



# PRIME FOCUS LIMITED

Registered Office : Prime Focus House, Opp Citi Bank, Linking Road  
Khar (West), Mumbai, Maharashtra, India, 400052  
CIN: L92100MH1997PLC108981

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2014

Rs. In lacs									
Sr No.	Particulars	Standalone				Consolidated			
		Quarter Ended			Fifteen Months Period Ended	Quarter Ended			Fifteen Months Period Ended
		30.09.2014	30.06.2014	30.09.2013	30.06.2014	30.09.2014	30.06.2014	30.09.2013	30.06.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Part I									
1	Income from operations								
	Net sales / Income from operations	2,280.89	6,578.70	4,747.85	27,354.79	34,966.86	19,900.51	19,605.75	103,272.16
	Other operating income	251.89	48.84	-	175.40	49.96	48.84	-	175.40
		2,532.78	6,627.54	4,747.85	27,530.19	35,016.82	19,949.35	19,605.75	103,447.56
2	Expenses								
	Employee benefits expense	450.15	1,764.59	1,144.97	6,935.01	23,276.80	11,150.44	7,984.97	45,978.27
	Technician fees	411.60	1,219.02	1,332.16	6,411.47	634.78	2,002.92	1,589.48	8,166.62
	Depreciation and amortisation expense	544.25	866.62	910.10	4,398.56	4,661.70	2,943.74	2,843.85	13,319.79
	Other expenditure	564.28	1,158.53	916.45	4,903.87	9,986.22	5,355.04	5,523.69	29,451.19
	Exchange loss (net)	98.50	-	-	-	-	-	-	-
	Total Expenses	2,068.78	5,008.76	4,303.68	22,648.91	38,559.50	21,452.14	17,941.99	96,915.87
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	464.00	1,618.78	444.17	4,881.28	(3,542.68)	(1,502.79)	1,663.76	6,531.69
4	Other income:								
	a) Exchange gain (net)	-	220.83	1,096.12	2,105.64	324.39	886.04	2,036.98	3,806.97
	b) Others	63.94	113.16	323.83	1,588.17	1,418.23	124.70	405.84	764.97
5	Profit from ordinary activities before finance costs and exceptional items (3 ± 4)	527.94	1,952.77	1,864.12	8,575.09	(1,800.06)	(492.05)	4,106.58	11,103.63
6	Finance costs	413.16	528.22	576.79	2,810.83	1,584.29	1,750.03	1,109.13	6,867.60
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	114.78	1,424.55	1,287.33	5,764.26	(3,384.35)	(2,242.08)	2,997.45	4,236.03
8	Exceptional items - expenditure / (income)	-	(171.51)	-	(171.51)	3,427.46	881.61	41.86	1,740.65
9	Profit / (Loss) from ordinary activities before tax (7 ± 8)	114.78	1,596.06	1,287.33	5,935.77	(6,811.81)	(3,123.69)	2,955.59	2,495.38
10	Tax expense	(5.44)	(1,728.04)	412.20	(446.50)	(3,565.60)	(1,614.90)	550.58	707.93
11	Net Profit / (Loss) from ordinary activities after tax (9 ± 10)	120.22	3,324.10	875.13	6,382.27	(3,246.21)	(1,508.79)	2,405.01	1,787.45
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	-	-
13	Net Profit / (Loss) after tax and before minority (11 ± 12)	120.22	3,324.10	875.13	6,382.27	(3,246.21)	(1,508.79)	2,405.01	1,787.45
14	Minority interest	-	-	-	-	(1,045.29)	(630.77)	270.61	(638.69)
15	Net Profit / (Loss) for the period (13 ± 14)	120.22	3,324.10	875.13	6,382.27	(2,200.92)	(878.02)	2,134.40	2,426.14
16	Paid-up equity share capital (Face value - Rs. 1/- per share)	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17
17	Reserves Excluding Revaluation Reserves as per Balance Sheet of previous accounting year				43,252.31				71,900.46
18	Earnings Per Share (after exceptional items)								
	(a) Basic	0.06	1.79	0.47	3.44	(1.19)	(0.47)	1.15	1.31
	(b) Diluted	0.06	1.79	0.47	3.44	(1.19)	(0.47)	1.15	1.31
	Earnings Per Share (before exceptional items)								
	(a) Basic	0.06	1.72	0.47	3.37	0.11	(0.10)	1.17	2.05
	(b) Diluted	0.06	1.72	0.47	3.37	0.11	(0.10)	1.17	2.05







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### STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	PARTICULARS OF SHAREHOLDING								
1	Public Share Holding								
	- Number of shares	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890
	- Percentage of shareholding	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%
2	Promoters and Promoter Group Shareholding								
	a) Pledged / Encumbered								
	- Number of shares	41,286,000	45,612,000	45,108,000	45,612,000	41,286,000	45,612,000	45,108,000	45,612,000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	53.55%	59.16%	58.50%	59.16%	53.55%	59.16%	58.50%	59.16%
	- Percentage of shares (as a % of total share capital of the Company)	22.27%	24.60%	24.33%	24.60%	22.27%	24.60%	24.33%	24.60%
	b) Non - pledged / encumbered								
	- Number of shares	35,815,546	31,489,546	31,993,546	31,489,546	35,815,546	31,489,546	31,993,546	31,489,546
	- Percentage of shares (as a % of total shareholding of promoters and promoter group)	46.45%	40.84%	41.50%	40.84%	46.45%	40.84%	41.50%	40.84%
	- Percentage of shares (as a % of total share capital of the Company)	19.31%	16.98%	17.25%	16.98%	19.31%	16.98%	17.25%	16.98%







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### Notes to Unaudited Financial Results for the Quarter ended September 30, 2014:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 14, 2014. The statutory auditors have carried out a limited review of the Standalone results of the Company.
2. During the quarter, pursuant to the approval of Shareholders', the Company's Authorised Share Capital has been increased from Rs. 2500 lac to Rs. 3500 lac.
3. Pursuant to the enactment of the Companies Act, 2013 ("the Act"), effective 1st April, 2014, Prime Focus Ltd has revised the estimated useful lives of its fixed assets to ensure compliance with the stipulations of Schedule II to the Act. Accordingly, the unamortized depreciable amounts of the fixed assets as at 1st July, 2014 have been charged over the revised remaining useful lives. This has the impact of decreasing depreciation charge for the quarter by Rs. 18 lac. Further, in accordance with the stipulations of the said Schedule, written down values of fixed assets, whose lives had expired as at 1st July, 2014 aggregating Rs. 102 lac (net of tax) have been adjusted against retained earnings.
4. On July 31, 2014, the group completed customary closing conditions relating to the acquisition of one of the largest independent companies in the VFX business "Double Negative Holdings Limited", pursuant to a Share sale agreement dated June 25, 2014. As a result of this transaction, Double Negative has become a wholly owned subsidiary of PFWNV.

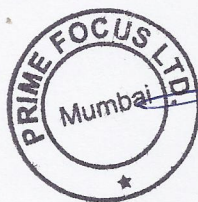
Pursuant to completion of acquisition of Double Negative Holdings Limited, the VFX business of the group is being consolidated into Double Negative and accordingly PFWNV has initiated internal restructuring to leverage on synergies from global operations. Rs. 34.27 crore incurred on restructuring activities is disclosed as exceptional item in consolidated results for the quarter ended September 30, 2014.

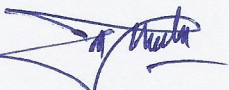
5. The Post Production business is the primary segment for the Company. Since, the Company's entire operations are governed by the same set of risks and returns, these have been considered as representing a single segment.
6. There were no investor complaints pending at the beginning of the quarter. During the Quarter, the Company received no investor complaints and there was no investor complaint pending at the end of the quarter.
7. During the previous quarter ended June 30, 2014, the Company sold its 'backend business' which includes (a) business of providing the services of conversion of 2D audio visual/moving images to stereo 3D audio visual/moving images provided by the Company to Prime Focus World N.V., a company incorporated and operating under the laws of Netherlands ("PFW") ('Conversion Business'); and (b) the business of providing the services of computer generated film visual special effects by the Company to PFW ("VFX Business"), to Prime Focus World Creative Services Pvt. Ltd., an indirect controlled subsidiary, by way of slump sale. Consequently, the standalone figures of the Company for the current quarter exclude the 'backend business' and hence are not comparable with the figures for the preceding and corresponding quarters ended June 30, 2014 and September 30, 2013 respectively.
8. The Board of Directors in the meeting held on July 02, 2014 approved issuance of upto 23,076,923 and upto 90,384,615 equity shares to Monsoon Studio Private Limited and Reliance MediaWorks Limited, respectively, on a preferential basis, subject to requisite statutory approvals. Of these upto 67,307,692 equity shares to Reliance MediaWorks Limited are to be issued for a consideration other than cash towards the transfer of its film and media services business to the Company. The said issue of equity shares on a preferential basis was approved by the shareholders at the Extra-ordinary General Meeting held on August 01, 2014. The issuance would be effected upon receipt of all the necessary statutory approvals.
9. In the Board of Directors meeting held on July 02, 2014 approval was granted to introduce and implement Employee Stock Option Scheme titled 'PFL-ESOP Scheme 2014' whereby stock options upto 6% of the paid up capital of the Company (post aforesaid preferential allotment) aggregating 17,932,738 stock options would be issued to eligible employees of the Company, its subsidiaries and associates. The said scheme was approved by the shareholders in the Extra-ordinary General Meeting held on August 01, 2014.
10. The figures for three months ended June 30, 2014 are the balancing figures between audited figures in respect of the full financial period ended June 30, 2014 and the published year to date figures upto 12 months ended March 31, 2014.
11. Previous period figures have been regrouped and re-arranged wherever necessary.

For and on behalf of the Board of Directors

Place: Mumbai

Date: November 14, 2014



  
Naresh Malhotra  
Whole-time Director



## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF PRIME FOCUS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **PRIME FOCUS LIMITED** ("the Company") for the quarter ended September 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended September 30, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.117364W)



**Abhijit A. Damle**  
Partner  
(Membership No. 102912)

Mumbai, November 14, 2014