 4th Floor, Building No. 9A, DLF Cyber City, Phase - III, Gurugram 122 002, Haryana, India.

3. The CIN of our Company is L74899DL1995PLC067827.

4. Our Company Secretary and Compliance Officer is Pankaj Dhawan. His contact details are as follows:

   Pankaj Dhawan
   Company Secretary and Compliance Officer

   PVR Limited
   Block A, 4th Floor, Building No. 9A
   DLF Cyber City, Phase – III
   Gurugram 122 002
   Haryana, India
   Tel: +91 124 4708 100
   E-mail: pankaj.dhawan@pvrcinemas.com

5. The authorized share capital of our Company as of the date of this Placement Document is ₹ 1,43,84,96,800, divided into 12,37,00,000 equity shares of the face value of ₹ 10 each and 5,90,000 0.001% non-cumulative convertible preference shares of the face value of ₹ 341.52 each. Our issued, subscribed and paid up equity share capital as of the date of this Placement Document is ₹ 51,29,08,450 divided into 5,12,90,845 Equity Shares of ₹ 10 each.

6. This Issue was authorized and approved by our Board of Directors on December 21, 2018 and approved by our Shareholders through a postal ballot on January 29, 2019.

7. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares on the NSE and the BSE, each dated October 23, 2019. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.

8. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours on any weekday between 10.00 A.M. to 1.00 P.M. (except public holidays) at our Registered Office.

9. Except as disclosed in this Placement Document, our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

10. No change in the control of the Company will occur consequent to the Issue.

11. Except as disclosed in this Placement Document, there has been no material change in our consolidated financial condition since September 30, 2019, the date of the latest financial statements prepared and included herein.

12. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue.

13. Our Ind AS Unaudited Interim Condensed Consolidated Financial Statements and our Statement of Unaudited Financial Results included in this Placement Document, have been reviewed by B S R & Co. LLP, independent auditors, as stated in their reports appearing herein, which includes an *Other Matter* paragraph, that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors. With respect to the Ind AS Unaudited Interim Condensed Consolidated Financial Statements, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on the interim financial information. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied. With respect to the statement of Unaudited Financial Results, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial results. Accordingly, the degree of such reliance on their report for such information should be restricted in light of the limited nature of the review procedures applied.

    Our Fiscal 2019 Ind AS Audited Consolidated Financial Statements and our Fiscal 2018 Ind AS Audited Consolidated Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, independent auditors, as stated in their reports appearing herein, which includes an *Other Matter* paragraph, that states that their reports, as it relates to certain Subsidiaries and Joint Venture, is based upon reports issued by other auditors

    Our Fiscal 2017 Ind AS Audited Consolidated Financial Statements included in this Placement Document, have been audited by our Prior Period Statutory Auditors.

    Additionally, for the convenience of potential investors, we have included in this Placement Document, the Fiscal 2019 SPI Audited Standalone Financial Statements. The Fiscal 2019 SPI Audited Standalone Financial Statements, included in this Placement Document, and the effectiveness of internal control over financial reporting as of March 31, 2019, have been audited by B S R & Co. LLP, independent auditors, as stated in their report appearing herein, which includes an *Other Matter* paragraph that states that the report, as it relates to the previous years prior to the transition to Ind AS, is based upon reports issued by other auditors. B S R & Co. LLP, Chartered Accountants, has also consented to the inclusion of its audit report in this Placement Document.

14. The Floor Price for the Issue is ₹ 1,809.53 per Equity Share, calculated in accordance with Regulation 176(2)(b) of the SEBI ICDR Regulations, as certified by our Statutory Auditors. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations in accordance with the approval of the Shareholders accorded on January 29, 2019, by way of postal ballot.

15. Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website www.pvrcinemas.com, would be doing so at his or her own risk.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations. Our Company further certifies that all the statements in this Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

_____

Ajay Bijli
(Chairman cum Managing Director)

Date: October 29, 2019
Place: Gurugram

DECLARATION

We, the Board of Directors of the Company certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under this Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

_____

Ajay Bijli
(Chairman cum Managing Director)

I am authorized by the Fund Raise Committee, a committee constituted by the Board of Directors of the Company, vide resolution dated October 29, 2019 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter(s) subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

_____

Pankaj Dhawan, Company Secretary and Compliance Officer

Date: October 29, 2019

Place: Gurugram

PVR LIMITED

Registered Office
61, Basant Lok, Vasant Vihar
New Delhi 110 057, India

Corporate Office
Block A, 4th Floor, Building No. 9A
DLF Cyber City, Phase - III, Gurugram 122 002
Haryana, India
Website: www.pvrcinemas.com

Contact Person: Pankaj Dhawan, Company Secretary and Compliance Officer
Address: Block A, 4th Floor, Building No. 9A
DLF Cyber City, Phase – III, Gurugram 122 002, Haryana, India
E-mail: pankaj.dhawan@pvrcinemas.com
Tel No: +91 124 4708 100

BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited
27 BKC, 1st Floor, Plot No. C-27
"G" Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

CLSA India Private Limited
8/F, Dalamal House
Nariman Point, Mumbai 400 021
Maharashtra, India

DOMESTIC LEGAL COUNSEL TO THE COMPANY

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Phase III
New Delhi 110 020, India

INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

Squire Patton Boggs Singapore LLP
10 Collyer Quay
#03-01/02 Ocean Financial Centre
Singapore 049315
Republic of Singapore

DOMESTIC LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

Cyril Amarchand Mangaldas
4th Floor, Prius Platinum
D-3, District Centre, Saket
New Delhi 110 017, India

STATUTORY AUDITORS TO THE COMPANY

B S R & Co. LLP, Chartered Accountants

Building No. 10, 8th Floor, Tower B
DLF Cyber City, Phase-II,
Gurugram 122 002
Haryana, India

Annexure A - Indicative format of the Application Form

PVR **PVR Limited**	**APPLICATION FORM** **Name of the Bidder** _____ **Form. No.**_____
(Incorporated in the Republic of India under the provisions of the Companies Act, 1956) **Registered Office**: 61, Basant Lok, Vasant Vihar, New Delhi 110 057, India; **Corporate Office**: Block A, 4th Floor, Building No. 9A, DLF Cyber City, Phase - III, Gurugram 122 002, Haryana, India; **CIN**: L74899DL1995PLC067827; **Website**: www.pvrcinemas.com; **Tel**: +91 124 4708 100; **Email**: cosec@pvrcinemas.com	**Date:** _____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹[●] LAKHS IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES") AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") BY PVR LIMITED (THE "COMPANY") (AND SUCH ISSUE THE "ISSUE").

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) restricted from participating in the Issue under SEBI ICDR Regulations and other applicable laws; are eligible to submit this Application Form. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the state securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' (as defined in Regulation S under the Securities Act) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. You should note and observe the solicitation and distribution restrictions contained in the sections entitled "Selling Restrictions" and "Transfer Restrictions" in the accompanying preliminary placement document dated October 23, 2019 (the "PPD")

ELIGIBLE NON-RESIDENT QIBS CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH FEMA RULES. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. ALLOTMENTS MADE TO VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
PVR Limited
61, Basant Lok, Vasant Vihar, New Delhi 110 057, India

Dear Sirs,

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds
NIF	National Investment Fund	**FPI**	Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Fund
SI-NBFC	Systemically Important Non-Banking Financial Companies	**OTH**	Others _____ (Please specify)

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended excluding Category III Foreign Portfolio Investors who are not allowed to participate in the Issue*

On the basis of the serially numbered PPD and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms indicated below. We confirm that we are an eligible QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under SEBI ICDR Regulations and other applicable laws and that we are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoters of the Company, veto rights or right to appoint any nominee director on the board of the Company. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid does not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations"). We further understand and agree that (i) our names, address, contact details, PAN and bank account details will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document pursuant to the requirements under Form PAS-4 of the PAS Rules; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi (the "RoC") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company will disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited and BSE Limited (together referred to as the "Stock Exchanges"), and we consent to such disclosure.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the

price and amount to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Applicant and the Applicant has all the relevant approvals. We note that the Board of Directors of the Company, or any duly authorized committee thereof, is entitled, in consultation with Kotak Mahindra Capital Company Limited and CLSA India Private Limited (the "**BRLMs**"), in their absolute discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby accept the Equity Shares that may be Allocated to us pursuant to the CAN and request you to credit the same to our beneficiary account as per the details given below, subject to receipt of Application Form and Application Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Application Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form within the Issue Closing Date and such Application Amount has been /will be transferred from a bank account maintained in our name. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, the Application Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Application Amount has been paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in requirements, as may be applicable to us.

By signing and submitting this Application Form, we hereby confirm and agree that the representations and warranties as provided in the "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" sections of the PPD are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section titled '*Risk Factors*' therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company in consultation with the BRLMs and the submission of this Application Form and payment of the corresponding Application Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue ,together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing the Equity Shares in an 'offshore transaction' (as defined in Regulation S) in reliance on Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.
By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

APPLICANT DETAILS (In Block Letters)			
NAME OF APPLICANT*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
PHONE NO.		**FAX NO.**	
EMAIL			
FOR FPIs**	SEBI FPI REGISTRATION NO. _____ _____		
FOR AIFs[1]	SEBI AIF REGISTRATION NO. _____ _____		

[1] Allotments made to Alternative Investment Funds in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Alternative Investment Funds should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

FOR VCFs	SEBI VCF REGISTRATION NO. _____
FOR SI-NBFC	RBI REGISTRATION DETAILS_____
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS. _____

**Name should exactly match with the name in which the beneficiary account is held. Application Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLMs.*

*** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLMs have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS																												
Depository Name	National Securities Depository Limited									Central Depository Services (India) Limited																		
Depository Participant Name																												
DP – ID	I	N																										
Beneficiary Account Number										(16-digit beneficiary A/c. No. to be mentioned above)																		

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Application Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

PAYMENT DETAILS
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER
By 1:00 p.m. (IST), [day] [date]

BANK ACCOUNT DETAILS FOR PAYMENT OF APPLICATION AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	PVR - QIP ESCROW ACCOUNT	**Account Type**	Escrow Account
Name of Bank	Kotak Mahindra Bank Limited	**Address of the Branch of the Bank**	Kotak Mahindra Bank Limited II -5C , Mittal Court, 224 , Nariman Point, Mumbai-400021
Account No.	3812919881	**IFSC**	KKBK0000958
Phone No.	022-66056588/ 7045919892		

Kindly make your payment only by way of electronic fund transfers, towards the Escrow Account**.** Payment of the entire Application Amount should be made along with the Application Form on or before the closure of the Issue Period i.e. within the Issue Closing Date. All payments must be made in favor of "PVR – QIP ESCROW ACCOUNT". The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES APPLIED FOR		PRICE PER EQUITY SHARE (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)

DETAILS OF CONTACT PERSON			
Name:			
Address:			
Tel. No:		Fax No:	
Email:			

OTHER DETAILS	
PAN*	
Signature of Authorized Signatory	

ENCLOSURES ATTACHED
☐ Copy of the PAN Card or PAN Allotment Letter
☐ FIRC
☐ Copy of the SEBI registration certificate as a Mutual Fund
☐ Copy of the SEBI registration certificate as an Eligible FPI
☐ Copy of the SEBI registration certificate as an AIF
☐ Copy of the SEBI registration certificate as a VCF
☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
☐ Copy of notification as a public financial institution
☐ Copy of the IRDA registration certificate
☐ Certified true copy of power of attorney
☐ Others, please specify_____

**Please note that the Applicant should not submit the GIR number or any other identification number instead of the PAN as the application is liable to be rejected on this ground.*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

Note 2: The Application Form is liable to be rejected if any information provided is incomplete or inadequate.

The Application Form, the PPD and the Placement Document sent to you, either in physical form or in electronic form or both, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.