



Picturehouse Media Limited

February 9, 2021

To

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Security Code BSE – 532355

ISIN NO.INE448B01029

Dear Sir / Madam,

Sub: Outcome of the Board Meeting and Submission of financials results

Pursuant to Regulation of 30, 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that, the Board of Directors of the Company at their meeting held on February 9, 2021 have *inter-alia* approved the Un-audited financial results (Standalone & Consolidated) for the Third (3) quarter ended December 31, 2020 along with Limited Review Report from the Statutory Auditor.

Please note the Board Meeting Commenced at 02:30 P.M and ended at 04:00 P.M.

Kindly take the above on your records.

**Yours Faithfully,
For Picturehouse Media Limited**


Sai Teja Ivaturi
Company Secretary & Compliance Officer

Encl : As above

Picturehouse Media Limited.

Corp. Office: Plot No. 83 & 84 4th Floor Punnaiah Plaza Road No. 2
Banjara Hills Hyderabad - 500 034 T: +91 40 6730 9999
F: +91 40 6730 9988

Regd. Office: KRM Centre 9th Floor No. 2 Harrington Road Chetpet
Chennai - 600 031 T: +91 44 3028 5570 F: +91 44 3028 5571

info@pvpglobal.com | pvpcinema.com

CIN: L92191TN2000PLC044077

Picturehouse Media Limited
Registered Office: Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai-600031
Web: www.pvpcinema.com
Unaudited Financial Results for the Quarter and Nine months ended December 31, 2020
CIN:L92191TN2000PLC044077

Statement of STANDALONE Unaudited Financial Results for the Quarter and Nine months ended December 31, 2020

Rs. In lakhs

PARTICULARS	STANDALONE					
	Quarter ended			Nine Months ended		Year ended
	31.12.2020 Unaudited	30.09.2020 Unaudited	31.12.2019 Unaudited	31.12.2020 Unaudited	31.12.2019 Unaudited	31.03.2020 Audited
1 Income						
Revenue from operations	-	(3.57)	19.05	1.43	1,384.39	1,447.63
Other Income	0.31	0.05	43.10	3.70	43.28	53.75
Total Income (1)	0.31	(3.52)	62.15	5.13	1,427.67	1,501.38
2 Expenses						
(a) Cost of film production expenses	-	-	27.11	-	984.40	987.04
(b) Purchases of Stock-in-Trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods work-in-progress and Stock-in-	-	-	-	-	-	-
(d) Employee benefit expenses	7.10	4.87	12.38	21.72	40.92	55.31
(e) Finance Cost	222.89	217.81	223.14	654.83	725.52	993.48
(f) Depreciation and amortization expenses	8.57	9.24	9.02	26.35	27.40	35.89
(g) Others expenses	14.26	18.46	15.73	48.18	44.61	62.66
(h) Impairment on Financial Instruments	-	-	19.06	-	19.19	19.19
Total Expenses (2)	252.82	250.38	306.44	751.08	1,842.04	2,153.57
3 Profit/(Loss) before exceptional items and tax (1-2)	(252.51)	(253.90)	(244.29)	(745.95)	(414.37)	(652.19)
4 Exceptional items	-	-	-	-	-	-
5 Profit before tax (3-4)	(252.51)	(253.90)	(244.29)	(745.95)	(414.37)	(652.19)
6 Tax expense						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax	-	-	-	-	-	-
c) Income tax for earlier years	-	-	-	-	-	0.40
7 Net Profit for the period/year (5-6)	(252.51)	(253.90)	(244.29)	(745.95)	(414.37)	(652.59)
8 Other Comprehensive Income						
a) (i) Items that will not be reclassified subsequently to profit and loss						
Remeasurement of defined benefit obligation	-	-	-	-	-	5.64
Less : Income tax expense	-	-	-	-	-	5.64
Total Other Comprehensive Income (8)	-	-	-	-	-	5.64
9 Total Comprehensive Income (7+8)	(252.51)	(253.90)	(244.29)	(745.95)	(414.37)	(646.95)
10 Paid-up equity share capital (Face Value of Rs. 10/- each)	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00
11 Other Equity						(4,032.23)
12 Earnings per share (Face Value of Rs. 10/- each) (not annualised)						
(a) Basic (in Rs.)	(0.48)	(0.49)	(0.47)	(1.43)	(0.79)	(1.25)
(b) Diluted (in Rs.)	(0.48)	(0.49)	(0.47)	(1.43)	(0.79)	(1.25)

See accompanying notes to the Financial Results

By order of the Board
PRASAD V. POTLURI

Place : Hyderabad
Date : February 09, 2021

Managing Director

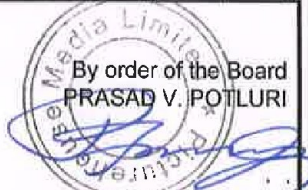
Picturehouse Media Limited
Registered Office: Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai-600031
Web: www.pvpcinema.com
Unaudited Financial Results for the Quarter and Nine months ended December 31, 2020
CIN:L92191TN2000PLC044077

Statement of CONSOLIDATED Unaudited Financial Results for the Quarter and Nine months ended December 31, 2020

Rs. In lakhs

PARTICULARS	CONSOLIDATED					
	Quarter ended			Nine Months ended		Year ended
	31.12.2020 Unaudited	30.09.2020 Unaudited	31.12.2019 Unaudited	31.12.2020 Unaudited	31.12.2019 Unaudited	31.03.2020 Audited
1 Income						
Revenue from operations	-	(3.57)	19.05	1.43	1,384.39	1,447.63
Other Income	0.31	0.05	41.60	3.70	41.78	52.25
Total Income (1)	0.31	(3.52)	60.65	5.13	1,426.17	1,499.88
2 Expenses						
(a) Cost of film production expenses	-	-	27.11	-	984.40	987.04
(b) Purchases of Stock-in-Trade	-	-	-	-	-	-
(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	-	-	-	-	-
(d) Employee benefit expenses	10.02	7.32	12.39	28.77	45.01	64.20
(e) Finance Cost	1,053.55	995.05	1,598.04	3,014.51	2,730.78	3,931.09
(f) Depreciation and amortization expenses	8.70	9.39	9.14	26.77	27.52	36.15
(g) Others expenses	16.73	22.39	16.67	55.21	48.32	67.68
(h) Provision for doubtful debts and advances	-	-	19.05	-	19.05	-
(i) Impairment of financial instruments	372.90	372.89	774.87	1,118.69	2,324.61	3,118.52
Total Expenses (2)	1,461.90	1,407.04	2,457.27	4,243.95	6,179.69	8,204.68
3 Profit/(Loss) before exceptional items and tax (1-2)	(1,461.59)	(1,410.56)	(2,396.62)	(4,238.82)	(4,753.52)	(6,704.80)
4 Exceptional items	-	-	-	-	-	-
5 Profit before tax (3-4)	(1,461.59)	(1,410.56)	(2,396.62)	(4,238.82)	(4,753.52)	(6,704.80)
6 Tax expense						
a) Current Tax	-	-	-	-	-	-
b) Deferred Tax	-	-	-	-	-	-
c) Income tax for earlier years	-	-	-	-	-	0.40
7 Net Profit for the period/year (5-6)	(1,461.59)	(1,410.56)	(2,396.62)	(4,238.82)	(4,753.52)	(6,705.20)
8 Other Comprehensive Income						
a) (i) Items that will not be reclassified subsequently to profit and loss						
Remeasurement of defined benefit obligation	-	-	-	-	-	5.12
Less : Income tax expense	-	-	-	-	-	-
Total Other Comprehensive Income (8)	-	-	-	-	-	5.12
9 Total Comprehensive Income (7+8)	(1,461.59)	(1,410.56)	(2,396.62)	(4,238.82)	(4,753.52)	(6,700.08)
10 Paid-up equity share capital (Face Value of Rs. 10/- each)	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00
11 Other Equity						(20,977.45)
12 Earnings per share (Face value of Rs. 10/- each) (not annualised)						
(a) Basic (in Rs.)	(2.80)	(2.70)	(4.59)	(8.11)	(9.10)	(12.83)
(b) Diluted (in Rs.)	(2.80)	(2.70)	(4.59)	(8.11)	(9.10)	(12.83)

See accompanying notes to the Financial Results

By order of the Board
PRASAD V. POTLURI

Managing Director

Place : Hyderabad
Date : February 09, 2021

QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO STANDALONE FINANCIAL RESULTS

1. The statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('The Ind AS'), prescribed under section 133 of the Companies Act, 2013.
2. The above unaudited standalone financial results for the quarter and period ended 31st December, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 09th February, 2021 and have been subjected to limited review by the statutory auditors of the company.
3. The current assets of the company include loans and advances made amounting to Rs.3,632.75 lakhs and expenditure on films under production' amounting to Rs.4,976.85 lakhs. As regards the loans and advances, the management is confident of realising the value at which they are carried notwithstanding the long period of outstanding. Expenditure on films under production' mainly comprises of payments to artistes and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. Accordingly, the company is confident of realising the entire value of 'expenditure on films under production'. The management does not foresee any erosion in carrying value. The auditors have drawn qualified conclusion in this regard.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO STANDALONE FINANCIAL RESULTS

4. PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank as filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT). The outstanding amount is Rs.19,164.06 lakhs (including interest accrued) as per the books of accounts as on 31st December, 2020.

The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice.

There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceeding has become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.

Further, the company viz. PVPCL, has received communication letter from the Reserve Bank of India (RBI) letter dated 20th November, 2019, pointing out that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed (vide their communique dated 04th February 2021) to furnish an action plan to maintain the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March, 2021. The subsidiary viz. PVPCL is yet to comply with this directive of the RBI.

However, the Board of Picturehouse Media Limited is of considered opinion that the carrying amount of investment in PVPCL viz. Rs. 2,521.74 lakhs does not require a write down considering its future cash flows and possibility of it recovering its dues from its borrowers.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO STANDALONE FINANCIAL RESULTS

5. As on 31st December, 2020, the company has a net worth of Rs.446.82 Lakhs. Even though, the company is incurring continuous losses, it has succeeded in reducing its operating cost. This is entirely aligned with the Company's long range plan, which encompasses a continued development of the Company's revenue generating activities in order to absorb the losses carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of repayment. There is no intention to liquidate as the Company has got future to improve its revenue. The Company has paid advance amounts to the artistes and technicians for the future movies productions which are shown under Inventory. Further, the company intends to strategically merge with its holding company which will create positive synergy in future. The standalone financial results have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors. The statutory auditors, however, have drawn qualified conclusion in this regard.

6. The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The company has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory, loans and advances and investments as on 31st December, 2020. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO STANDALONE FINANCIAL RESULTS

Concern. The company evaluated the internal controls with reference to financial results which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COIVD-19 situation.

7. The Principal Commissioner of CGST and Central Excise has passed an order in January, 2017 for the Financial Years 2011-12 to 2014-15 with regard to the Service Tax on the perpetual sale of various copyrights, demanding a sum of Rs.802.33 lakhs and penalty of Rs.802.43 lakhs. This is a Film Industry's issue and most of the producers have carried the matter to appellate authorities. Aggrieved by the order, the company has disputed the demand with Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) (as it was then) by paying the required Deposit of Rs.60.18 lakhs, which is displayed under non– current Assets.

In continuation of above Show Cause Notice, during the previous year Additional Commissioner of CGST and Central Excise passed another order for the Financial year 2015-16, 2016-17 and 2017-18 (Till June 2017) on the same grounds demanding a sum of Rs. 155.42 lakhs and penalty of Rs. 15.64 lakhs and further passed an order demanding a sum of Rs. 117.59 lakhs for the Financial year 2015-16 without allowing CENVAT credit. The company has disputed this demand and filed an appeal with CESTAT by paying the required Deposit of Rs.27.31 lakhs, which is displayed under Non-Current Assets. The management believes that it is a good case and accordingly no provision has been made in the books of accounts.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO STANDALONE FINANCIAL RESULTS

8. During the period ended 31st December, 2020, Lease deed entered with the lessor at Hyderabad has expired. The Board has intentions of renewing the lease on the same terms and conditions of the previous Lease Deed with a term period of three years. Accordingly, the company has accounted Rs. 5.19 Lakhs as Finance Cost and Rs.17.60 Lakhs as depreciation as per the Ind AS 116. The lessor has orally concurred for the extension of the agreement.

9. The Board is of the considered view that production of movies and financing of movie production and Movie Financing is one single operation. Hence segment reporting as required under Ind AS 108 is not applicable.

10. These results are also available at the website of the company www.pvpcinema.com and www.bseindia.com



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO CONSOLIDATED FINANCIAL RESULTS

1. The current assets of the group includes loans and advances made amounting to Rs.3,632.75 lakhs and expenditure on films under production amounting to Rs. 4,976.85 lakhs. As regards the loans and advances, the management is confident of realising the value at which they are carried notwithstanding the long period of outstanding. Expenditure on films under production' mainly comprises of payments to artistes and co-producers. The group is evaluating options for optimal utilization of these payments in production and release of films. Accordingly the holding company is confident of realising the entire value of 'expenditure on films under production'. The management does not foresee any erosion in carrying value. The auditors have drawn qualified conclusion in this regard.

2. PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.19,164.06 lakhs (including interest accrued) as per the books of accounts as on 31st December, 2020.

The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice.

There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO CONSOLIDATED FINANCIAL RESULTS

Further, PVPCL has received communication letter from the Reserve Bank of India (RBI) letter dated 20th November, 2019, pointing out that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed (vide their communique dated 04th February 2021) to furnish an action plan to maintain the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March, 2021. The subsidiary is yet to comply with the directive of the RBI. Subsidiary company's board i.e. Board of PVPCL is of the view that the going concern is not affected. The auditors of the subsidiary company have, however, furnished a qualified report.

3. PVP Capital Limited has a loan book of Rs. 15,381.04 lakhs given to various film producers. Due to significant delay in completing the films, the Company's customers did not service the interest and loan repayment. Consequently, the company has made a cumulative provision of Rs.13,516.56 lakhs for the expected credit loss. Subsidiary's Board is of the opinion that no adjustment to the carrying value is required as it is confident of recovery from the borrowers. The auditors of the subsidiary, however, have drawn a qualified conclusion in this regard.

4. As on 31st December, 2020, the group has a negative net worth of Rs.19,991.27 Lakhs. Even though the group is incurring continuous losses and negative net worth, the group has succeeded to a larger extent, in reducing the operating cost. This is entirely aligned with the Group's long range plan, which encompasses a continued development of the Group's revenue generating activities in order to absorb the losses



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO CONSOLIDATED FINANCIAL RESULTS

carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of repayment. There is no intention to liquidate and the Company has got future projects to improve its Revenue. The Group has paid advance amounts to the artists and technicians for the future movies production which is displayed under Inventory. Further, the Group intends to strategically merge with its holding company which will create positive synergy in future. The consolidated financial results have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors that are given effect to. The statutory auditors of the holding company, however, have drawn qualified conclusion in this regard.

5. The spread of COVID-19 has impacted global economic activity as has been witnessed in several countries. There have been severe disruptions in businesses in India during the Lockdown period. The Group has assessed recoverability and carrying value of assets comprising property, plant and equipment, trade receivables, inventory, loans and advances and investments at balance sheet date. Based on the assessment by the management the net carrying values of the said assets will be recovered at values stated and there is no change in its ability to continue as Going Concern. The Group evaluated the internal controls with reference to financial results which have found to be operating effectively given that there has been no dilution of such controls due to factors caused by COVID-19 situation.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO CONSOLIDATED FINANCIAL RESULTS

6. The Principal Commissioner of CGST and Central Excise has passed an order in January, 2017 for the Financial Years 2011-12 to 2014-15 with regard to the Service Tax on the perpetual sale of various copyrights, demanding a sum of Rs.802.33 lakhs and penalty of Rs.802.43 lakhs. This is a Film Industry's issue and most of the producers have carried the matter to the Appellate authorities. Aggrieved by the order, the Group has disputed the demand with Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) (as it then was) by paying the required Deposit of Rs.60.18 lakhs, which is displayed under Non- Current Assets.

In continuation of above Show Cause Notice, during the previous year Additional Commissioner of CGST and Central Excise passed another order for the Financial year 2015-16, 2016-17 and 2017-18 (Till June 2017) on the same grounds demanding a sum of Rs. 155.42 lakhs and penalty of Rs. 15.64 lakhs and further passed an order demanding a sum of Rs. 117.59 lakhs for the Financial year 2015-16 without allowing CENVAT credit. The Parent company has disputed this demand and filed an appeal with CESTAT by paying the required Deposit of Rs.27.31 lakhs, which is displayed under Non-Current Assets. The management of the Parent company believes that there are fair chances of winning the appeal and accordingly no provision has been made in the books of accounts of the parent company. However, the statutory auditors are sceptical and have issued a qualified report in this regard.



QUARTER AND PERIOD ENDED DECEMBER 31, 2020
NOTES TO CONSOLIDATED FINANCIAL RESULTS

7. During the period ended 31st December, 2020, Lease deed entered with the lessor at Hyderabad has expired for Picturehouse Media Limited, management has intention to renew the lease deed on the same terms and conditions of the previous Lease Deed with a term period of three years. Accordingly, the group has accounted Rs. 5.19 Lakhs as Finance Cost and Rs.17.60 Lakhs as Depreciation as per the Ind AS 116, "Leases". The lessor has orally concurred for the extension of the agreement.

8. The Board of the parent company is of the considered view that production of movies and financing of movie production and Movie Financing is one single operation. Hence segment reporting as required under Ind AS 108 is not applicable.

9. The above unaudited consolidated financial results for the quarter and period ended 31st December, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 09th February, 2021 and have been subjected to limited review by the statutory auditors.

10. The statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('The Ind AS'), prescribed under section 133 of the Companies Act, 2013.

11. These results are also available at the website of the company www.pvpcinema.com and www.bseindia.com.



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Independent Auditor's Review Report on standalone unaudited financial results of Picturehouse Media Limited, Chennai for the quarter ended December 31, 2020 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review report to

The Board of Directors,

Picturehouse Media Limited, Chennai.

1. We have reviewed the accompanying statement of the unaudited standalone financial results of **Picturehouse Media Limited, Chennai** ("the company"), for the quarter and period ended December 31, 2020 and year-to-date viz. April 01, 2020 to December 31, 2020 (the statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 as amended.
2. This Statement is the responsibility of the Company's Management and approved by the Board of Directors at their meeting held on February 09, 2021, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Our responsibility is to issue a report on the statement based on our review.

3. 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

RM
09/02/2021



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Independent Auditor's Review Report on standalone unaudited financial results of Picturehouse Media Limited, Chennai for the quarter ended December 31, 2020 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. *Attention is invited to note no. 3 to the standalone financial results, in relation to loans and advances made for film production (including interest accrued of Rs. 1,324.30 lakhs) amounting to Rs.3,632.75 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The company's Board is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any audit evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on December 31, 2020. No evidence was adduced regarding the status of production of films. Nor was confirmation was produced from the loan debtors. Consequently, we are unable to determine whether any adjustments to the carrying amounts of loans and advances were necessary and to this extent, loss for the period and quarter ended December 31, 2020 is understated.*

SM
09/02/2021



Independent Auditor's Review Report on standalone unaudited financial results of Picturehouse Media Limited, Chennai for the quarter ended December 31, 2020 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

5. Attention is invited to note no. 3, to the standalone financial results, in relation to inventory i.e. films production expenses amounting to, mainly consists of advances granted to artists and co-producers. As the film has not commenced, the advances made continued to be carried as inventory. However, the Board states that it is evaluating options for maximum utilization of these payments. In the absence of tangible evidence towards commencement and completion of production of films and also in the absence of confirmation of balances from the parties, we are unable to agree with the views of the Board. We are of the opinion that realisation of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.
6. Investment in wholly owned subsidiary viz. PVP Capital Limited, Chennai (PVPCL) (note no. 4, to the standalone financial results)
The subsidiary's networth is eroded enormously. There is no evidence of cash flow in the near future. The company has also defaulted in repayment of loans from banks. Even statutory dues are not remitted into the Government. PVPCL has not maintained minimum net owned funds as per RBI Regulations. Under these circumstances, regulatory authorities may cancel its registration as non-banking finance company. However, the Board of the Picturehouse Media Limited considers there is no need to provide for impairment in investment made. We do not agree with that view. But it is difficult to assess correctly the extent of erosion and the loss arising therefrom.

SR
09/02/2021



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Independent Auditor's Review Report on standalone unaudited financial results of Picturehouse Media Limited, Chennai for the quarter ended December 31, 2020 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

7. Attention is invited to note nos. 5 & 6 to the standalone financial results, in relation to preparation of financial results on "Going Concern Basis". Without carrying any major business activity, incurring continuous losses from operations, adverse key financial ratios, non-payment of statutory dues, impact of our observations made in preceding paragraph, the impact of outbreak of Coronavirus (COVID -19) on the business operations of the company as mentioned in note no. 6 to the standalone financial results and other related factors indicate that there is an existence of material uncertainty that will cast significant doubt on the company's ability to continue as a going concern. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the terminal values of various assets and liabilities have not been re-determined. We are, however, unable to express our view whether the preparation of financial results on a going concern basis is correct or not.
8. Based on our review conducted as stated above, except for the possible effects of the matters described in the paragraphs 4, 5 and 6 above and inadequate disclosure of "Material Uncertainty Related to Going Concern" described in the paragraph no. 7, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure

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09/01/2021



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

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Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

9. Corresponding figures for the quarter ended and period ended December 31, 2019, for the quarter ended September 30, 2020 and for the year ended March 31, 2020, included in the Statement are based on review / audit report by our predecessor, who have expressed modified opinion vide their report dated February 12, 2020, July 31, 2020 and November 06, 2020 respectively. We have accepted those figures and reports, by verifying relevant records of the company for the purpose of our opinion on this Statement.

Our conclusion is not modified in respect of the said matter for the purpose of our review opinion on the Statement.

For Sundaram & Srinivasan,

Chartered Accountants

Firm's Registration Number: 004207S

R. Venkata Subramanian
09/02/2021

Venkatasubramanian.S

Partner

Membership no.: 219238

ICAI UDIN: 21219238AAAABJ9498

Place: Chennai

Dated: February 09, 2021



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Independent Auditor's Review Report on consolidated unaudited financial results of Picturehouse Media Limited, Chennai and its subsidiaries for the quarter ended December 31, 2020 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review report to
The Board of Directors,
Picturehouse Media Limited, Chennai.

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Picturehouse Media Limited, Chennai ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended December 31, 2020 and year-to-date viz. April 01, 2020 to December 31, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors at their meeting held on February 09, 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and other accounting principles generally accepted in India.
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

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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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. *Attention is invited to note no. 1 to the consolidated financial results, in relation to loans and advances made for film production (including interest accrued of Rs. 1324.30 lakhs) aggregating to Rs. 3,632.75 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of loans and advances as on December 31, 2020 as the management was unable to provide us the current status of production films and confirmation of balances from the borrowers. Consequently, we were unable to determine whether any provision for irrecoverable principal and interest is needed. The irrecoverable portion of principal and interest will*

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increase the loss which, however, at this stage is not capable of being correctly determined.

5. *Attention is invited to note no. 1 to the consolidated financial results in relation to inventory i.e. films production expenses amounting to Rs. 4,976.85 lakhs, mainly consist of advances given to artists and co-producers. As the management has not commenced the production of films, the advances continued to be carries as inventory. However, management represents that it is evaluating options for optimal utilization of these payments. However, the management is not in a position to let in any documentary evidence to support its view. Hence we are of the view that the realisability of the inventory is doubtful and in the absence of any provision in this regard, the loss for the period and quarter ended December 31, 2020 is understated to this extent.*
6. *The independent auditor of subsidiary company viz. PVP Capital Limited has drawn Qualified conclusion which has been reproduced by us as under:*

- a. *Note no. 1 in the financial statements which indicates that the company has not adhered to repayment schedule for principal and interest dues to its bank, consequent to which the bank filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceeding against the company under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Further, the bank has taken symbolic possession of immovable*

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property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee but there were no bidders and consequently the e-auction sale proceedings has become in fructuous. The outstanding amount is Rs. 19,164.06 lakhs as per books of accounts as on December 31, 2020.

Further, the company is currently pursuing the realization of dues to the company and settlement of existing lenders, other than this the company has not been carrying any business activity as a Non-Banking Finance Company due to non-maintenance of minimum net owned fund of Rs. 200 lakhs as stated in the said note to the financial results, the company's ability to meet its financial obligations, non-payment of statutory dues and in the absence of visible cash flows, doubts are cast on its ability to continue as a going concern to achieve its future business plans. Taking into consideration, pending ultimate outcome of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it would be appropriate to treat the company as going concern. However based on the management assertions the company's financial results have been prepared on the basis of going concern, the impact if any, if the company was to be treated as not a going concern is not ascertainable at this stage.

- b. In relation to loans for film production amounting to Rs. 15,381.04 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of*

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the films under production etc. Management has assessed the recoverability of the loan amount and accordingly made a provision amounting to Rs. 13,516.55 lakhs as adequate, no additional provision is necessary in this regard. However, Management is not able to provide us the status of production of films and recoverability of the whole amount. Accordingly, we are unable to express our view whether any adjustments to the carrying value, if any required, is not ascertainable at this stage.

7. *Attention is invited to Note No 4 and 5 to the consolidated financial results, in relation to preparation of consolidated financial results on "Going Concern Basis".*

While the net worth has completely eroded and the Group not carrying major business activity and the Group incurring continuous losses from business operations, existence of adverse key financial ratios, non-payment of statutory dues, the impact of outbreak of Coronavirus (COVID-19) on the business operations of the Group as mentioned in note no. 5 to the consolidated financial results and other related factors indicate that there exists material uncertainty that will cast significant doubt on the Group's ability to continue as a going concern.

Therefore, we opine that company may not be able to realize its assets and discharge its liabilities in the normal course of business. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the fair value of various assets and liabilities have not been re-determined, and we are therefore unable to express our view whether the preparation of consolidated financial results on a going concern assumption is appropriate or not.

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09/02/2021



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8. The Statement includes the results of the following entities:

A. Parent Company

Picturehouse Media Limited, Chennai

B. Wholly owned subsidiary companies

(i) PVP Capital Limited, Chennai

(ii) PVP Cinema Private Limited, Chennai

9. Based on our review conducted and procedures performed as stated in paragraph 3 above, *except for the possible effects of the matters described in the paragraphs 4,5 and 6, and inadequate disclosure of "Material Uncertainty related to Going concern" described in paragraph no. 7*, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

10. We did not review interim financial results of two subsidiaries; included in the statement (which are reviewed by its Statutory Auditors), whose financial results reflect nil revenue, total net loss after tax of Rs. 1,209.16 lakhs and Rs. 3,492.96 lakhs, total comprehensive loss of Rs. 1,209.16 lakhs and Rs. 3,492.96 lakhs for the quarter ended on December 31, 2020 and for the period from April 01, 2020 to December 31, 2020.

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respectively as considered in the statement. The financial results of the two wholly owned subsidiaries have been reviewed by the other auditor whose report has been furnished to us by the management, and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiaries, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of the above matter.

11. Corresponding figures for the quarter ended and period ended December 31, 2019, for the quarter ended September 30, 2020 and for the year ended March 31, 2020, included in the Statement are based on have been reviewed / audited by our predecessor, who expressed modified opinion vide their report dated February 12, 2020, July 31, 2020 and November 06, 2020 respectively. We have accepted those figures and reports, by verifying relevant records of the company for the purpose of our opinion on this Statement.

Our conclusion is not modified in respect of the said matter for the purpose of our review opinion on the Statement.

For Sundaram & Srinivasan,
Chartered Accountants
Firm's Registration Number: 004207S



S. Venkatasubramanian
09/02/2021

Venkatasubramanian.S
Partner

Membership no.: 219238
ICAI UDIN: 21219238AAAABK4879

Place: Chennai
Dated: February 09, 2021