Date: November 24, 2017

The General Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai – 400 001

Ref.: Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Sub.: Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited and Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013

In connection with the proposed scheme, the Board of Directors of UFO Moviez India Limited at their meeting held on November 1, 2017 has approved the Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

In connection with the above and in connection with the Listing Regulations, we are enclosing / providing the following documents / information:

Documents required to be submitted for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Amalgamation / Arrangement (including reduction in capital, arrangement with creditors, etc.) proposed to be filed under sections 391, 394 and 101 of the Companies Act, 1956 or under Sections 230-234 and Section 66 of Companies Act, 2013, whichever applicable

Sr. No.	Documents to be submitted along with application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Page Nos.
1.	Certified true copy of the resolution passed by the Board of Directors of the company.	Page Nos. – 1 to 22 **Annexure – 1(a) to 1(d)**
2.	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the NCLT.	Page Nos. - 23 to 112 **Annexure – 2**

3.	Valuation report from Independent Chartered Accountant **as applicable** as per Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.	Page Nos. – 113 to 133 **Annexure – 3(a) to 3(c)**
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above	Page Nos. – 134 to 139 **Annexure – 4**
5.	Fairness opinion by Merchant Banker	Page Nos. – 140 to 148 **Annexure – 5**
6.	Shareholding pattern of all the companies pre and post Amalgamation / Arrangement as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.	Page Nos. – 149 to 244 **Annexure - 6(a) to 6(i)**
7.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per **Annexure I**. Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.	Page Nos. – 245 to 548 **Annexure - 7(a) to 7(g)** Qube Digital Cinema Pvt. Ltd. was incorporated in October 2017 and hence audited financials are not available.
8.	Statutory Auditor's Certificate confirming the compliance of the accounting treatment etc. as specified in Para **(I)(A) (5)(a) of Annexure I of SEBI Circular no.** CFD/DIL3/CIR/2017/21 dated March 10, 2017, as per the format given in **Annexure II of aforesaid SEBI circular. Format given in Annexure II**	Page Nos. – 549 to 550 **Annexure – 8**
9.	Detailed Compliance Report as per the format specified in Annexure IV of SEBI circular dated March 10, 2017 duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards (format attached as **Annexure III).**	Page Nos. – 551 to 552 **Annexure – 9**

UFO MOVIEZ INDIA LIMITED

Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093. Tel: +91 022 4030 5060, Fax: +91 022 4030 5110/14
Corporate Identity Number: L22120MH2004PLC285453 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com

10.	Complaint report as per Annexure III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in **Annexure IV**	To be provided later as applicable.
11.	If as per the company, approval from the Public shareholders through postal ballot and e-voting, as required under **Para (I)(A)(9)(a) of Annexure I of SEBI Circular no.** CFD/DIL3/CIR/2017/21 dated March 10, 2017, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non applicability of Sub Para 9(a) b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	Requirement of approval from Public Shareholders is applicable.
12.	If pursuant to scheme the allotment of shares is proposed to be made to a selected group of shareholders or to the shareholders of unlisted companies, pricing certificate from the Statutory Auditor of the listed company as per Proviso of Regulation 70(1) (ii) (b) of ICDR.	Page Nos. – 553 to 557 **Annexure – 10**
13.	a) In case of scheme of arrangement between listed and unlisted entities, information pertaining to the unlisted entity/ies involved in the scheme as per the format specified for abridged prospectus as provided in Part D of Schedule VIII of the ICDR Regulations. b) A Certificate from the Merchant Banker confirming the adequacy and accuracy of the information contained in above document on unlisted company in terms of Para 3(a) of Part I (A) of the SEBI circular dated March 10, 2017. This is also to be uploaded on the BSE's website	Page Nos. – 558 to 564 **Annexure – 11** Merchant Banker certificate to be provided on SEBI approval.
14.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	Page Nos. – 565 to 568 **Annexure – 12**
15.	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure V.**	Page Nos. – 569 to 581 **Annexure – 13**
16.	Net-worth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company.	Page Nos. – 582 to 583 **Annexure – 14**

17.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure VI.**	Page Nos. – 584 to 585 **Annexure – 15(a) and 15(b)**
18.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as **Annexure VII.**	Page Nos. – 586 to 587 **Annexure - 16**
19.	Annual Reports of all the listed transferee/resulting/demerged/etc. companies involved and audited financial of all the unlisted transferor/demerged/resulting/etc. companies for the last financial year.	Page Nos. – **Annexure –** 588 to **17(a) to 17(c)**
20.	a) Processing fee (non-refundable) payable to BSE will be as below, through RTGS- ~~Details given in **Annexure VIII or through**~~ Cheque/~~DD~~ **favoring 'BSE Limited'** Rs.1,80,000/- plus GST as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus GST as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger. b) Processing fee (non-refundable) payable to SEBI will be as below, through RTGS/NEFT/IMPS or through DD **favoring 'Securities and Exchange Board of India" payable at Mumbai'** As per amendment in Regulation 37, the listed entity shall pay a fee to SEBI at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs.5,00,000.	a) Cheque No. 001059 dated November 21, 2017 in favour of BSE Limited drawn on YES Bank Limited. Cheque Amount: Rs. 216,000/- b) Demand Draft No. 047638 dated November 21, 2017 in favour of Securities and Exchange Board of Limited drawn on Axis Bank

		Limited. Demand Draft Amount: Rs. 404,193/-
21.	In case NCRPS / NCDs are proposed to be issued to the shareholders of the listed entity and are to be listed, the company shall submit an undertaking signed by CS / MD of the company as per format attached in **Annexure IX** confirming compliance with the requirements of SEBI circular dated May 26, 2017	Not Applicable
22.	Name & Designation of the Contact Person : Sameer Chavan, Company Secretary Telephone Nos. (landline & mobile): +91 22 40305060; + 91 9619 442326 Email ID: sameer.chavan@ufomoviez.com	

For **UFO Moviez India Limited**

S Chavan

Sameer Chavan
Company Secretary

Date November 24, 2017

Note:

1) All pages of the documents/details provided should be serially numbered, stamped and certified by the authorized signatory of the company.

2) In case of schemes of arrangement involving merger of wholly owned subsidiary with its holding company, following documents are to be submitted vide email to ***"bse.schemes@bseindia.com"*** mentioning company name as subject, for dissemination on the Exchange's website: - **Not Applicable**

a) Certified true copy of Board of Director's resolution approving the draft scheme of amalgamation of WOS with its holding company
b) Certified true copy of Draft scheme.
c) Processing fee (non-refundable) of Rs. 25,000/- plus GST, as applicable payable to BSE, through RTGS- Details given in **Annexure VIII** or through Cheque/DD **favoring 'BSE Limited'**

Kindly also submit one additional set of the documents at sr. nos. 2 to 11 separately (hard copy as well as soft copy emailed to *"bse.schemes@bseindia.com"* mentioning company name as subject, for uploading on the Exchange website).

The Exchange reserves the right to modify and ask for additional documents / clarifications depending on a case to case basis. Approval for the proposed scheme will be subject to compliance with the Statutory/ Regulatory requirements, norms of the Board of Directors of the Exchange and other Exchange requirements.

Following additional documents are required to be submitted for Demerger cases wherein a division of a listed company is hived off into an unlisted company or where listed company is getting merged with an unlisted company: - Not Applicable

1. Clarification as to what will be listing status of the Resulting/Transferee Company/ies.
2. Details of Assets and Liabilities of the Demerged division that are being transferred.
3. Confirmation from the Managing Director/ Company Secretary, that:
   a) There will be no change in Share Capital of the resulting/transferee company till the listing of the equity shares of the company on BSE Limited.
   b) The shares allotted by the resulting company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.

4. Confirmation by the Managing Director/ Company Secretary of the resulting/transferee company on the letter head of resulting company that:
   a) Equity shares issued by the company pursuant to the scheme of amalgamation/ arrangement shall be listed on the BSE Limited, subject to SEBI granting relaxation from applicability under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957.
   b) The company shall comply with all the provisions contained in SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.
   c) The company shall also fulfill the Exchange's criteria for listing and shall also comply with Rules, Byelaws, and Regulations of the Exchange and other applicable statutory requirements.

5. Percentage of Net Worth of the company, that is being transferred in the form of demerged undertaking and percentage wise contribution of the Demerged division to the total turnover and income of the company in the **last two years** as per the following format:

(Rs. in crores)

	Financial Year	Networth	% to total	Turnover	% to total	Profit after Tax	% to total
Demerged division							
Other divisions							
Total							

Annexure – 1(a)

QUBE

www.qubecinema.com

RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF QUBE CINEMA TECHNOLOGIES PVT. LTD AT ITS MEETING HELD ON 1ST NOVEMBER, 2017

Approval of the composite scheme of arrangement and amalgamation amongst Qube Cinema Technologies Pvt. Ltd. (the "Company"/ "QCTPL"), Qube Digital Cinema Pvt. Ltd. ("QDCPL"), Moviebuff Pvt. Ltd ("Moviebuff"), UFO Moviez India Ltd. ("UFO"), PJSA Technosoft Private Limited ("PJSA") and their respective shareholders and/or creditors ("Scheme") and matters related thereto

"**RESOLVED THAT** subject to the obtaining of requisite approvals and subject to the sanction by the National Company Law Tribunal ("**NCLT**") at Mumbai and the National Company Law Tribunal at Chennai, the approval by the requisite majority of the shareholders and/or the creditors of Qube Cinema Technologies Pvt. Ltd.(the "**Company**"/ "**QCTPL**"), (i) the transfer by way of demerger of the Demerged Undertaking (*as defined in the Scheme*) into Qube Digital Cinema Pvt. Ltd. ("**QDCPL**") with effect from the Appointed Date 1 (as defined in the scheme); (ii) Amalgamation of Moviebuff Pvt. Ltd.("**Moviebuff**") into QDCPL and consequent dissolution of Moviebuff without winding up with effect from the Appointed Date 1 (as defined in the Scheme); (iii) Amalgamation of QDCPL into UFO Moviez India Ltd. ("**UFO**") and consequent dissolution of QDCPL without winding up with effect from the Appointed Date 2 (as defined in the scheme); (iv) Slump Sale of the Transferred Undertaking (*defined in the Scheme*) of UFO into PJSA Technosoft Private Limited ("**PJSA**") with effect from the Appointed Date 3 (as defined in the Scheme), in accordance with the Scheme, a draft of which was placed before the board of directors of the Company ("**Board**") and initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for identification, and subject to & pursuant to the provisions of Sections 230 - 232 of the Companies Act, 2013 ("**Act**") or other relevant provisions of the Act, and the ancillary rules thereunder , be and is hereby approved.

RESOLVED FURTHER THAT the (i) draft Scheme, tabled before the meeting and (ii) Valuation report prepared by VSS & Co., Chartered Accountants, obtained by the Company in relation to Demerger Share Entitlement Ratio, being, in the opinion of the Board, fair and reasonable, the Demerger Share Entitlement Ratio of (i) 1 (one) equity share of QDCPL of INR 10/- each for every 1(one) equity shares held in QCTPL of INR 10/- each, (ii) 1 (one) equity share of QDCPL of INR 10/- each for every 1 (one) Series A Preferred Shares (as defined in the articles of association of the Company) held in the QCTPL of INR 10/- each; (iii) 1 (one) equity share of the QDCPL of INR 10/- each for every 1 (one) Series B Preferred Shares (as defined in the articles of association of the Company) held in QCTPL of INR 10/- each; and (iv) 1.6386 (one point six thousand three hundred eighty six) equity shares of QDCPL of INR 10/- each for every 1 (one) Series C Preferred Shares (as defined in the articles of association of the Company) held in QCTPL of INR 10/- each, and the option holders of the Company being entitled to 1 (one) option in QDCPL for every 1 (one) option

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Qube Cinema Technologies Pvt. Ltd.
42 Dr. Ranga Road, Mylapore, Chennai 600 004, India +91 (44) 4204-1505 +91 (44) 4348-8881
Qube Cinema Technologies Pvt. Ltd. formerly Real Image Media Technologies Pvt. Ltd. • CIN: U92490TN1986PTC012536

granted in the Company, i.e., on the same basis as per the Demerger Share Entitlement Ratio, be and is hereby approved.

RESOLVED FURTHER THAT the Company be and is hereby authorised to take further steps for finalizing the Scheme and obtaining the requisite approvals of the shareholders and/or the creditors of the Company, and any other regulatory authorities and others concerned, whose consent is required under law for the implementation of the Scheme and for that purpose to initiate all necessary actions including seeking appropriate directions from the NCLT bench at Chennai, for convening, holding and conducting the class meetings of the equity shareholders and/or the creditors of the Company and to take other consequential steps in that behalf, including the preparation and circulation of the notices and explanatory statements (including the petition), filing of all other documents required to be filed in this connection and for such other directions as the NCLT bench at Chennai, may deem fit and proper and for seeking their approval for the proposed Scheme.

RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to the execution, delivery and performance by the Company of the implementation agreement proposed to be executed amongst UFO, UFO Promoters (as detailed under the definition Unicorn Promoters in the Implementation Agreement), PJSA, QCTPL Promoters (as defined in the Scheme), QDCPL, Moviebuff, IDBI Trusteeship Services Limited acting in its capacity as the Trustee of India Advantage Fund S4 acting through its Investment Manager ICICI Venture Funds Management Company Limited ("Iven"), Nomura Asia Investment (MB) Pte Ltd.("Nomura"), Intel Capital Corporation ("Intel"), CSI BD (Mauritius) ("CSI"), StreetEdge Capital LP, ("SE") and the Company ("**Implementation Agreement**"), and the warranty and indemnity agreement proposed to be executed amongst UFO, QCTPL Promoters (as defined in the Scheme), QDCPL, Moviebuff, Iven and the Company ("**Warranty and Indemnity Agreement**"), drafts of which were tabled before the Board and initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for identification, and all ancillary and related documents thereto.

RESOLVED FURTHER THAT the draft certificate received from B S R & Co. LLP, the Company's auditor as required under Section 232(3) of the Act, to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act, as placed before the Board and duly initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for the purpose of identification, be and is hereby accepted and approved.

RESOLVED FURTHER THAT Mr. P. Jayendra, Mr. V. Senthil Kumar, Directors, Mr. Arvind Ranganathan, CEO, Mr. P. Venkatesh, CFO of the Company be and are hereby severally and/or jointly authorized to negotiate, finalize, execute and amend, as may be required, the Implementation Agreement and the Warranty and Indemnity Agreement, on behalf of the Company and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Implementation Agreement and the Warranty and Indemnity Agreement.

Qube Cinema Technologies Pvt. Ltd. Chennai-4

RESOLVED FURTHER THAT Mr. P. Jayendra, Mr. V. Senthil Kumar, Directors, Mr. Arvind Ranganathan, CEO, Mr. P. Venkatesh, CFO, Mr. P. Murali Krishna, Chief Legal Officer, and Mrs. Divya Venkat be and are hereby ***severally*** and/or ***jointly*** authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all functions which the Board is authorised to, in connection with the matters approved herein, including, *inter alia*:

(a) to do and to perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the delivery and performance of the Implementation Agreement, the Warranty and Indemnity Agreement, the implementation of the Scheme and upon sanction of the Scheme by, amongst others, the NCLT and/or any other regulatory/ governmental authority, to implement and to make the Scheme effective, without any further approval of the Board;

(b) to assent to and approve any alteration or modification to the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme which the NCLT and/or any other regulatory/ governmental authority may require or suggest or deem fit to impose;

(c) to make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(d) to give such directions as they may consider necessary or advisable to settle any question or difficulty arising under the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or in regard to the meaning or interpretation of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme and if necessary, to waive any of those (to the extent permissible under law);

(e) to approve and authorize execution of any agreements, deeds, documents, declarations, writings, etc., (including any alterations or modifications in the documents executed or to be executed), whether or not under the common seal of the Company, as may be required from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(f) to make such applications to governmental authorities as may be required from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

Qube Cinema Technologies Pvt. Ltd. Chennai-4

(g) to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, the NCLT, and/or any other authority, are in their view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto; and

(h) to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/ conveyance and any other deeds, documents, schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, in each case as may be approved by such directors and/or officers, whether or not under the common seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.

(i) sign, file, submit or present the Scheme and related applications, supplementary applications, documents, replies in connection with the Scheme to any regulatory or statutory or governmental authority, as may be required in terms of the applicable laws and regulations for obtaining approval to the Scheme;

(j) sign, file, submit or present the Scheme or the transaction documents and related applications, petitions, supplementary applications/ petitions, summons, deeds, documents, instruments, rejoinders, replies and to swear affidavits or execute bonds for the proposed consolidation, appear (in person or through a representative) before the NCLT or at the offices of the relevant Registrar of Companies, the Regional Director, Department of Company Affairs, or before any other authority or person in connection with the proposed transaction and to do any other act, deed or thing which may be ancillary or incidental to the proposed Scheme or which may otherwise be required for giving effect to any of the provisions contained in the Scheme, the Implementation Agreement or the Warranty and Indemnity Agreement;

(k) make, prepare, review, amend, execute, swear, declare and register all declarations, affidavits, applications, filings, letters, undertakings, papers and writings as may be required, necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government(s) and / or any other authorities, including but not limited to courts, RBI, Municipal authorities, Registrar of Companies, Sub-Registrar of Assurances, relevant special economic zone unit approval committees, telephone authorities, electricity authorities, postal authorities, and such other applicable authorities or agencies, etc., and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above;

Qube Cinema Technologies Pvt. Ltd. Chennai-4

(l) suitably inform, apply and/ or represent to the Central and/ or State Government(s) and/ or local authorities, including but not limited to SEBI, RBI, Sub-Registrar of Assurances, Customs Authorities, Goods and Service Tax authorities, Income Tax Authorities, Employees' State Insurance and Provident Fund Authorities, telephone authorities, electricity authorities, postal authorities, and all other applicable authorities, agencies, etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memoranda, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub-Registrar of Assurances;

(m) seek directions from the NCLT for convening meetings of the shareholders and/ or creditors for approving the Scheme and to sign and file undertakings and other documents as may be necessary in this regard;

(n) finalise and issue the notices for convening the meetings of the shareholders and/ or creditors together with the explanatory statement thereto under Section 232 of the Act in terms of the directions of the NCLT and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the NCLT or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme;

(o) take all steps for obtaining approvals and/or consents of the shareholders of the Company, banks, financial institutions and other authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf;

(p) liaise with the depositories and enter into any documents as may be required to give effect to the Scheme and do such other things as may be required in this behalf;

(q) consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent/required to be sent to the concerned authorities on behalf of the Company;

(r) sign, declare and file on behalf of the Company all necessary documents including, but not limited to, authorisation, vakalatnamas, affidavits, pleadings, reports and issue public advertisements and notices and to do all acts incidental and necessary for the above purposes;

(s) appoint solicitors, advocates, attorneys, pleaders, advisors, valuers, merchant bankers, auditors, accountants, registrars or any other one or more agencies or expert advisors, as may be required in relation to or in connection with the Scheme and matters related thereto, on such terms and conditions as they may



deem fit and to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings, vakalatnamas and other related documents in favour of the concerned authorities, advocates, etc. as may be necessary in this regard;

(t) incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them;

(u) appoint one or more attorney(s)/ representatives and delegate to them any or all of the powers or functions entrusted to them under this resolution, as well as to revoke, remove such persons and to appoint any other person(s) from time to time to act on their behalf; and

(v) to do all such other acts, matters, deeds and things as may be necessary or desirable in connection with or incidental to giving effect to the above or to otherwise give effect to the Scheme, Implementation Agreement, the Warranty and Indemnity Agreement and matters related thereto.

RESOLVED FURTHER THAT subject to the directions of the NCLT bench at Chennai the Company do appoint Mr. P. Jayendra, or failing him Mr. V. Senthil Kumar or such other person as may be directed by the NCLT bench at Chennai as Chairman of the tribunal convened meetings of the shareholders and/or creditors of the Company in relation to the Scheme.

RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any of Mr. P. Venkatesh, CFO, Mr. P. Murali Krishna, Chief Legal Officer, and Mrs. Divya Venkat, Company Secretary be furnished to all concerned as may be necessary.

Certified True Copy

For **QUBE CINEMA TECHNOLOGIES PVT. LTD.**



V. Senthil Kumar
Director
DIN: 00320535

Annexure – 1(b)

QUBE DIGITAL CINEMA PRIVATE LIMITED
CIN: U93000TN2017PTC119019
Regd. Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
E-mail: divya.venkat@qubecinema.com Tel: +91 (44) 4204-1505

RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF QUBE DIGITAL CINEMA PVT. LTD AT ITS MEETING HELD ON 1ST NOVEMBER, 2017

Approval of the composite scheme of arrangement and amalgamation amongst Qube Digital Cinema Pvt. Ltd. (the "Company"/ "QDCPL"), Qube Cinema Technologies Pvt. Ltd. ("QCTPL"), Moviebuff Pvt. Ltd ("Moviebuff"), UFO Moviez India Ltd. ("UFO"), PJSA Technosoft Private Limited ("PJSA") and their respective shareholders and/or creditors ("Scheme") and matters related thereto

"**RESOLVED THAT** subject to the obtaining of requisite approvals and subject to the sanction by the National Company Law Tribunal ("**NCLT**") at Mumbai and the National Company Law Tribunal at Chennai, as the case may be, the approval by the requisite majority of the shareholders and/or the creditors of Qube Digital Cinema Pvt. Ltd. (the "**Company**"/ "**QDCPL**"), (i) the transfer by way of demerger of Qube Cinema Technologies Pvt. Ltd.'s (QCTPL) Undertaking (*as defined in the Scheme*) into the Company with effect from the Appointed Date 1 (as defined in the scheme); (ii) Amalgamation of Moviebuff Pvt. Ltd.("**Moviebuff**") into the Company and consequent dissolution of Moviebuff without winding up with effect from the Appointed Date 1 (as defined in the Scheme); (iii) Amalgamation of the Company into UFO Moviez India Ltd. ("**UFO**") and consequent dissolution of the Company without winding up with effect from Appointed Date 2 (as defined in the scheme); (iv) Slump Sale of the Transferred Undertaking (*defined in the Scheme*) of UFO into PJSA Technosoft Private Limited ("**PJSA**") with effect from Appointed Date 3 (as defined in the Scheme), in accordance with the Scheme, a draft of which was placed before the board of directors of the Company ("**Board**") and initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for identification, and subject to & pursuant to the provisions of Sections 230 - 232 of the Companies Act, 2013 ("**Act**") (or the relevant provisions of the Act, and the ancillary thereunder), be and is hereby approved.

RESOLVED FURTHER THAT the (i) provisions of the draft Scheme, tabled before the meeting; and (ii) the recommendations under the valuation reports prepared by M/s. VSS & Co., Chartered Accountants, obtained by the Company in relation to Demerger Share Entitlement Ratio and Moviebuff Amalgamation Share Entitlement Ratio and the valuation report prepared by M/s. Walker Chandiok & Co. LLP, in relation to QDCPL Amalgamation Share Entitlement Ratio respectively, being, in the opinion of the **Board**, fair and reasonable, ***Demerger Share Entitlement Ratio*** of (i) 1 (one) equity share of QDCPL of INR 10/- each for every 1(one) equity shares held in QCTPL of INR 10/- each, (ii) 1 (one) equity share of QDCPL of INR 10/- each for every 1 (one) Series A Preferred Shares *(as defined in the articles of association of QCTPL)* held in the QCTPL of INR 10/- each; (iii) 1 (one) equity share of the QDCPL of INR 10/- each for every 1 (one) Series B Preferred Shares (*as defined in the articles of association of QCTPL*) held in QCTPL of INR 10/- each; and (iv) 1.6386 (one point six thousand three hundred eighty six) equity shares of QDCPL of INR 10/- each for every 1 (one) Series C Preferred Shares (*as defined in the articles of association of the QCTPL*) held in QCTPL of INR 10/- each in relation to Demerger and the option holders of QCTPL being entitled to 1 (one) option in the Company for every 1 (one) option

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granted in QCTPL i.e., on the same basis as the Demerger Share Entitlement Ratio, ***Moviebuff Amalgamation Share Entitlement Ratio*** of 76381 Seventy Six Thousand Three Hundred and Eight One) equity shares of INR 10/- each, credited as fully paid-up of the Company for every 1000 (Thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in Moviebuff and therefore resulting in the allotment of 7,80,000 (Seven Lakh Eighty Thousand) equity shares of INR 10/- each of the Company against the 10,212 (Ten Thousand Two Hundred and Twelve) equity shares of INR 10/- each of Moviebuff and ***QDCPL Amalgamation Share Entitlement Ratio*** of 13 (Thirteen) equity shares of INR 10/- each, credited as fully paid-up of UFO for every 17 (Seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Company, be and are hereby approved.

RESOLVED FURTHER THAT the Company be and is hereby authorised to take further steps for finalizing the Scheme and obtaining the requisite approvals of the shareholders and/or the creditors of the Company, and any other regulatory authorities and others concerned, whose consent is required under law for the implementation of the Scheme and for that purpose to initiate all necessary actions including seeking appropriate directions from the NCLT bench at Chennai, for convening, holding and conducting the class meetings of the equity shareholders and/or the creditors of the Company and to take other consequential steps in that behalf, including the preparation and circulation of the notices and explanatory statements (including the petition), filing of all other documents required to be filed in this connection and for such other directions as the NCLT bench at Chennai, may deem fit and proper and for seeking their approval for the proposed Scheme.

RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to the execution, delivery and performance by the Company of the implementation agreement proposed to be executed amongst UFO, UFO Promoters (as detailed under the definition Unicorn Promoters in the Implementation Agreement), PJSA, QCTPL , QCTPL Promoters (as defined in the Scheme) , Moviebuff, IDBI Trusteeship Services Limited acting in its capacity as the Trustee of India Advantage Fund S4 acting through its Investment Manager ICICI Venture Funds Management Company Limited ("Iven"), Nomura Asia Investment (MB) Pte Ltd.("Nomura"), Intel Capital Corporation ("Intel"), CSI BD (Mauritius) ("CSI"), StreetEdge Capital LP, ("SE") and the Company, to set out the agreement between the parties in relation to the proposed transactions, and related matters ("**Implementation Agreement**"), and the warranty and indemnity agreement proposed to be executed amongst UFO, QCTPL, QCTPL Promoters (*as defined in the scheme*), Moviebuff, Iven, and the Company to set out the warranties and indemnities to be provided by UFO, QCTPL, and QCTPL Promoters, in connection with the execution of Transaction Documents as specified in the Implementation Agreement ("**Warranty and Indemnity Agreement**"), drafts of which were tabled before the Board and initialled by Mr. V. Senthil Kumar, Chairman of the meeting for identification, and all ancillary and related documents thereto.

RESOLVED FURTHER THAT the draft certificate received from Mr. A.K. Jain & Associates, Chartered Accountants, the Company's auditor as required under Section 232(3) of the Act, to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act, as placed before the Board and duly initialled

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by Mr. V. Senthil Kumar, Chairman of the Meeting, for the purpose of identification, be and is hereby accepted and approved.

RESOLVED FURTHER THAT Mr. V. Senthil Kumar, Mr. Harsh Rohatgi and Mrs. Vandana Gopikumar, Directors, be and are hereby severally and/or jointly authorized to negotiate, finalize, execute and amend, as may be required, the Implementation Agreement and the Warranty and Indemnity Agreement, on behalf of the Company and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Implementation Agreement and the Warranty and Indemnity Agreement.

RESOLVED FURTHER THAT, Mr. V. Senthil Kumar, Mr. Harsh Rohatgi and Mrs. Vandana Gopikumar, Directors, be and are hereby ***severally*** and/or ***jointly*** authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all functions which the Board is authorised to, in connection with the matters approved herein, including, *inter alia*:

(a) to do and to perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the delivery and performance of the Implementation Agreement, the Warranty and Indemnity Agreement, the implementation of the Scheme and upon sanction of the Scheme by, amongst others, the NCLT and/or any other regulatory/ governmental authority, to implement and to make the Scheme effective, without any further approval of the Board;

(b) to assent to and approve any alteration or modification to the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme which the NCLT and/or any other regulatory/ governmental authority may require or suggest or deem fit to impose;

(c) to make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(d) to give such directions as they may consider necessary or advisable to settle any question or difficulty arising under the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or in regard to the meaning or interpretation of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme and if necessary, to waive any of those (to the extent permissible under law);

(e) to approve and authorize execution of any agreements, deeds, documents, declarations, writings, etc., (including any alterations or modifications in the documents executed or to be executed), whether or not under the common seal of the Company, as may be required

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from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(f) to make such applications to governmental authorities as may be required from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(g) to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, the NCLT, and/or any other authority, are in their view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto; and

(h) to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/ conveyance and any other deeds, documents, schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, in each case as may be approved by such directors and/or officers, whether or not under the common seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.

(i) sign, file, submit or present the Scheme and related applications, supplementary applications, documents, replies in connection with the Scheme to any regulatory or statutory or governmental authority, as may be required in terms of the applicable laws and regulations for obtaining approval to the Scheme;

(j) sign, file, submit or present the Scheme or the transaction documents and related applications, petitions, supplementary applications/ petitions, summons, deeds, documents, instruments, rejoinders, replies and to swear affidavits or execute bonds for the proposed consolidation, appear (in person or through a representative) before the NCLT or at the offices of the relevant Registrar of Companies, the Regional Director, Department of Company Affairs, or before any other authority or person in connection with the proposed transaction and to do any other act, deed or thing which may be ancillary or incidental to the proposed Scheme or which may otherwise be required for giving effect to any of the provisions contained in the Scheme, the Implementation Agreement or the Warranty and Indemnity Agreement;

(k) make, prepare, review, amend, execute, swear, declare and register all declarations, affidavits, applications, filings, letters, undertakings, papers and writings as may be required, necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government(s) and / or any other authorities, including but not limited to courts, RBI, Municipal authorities, Registrar of

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Companies, Sub-Registrar of Assurances, relevant special economic zone unit approval committees, telephone authorities, electricity authorities, postal authorities, and such other applicable authorities or agencies, etc., and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above;

(l) suitably inform, apply and/ or represent to the Central and/ or State Government(s) and/ or local authorities, including but not limited to SEBI, RBI, Sub-Registrar of Assurances, Customs Authorities, Goods and Service Tax authorities, Income Tax Authorities, Employees' State Insurance and Provident Fund Authorities, telephone authorities, electricity authorities, postal authorities, and all other applicable authorities, agencies, etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memoranda, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub-Registrar of Assurances;

(m) seek directions from the NCLT for convening meetings of the shareholders and/ or creditors for approving the Scheme and to sign and file undertakings and other documents as may be necessary in this regard;

(n) finalise and issue the notices for convening the meetings of the shareholders and/ or creditors together with the explanatory statement thereto under Section 232 of the Act in terms of the directions of the NCLT and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the NCLT or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme;

(o) take all steps for obtaining approvals and/or consents of the shareholders of the Company, banks, financial institutions and other authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf;

(p) liaise with the depositories and enter into any documents as may be required to give effect to the Scheme and do such other things as may be required in this behalf;

(q) consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent/required to be sent to the concerned authorities on behalf of the Company;

(r) sign, declare and file on behalf of the Company all necessary documents including, but not limited to, authorisation, vakalatnamas, affidavits, pleadings, reports and issue public advertisements and notices and to do all acts incidental and necessary for the above purposes;

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(s) appoint solicitors, advocates, attorneys, pleaders, advisors, valuers, merchant bankers, auditors, accountants, registrars or any other one or more agencies or expert advisors, as may be required in relation to or in connection with the Scheme and matters related thereto, on such terms and conditions as they may deem fit and to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings, vakalatnamas and other related documents in favour of the concerned authorities, advocates, etc. as may be necessary in this regard;

(t) incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them;

(u) appoint one or more attorney(s)/ representatives and delegate to them any or all of the powers or functions entrusted to them under this resolution, as well as to revoke, remove such persons and to appoint any other person(s) from time to time to act on their behalf; and

(v) to do all such other acts, matters, deeds and things as may be necessary or desirable in connection with or incidental to giving effect to the above or to otherwise give effect to the Scheme, Implementation Agreement, the Warranty and Indemnity Agreement and matters related thereto.

RESOLVED FURTHER THAT subject to the directions of the NCLT bench at Chennai the Company do appoint, Mr. V. Senthil Kumar or failing him Mr. Harsh Rohatgi or such other person as may be directed by the NCLT bench at Chennai as Chairman of the tribunal convened meetings of the shareholders and/or creditors of the Company in relation to the Scheme.

RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any of Mr. V. Senthil Kumar, Mr. Harsh Rohatgi, Mrs. Vandana Gopikumar, Directors of the Company be furnished to all concerned as may be necessary.

Certified True Copy

For **QUBE DIGITAL CINEMA PVT. LTD.**

V. Senthil Kumar
Director
DIN: 00320535

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Annexure -1(c)

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
Regd. Office: 42, Dr. Ranga Road, Mylapore, Chennai 600 004
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RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF MOVIEBUFF PVT. LTD AT ITS MEETING HELD ON 1ST NOVEMBER, 2017

Approval of the composite scheme of arrangement and amalgamation amongst Moviebuff Pvt. Ltd. (the "Company"/ "Moviebuff"), Qube Cinema Technologies Pvt. Ltd. ("QCTPL"), Qube Digital Cinema Pvt. Ltd ("QDCPL"), UFO Moviez India Ltd. ("UFO"), PJSA Technosoft Private Limited ("PJSA") and their respective shareholders and/or creditors ("Scheme") and matters related thereto

"**RESOLVED THAT** subject to the obtaining of requisite approvals and subject to the sanction by the National Company Law Tribunal ("**NCLT**") at Mumbai and the National Company Law Tribunal at Chennai, as the case may be, the approval by the requisite majority of the shareholders and/or the creditors of Moviebuff Pvt. Ltd.(the "**Company**"/ "**Moviebuff**"), (i) the transfer by way of demerger of Qube Cinema Technologies Pvt. Ltd.'s ("**QCTPL**") Undertaking (*as defined in the Scheme*) into Qube Digital Cinema Pvt. Ltd. ("**QDCPL**") with effect from the Appointed Date 1 (as defined in the Scheme); (ii) Amalgamation of the Company into QDCPL and consequent dissolution of the Company without winding up with effect from Appointed Date 1 (as defined in the Scheme); (iii) Amalgamation of QDCPL into UFO Moviez India Ltd. ("**UFO**") and consequent dissolution of QDCPL without winding up with effect from the Appointed Date 2 (as defined in the Scheme); (iv) Slump Sale of the Transferred Undertaking (*defined in the Scheme*) of UFO into PJSA Technosoft Private Limited (**"PJSA"**) with effect from the Appointed Date 3 (as defined in the Scheme), in accordance with the Scheme, a draft of which was placed before the board of directors of the Company ("**Board**") and initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for identification, and subject to & pursuant to the provisions of Sections 230 - 232 of the Companies Act, 2013 ("**Act**") (or the relevant provisions of the Act, and the ancillary rulesthereunder), be and is hereby approved.

RESOLVED FURTHER THAT the (i) draft Scheme, tabled before the meeting, and (ii) the valuation report prepared by M/s. VSS & Co., Chartered Accountants, Chennai obtained by the Company in relation to the Moviebuff Amalgamation Share Entitlement Ratio, being, in the opinion of the Board, fair and reasonable, the Moviebuff Amalgamation Share Entitlement Ratio of 76381 (Seventy Six Thousand Three Hundred and Eight One) equity shares of INR 10/- each, credited as fully paid-up of QDCPL for every 1000 (Thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Company and therefore resulting to the allotment of 7,80,000 (Seven Lakh Eighty Thousand) equity shares of INR 10/- each of QDCPL being allotted against the 10,212 (Ten Thousand Two Hundred and Twelve) equity shares of INR 10/- each of Moviebuff be and are hereby approved.

RESOLVED FURTHER THAT the Company be and is hereby authorised to take further steps for finalizing the Scheme and obtaining the requisite approvals of the shareholders and/or the creditors of the Company, and any other regulatory authorities and others concerned, whose

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consent is required under law for the implementation of the Scheme and for that purpose to initiate all necessary actions including seeking appropriate directions from the NCLT bench at Chennai, for convening, holding and conducting the class meetings of the equity shareholders and/or the creditors of the Company and to take other consequential steps in that behalf, including the preparation and circulation of the notices and explanatory statements (including the petition), filing of all other documents required to be filed in this connection and for such other directions as the NCLT bench at Chennai, may deem fit and proper and for seeking their approval for the proposed Scheme.

RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to the execution, delivery and performance by the Company to the implementation agreement proposed to be executed amongst UFO, UFO Promoters (as detailed under the definition Unicorn Promoters in the Implementation Agreement), PJSA QCTPL, QCTPL Promoters (as defined in the Scheme), QDCPL, IDBI Trusteeship Services Limited acting in its capacity as the Trustee of India Advantage Fund S4 acting through its Investment Manager ICICI Venture Funds Management Company Limited ("Iven"), Nomura Asia Investment (MB) Pte Ltd.("Nomura"), Intel Capital Corporation ("Intel"), CSI BD (Mauritius) ("CSI"), StreetEdge Capital LP, ("SE") and the Company ("**Implementation Agreement**"), and the warranty and indemnity agreement proposed to be executed amongst UFO, QCTPL, QCTPL Promoters (as defined in the Scheme), QDCPLIven, and the Company ("**Warranty and Indemnity Agreement**"), drafts of which were tabled before the Board and initialled by Mr. V. Senthil Kumar, Chairman of the Meting for identification, and all ancillary and related documents thereto. .

RESOLVED FURTHER THAT the draft certificate received from **M/s. CNGSN & Associates, LLP, Chennai** the Company's auditor as required under Section 232(3) of the Act, to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act, as placed before the Board and duly initialled by Mr. V. Senthil Kumar, Chairman of the Meeting, for the purpose of identification, be and is hereby accepted and approved.

RESOLVED FURTHER THAT Mr. P. Jayendra, Mr. V. Senthil Kumar and Mr. Harsh Rohatgi, Directors, be and are hereby severally and/or jointly authorized to negotiate, finalize, execute and amend, as may be required, the Implementation Agreement and the Warranty and Indemnity Agreement, on behalf of the Company and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Implementation Agreement and the Warranty and Indemnity Agreement.

RESOLVED FURTHER THAT Mr. P. Jayendra, Mr. V. Senthil Kumar, and Mr. Harsh Rohatgi, Directors, be and are hereby ***severally*** and/or ***jointly*** authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all functions which the Board is authorisedto, in connection with the matters approved herein, including, *inter alia*:

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(a) to do and to perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the delivery and performance of the Implementation Agreement, the Warranty and Indemnity Agreement, the implementation of the Scheme and upon sanction of the Scheme by, amongst others, the NCLT and/or any other regulatory/ governmental authority, to implement and to make the Scheme effective, without any further approval of the Board;

(b) to assent to and approve any alteration or modification to the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme which the NCLT and/or any other regulatory/ governmental authority may require or suggest or deem fit to impose;

(c) to make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(d) to give such directions as they may consider necessary or advisable to settle any question or difficulty arising under the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or in regard to the meaning or interpretation of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme and if necessary, to waive any of those (to the extent permissible under law);

(e) to approve and authorize execution of any agreements, deeds, documents, declarations, writings, etc., (including any alterations or modifications in the documents executed or to be executed), whether or not under the common seal of the Company, as may be required from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(f) to make such applications to governmental authorities as may be required from time to time, in connection with the Implementation Agreement, the Warranty and Indemnity Agreement or the Scheme;

(g) to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, the NCLT, and/or any other authority, are in their view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto; and

(h) to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/ conveyance and any other deeds, documents, schemes, agreements, forms,

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returns, applications, letters, etc. including any modifications thereto, in each case as may be approved by such directors and/or officers, whether or not under the common seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.

(i) sign, file, submit or present the Scheme and related applications, supplementary applications, documents, replies in connection with the Scheme to any regulatory or statutory or governmental authority, as may be required in terms of the applicable laws and regulations for obtaining approval to the Scheme;

(j) sign, file, submit or present the Scheme or the transaction documents and related applications, petitions, supplementary applications/ petitions, summons, deeds, documents, instruments, rejoinders, replies and to swear affidavits or execute bonds for the proposed consolidation, appear (in person or through a representative) before the NCLT or at the offices of the relevant Registrar of Companies, the Regional Director, Department of Company Affairs, or before any other authority or person in connection with the proposed transaction and to do any other act, deed or thing which may be ancillary or incidental to the proposed Scheme or which may otherwise be required for giving effect to any of the provisions contained in the Scheme, the Implementation Agreement or the Warranty and Indemnity Agreement;

(k) make, prepare, review, amend, execute, swear, declare and register all declarations, affidavits, applications, filings, letters, undertakings, papers and writings as may be required, necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government(s) and / or any other authorities, including but not limited to courts, RBI, Municipal authorities, Registrar of Companies, Sub-Registrar of Assurances, relevant special economic zone unit approval committees, telephone authorities, electricity authorities, postal authorities, and such other applicable authorities or agencies, etc., and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above;

(l) suitably inform, apply and/ or represent to the Central and/ or State Government(s) and/ or local authorities, including but not limited to SEBI, RBI, Sub-Registrar of Assurances, Customs Authorities, Goods and Service Tax authorities, Income Tax Authorities, Employees' State Insurance and Provident Fund Authorities, telephone authorities, electricity authorities, postal authorities, and all other applicable authorities, agencies, etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memoranda, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub-Registrar of Assurances;

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(m) seek directions from the NCLT for convening meetings of the shareholders and/ or creditors for approving the Scheme and to sign and file undertakings and other documents as may be necessary in this regard;

(n) finalise and issue the notices for convening the meetings of the shareholders and/ or creditors together with the explanatory statement thereto under Section 232 of the Act in terms of the directions of the NCLT and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the NCLT or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme;

(o) take all steps for obtaining approvals and/or consents of the shareholders of the Company, banks, financial institutions and other authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf;

(p) liaise with the depositories and enter into any documents as may be required to give effect to the Scheme and do such other things as may be required in this behalf;

(q) consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent/required to be sent to the concerned authorities on behalf of the Company;

(r) sign, declare and file on behalf of the Company all necessary documents including, but not limited to, authorisation, vakalatnamas, affidavits, pleadings, reports and issue public advertisements and notices and to do all acts incidental and necessary for the above purposes;

(s) appoint solicitors, advocates, attorneys, pleaders, advisors, valuers, merchant bankers, auditors, accountants, registrars or any other one or more agencies or expert advisors, as may be required in relation to or in connection with the Scheme and matters related thereto, on such terms and conditions as they may deem fit and to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings, vakalatnamas and other related documents in favour of the concerned authorities, advocates, etc. as may be necessary in this regard;

(t) incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them;

(u) appoint one or more attorney(s)/ representatives and delegate to them any or all of the powers or functions entrusted to them under this resolution, as well as to revoke, remove such persons and to appoint any other person(s) from time to time to act on their behalf; and

(v) to do all such other acts, matters, deeds and things as may be necessary or desirable in connection with or incidental to giving effect to the above or to otherwise give effect to the Scheme, Implementation Agreement, the Warranty and Indemnity Agreement and matters

MOVIEBUFF PVT. LTD. CHENNAI

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
Regd. Office: 42, Dr. Ranga Road, Mylapore, Chennai 600 004
CIN: U22300TN1996PTC036847
E-mail: divya.venkat@qubecinema.com

related thereto.

RESOLVED FURTHER THAT subject to the directions of the NCLT bench at Chennai the Company do appoint Mr. P. Jayendra, or failing him Mr. V. Senthil Kumar or such other person as may be directed by the NCLT bench at Chennai as Chairman of the tribunal convened meetings of the shareholders and/or creditors of the Company in relation to the Scheme.

RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any of, Mr. P. Jayendra, Mr. V. Senthil Kumar and Mr. Harsh Rohatgi be furnished to all concerned as may be necessary.

Certified True Copy

For **MOVIEBUFF PVT. LTD.**

MOVIEBUFF PVT. LTD. CHENNAI

V. Senthil Kumar
Director
DIN: 00320535

Annexure 1(d)

UFO digital cinema

CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF UFO MOVIEZ INDIA LIMITED AT ITS MEETING HELD ON 1ST NOVEMBER, 2017 AT MUMBAI

"**RESOLVED THAT** pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and subject to the requisite approval of the shareholders and creditors of the Company and subject to other requisite approvals (as may be necessary) being obtained, the consent of the Board of Directors be and is hereby accorded to the composite scheme of Arrangement and Amalgamation between the Company, Qube Cinema Technologies Private Limited ("QCTPL"), Qube Digital Cinema Private Limited ("QDCPL"), Moviebuff Private Limited ("MPL") and PJSA Technosoft Pvt. Limited ("PJSA") and their respective shareholders and creditors (the "**Scheme**"), as placed before this Board, which provides for the demerger of the QCTPL Business of QCTPL into QDCPL, merger of MPL into QDCPL, purchase of QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamation of QDCPL with the Company and thereafter slump sale of the IP Business from the Company into PJSA pursuant to this Scheme.

RESOLVED FURTHER THAT the draft Scheme, as recommended by the Audit and Risk Management Committee of the Board, placed before the Board and initialled by the Chairman of the meeting for the purposes of identification, be and is hereby approved.

RESOLVED FURTHER THAT appointment of AZB & Partners, Advocates & Solicitors as the legal advisors and legal counsel, to advise and act for the Company in relation to the Scheme thereon be and is hereby ratified.

RESOLVED FURTHER THAT appointment of Walker Chandiok & Co. LLP by the management for working out and recommending the share exchange ratio of shares to be issued in consideration of the proposed amalgamation of QDCPL (post demerger of the Demerged Undertaking 2 (*as defined in the Scheme*) from QCTPL into QDCPL and merger of MPL into QDCPL) with the Company and the net asset value of the Transferred Undertaking as on September 30, 2017 (with respect to the slump sale of the IP Business 2 (*as defined in the Scheme*) from UFO to PJSA, post merger of QDCPL into UFO) and appointment of Axis Capital Limited by the management for giving their fairness opinion thereon be and is hereby ratified.

RESOLVED FURTHER THAT the valuation reports dated November 1, 2017 of Walker Chandiok & Co. LLP and the Fairness Opinion dated November 1, 2017 of Axis Capital Limited be and are hereby accepted and approved."

RESOLVED FURTHER THAT upon coming into effect of this Scheme, the QDCPL Sale Shares acquired in QDCPL and held by the Company on the Effective Date 2 (*as defined in the Scheme*) shall be extinguished or shall be deemed to be extinguished and all such QDCPL Sale Shares held by the Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed.

RESOLVED FURTHER THAT the share exchange ratio for the Scheme as recommended by Walker Chandiok & Co. be and is hereby accepted and approved and in terms of the Scheme and upon the same coming into effect, the consideration for the amalgamation be discharged by the Company by way of issue and allotment to the equity shareholders of QDCPL, 13 new equity shares of Rs. 10 /- each of the Company credited as fully paid up for every 17 equity

UFO digital cinema

share of Rs. 10 /- each of QDCPL held by them in the capital of QDCPL as on the QDCPL Merger Record Date (*as defined in the Scheme*).

RESOLVED FURTHER THAT the consideration, for the transfer and vesting of the Transferred Undertaking (*as defined in the Scheme*) from the Company to PJSA, being an aggregate lump sum amount of Rs. 235 Mn, subject to any adjustment as on the Effective Date 3 (*as defined in the Scheme*), based on the net asset value of the Transferred Undertaking as on September 30, 2017, which shall be discharged by PJSA by issuing and allotting to the Company equity shares of INR 10/- each fully paid up of PJSA, be and is hereby accepted and approved.

RESOLVED FURTHER THAT for the purposes of the SEBI Circular read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate dated November 1, 2017 issued by M/s. S.R. Batliboi and Associates LLP, statutory auditors of the Company certifying the accounting treatment contained in the draft Scheme is in compliance with all accounting standards, as placed before the Board, and initialled by the Chairman for the purposes of identification, be and is hereby accepted and approved.

RESOLVED FURTHER THAT in the opinion of the Board, the draft Scheme will be of advantage and be beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT Mr. Sanjay Gaikwad, Managing Director, Mr. Kapil Agarwal, Joint Managing Director , Mr. Ameya Hete, Director and Mr. Varun Laul, Directors hall constitute a committee ("**Scheme Implementation Committee**") and that the Scheme Implementation Committee be and is hereby severally authorized to make and agree to such modifications or alterations or amendments to the draft Scheme which do not amount to a material change to the substance of the Scheme and which (a) may otherwise be considered necessary, desirable, expedient or appropriate; or (b) may be necessary to comply with any conditions or limitations that any regulatory authorities (including but not limited to the relevant stock exchanges, the Securities and Exchange Board of India ("**SEBI**"), and the National Company Law Tribunal ("**Tribunal**")) may deem fit to direct or impose; or (c) may finalise, approve and issue the Notice of the Tribunal convened meeting of shareholders and creditors (if required) along with the Explanatory Statement thereto as may be directed by the Tribunal ((including the applicable information pertaining to the unlisted entity/ies involved in the Scheme in the format specified for abridged prospectus as provided in Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009); or (d) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (e) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT (i) Mr. Sanjay Gaikwad, Managing Director; (ii) Mr. Kapil Agarwal, Joint Managing Director; (iii) Mr. Rajesh Mishra, CEO, Indian Operations; (iv) Mr. Ashish Malushte, CFO; (v) Mr. Sushil Agrawal, Chief, Corporate Affairs; (vi) Mr. Praveen Sugandh, Senior Vice President - Ad Sales (North & East Region); and (vii) Mr. Praveen Pahuja, Senior Vice President, Enterprise Sales (North & East) ("**Authorized Persons**"), be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any local or foreign governmental or regulatory authorities (including but not limited to the relevant stock exchanges, the Securities and Exchange Board of India ("**SEBI**"), and the National Company Law Tribunal ("**Tribunal**")) in connection with the Scheme (collectively the "**Approvals**")

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and the Authorised Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all steps necessary in connection with the following:-

(a) Making appropriate applications, filings and (as applicable) to notify, obtain no-objection/ observation letter or approval from and/or represent before the relevant stock exchanges, SEBI, Registrar of Companies, Ministry of Corporate Affairs, RBI, Official Liquidator, Regional Director, Income Tax authorities or any other regulatory authority(ies), in India or abroad, for approval and for the purpose of carrying into effect the Scheme;

(b) Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the Tribunal or such other competent authority(ies) seeking directions as to convening / asking for dispensation of the meetings of the shareholders of the Company as may considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;

(c) Convening and conducting of shareholders meetings as may be directed by the Tribunal;

(d) Filing of petitions, if required, for confirmation and sanction of the Scheme by the Tribunal or such other competent authority(ies);

(e) Engaging and instructing advocates and if considered necessary, also engage services of counsel(s), legal experts and other concerned authority(ies), to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports, and sign and issue public advertisements and notices;

(f) Obtaining approval for the implementation and consummation of the Scheme from and represent before the relevant stock exchanges, SEBI, Tribunal, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Official Liquidator, Income Tax authorities and all such other authorities and parties including the shareholders, bankers, financial institution(s), etc. as may be considered necessary;

(g) Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the Tribunal or any other appropriate authority, as may be required;

(h) Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other

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adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;

(i) Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;

(j) Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;

(k) Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions (including but not limited to from the Tribunal and for this purpose, to appear in person and/or represent the Company before the Tribunal or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the Tribunal or any other authority;

(l) Incur such expenses as may be necessary in relation to the above or the transaction;

(m) Taking all procedural steps for having the Scheme sanctioned by the Tribunal including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and

(n) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto."

RESOLVED FURTHER THAT the Company hereby appoints BSE Limited as the Designated Stock Exchange for all its communications with SEBI for the purpose of seeking necessary approval to the Scheme."

Certified to be true

For **UFO Moviez India Limited**

S S Chavan

Sameer Chavan
Company Secretary

Annexure - 2

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

BETWEEN

UFO MOVIEZ INDIA LIMITED

AND

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

AND

QUBE DIGITAL CINEMA PRIVATE LIMITED

AND

MOVIEBUFF PRIVATE LIMITED

AND

PJSA TECHNOSOFT PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 230 TO 232 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013)

Certified True Copy
For UFO Moviez India Limited

S. S Chavan

Company Secretary

PREAMBLE

This Composite Scheme of Arrangement and Amalgamation ("**Scheme**") is presented pursuant to the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Sections 2(19AA), 2(1B), Section 2(42C) and other relevant provisions of the Income-Tax Act, 1961, as applicable for the:

(i) Demerger of the Demerged Undertaking (*more particularly defined hereinafter*) of Qube Cinema Technologies Private Limited ("**QCTPL**" or "**Demerged Company**") into Qube Digital Cinema Private Limited ("**QDCPL**" or "**Resulting Company**") on a going concern basis;

(ii) Amalgamation of Moviebuff Private Limited ("**MPL**" or "**Transferor Company 1**" into QDCPL ("**Transferee Company 1**") and consequent dissolution of MPL without winding up;

(iii) Amalgamation of QDCPL ("**Transferor Company 2**") into UFO Moviez India Limited ("**UFO**" or "**Transferee Company 2**") and consequent dissolution of QDCPL without winding up; and

(iv) Slump Sale of the Transferred Undertaking (*more particularly defined hereinafter*) of UFO ("**Transferor Company 3**") into PJSA Technosoft Private Limited ("**PJSA**" or "**Transferee Company 3**").

(A) DESCRIPTION OF THE COMPANIES

1. QCTPL is a private limited company incorporated on January 1, 1986 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600 004. QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

2. QDCPL is a private limited company incorporated on October 11, 2017 under the Companies Act, 2013 and its registered office is situated at 42, Dr. Ranga

UFO MOVIEZ INDIA LIMITED

Road, Mylapore, Chennai 600 004. QDCPL will be engaged in the same business as that of QCTPL i.e. providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

3. MPL is a private limited company incorporated on November 4, 1996 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600 004. MPL is engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.

4. UFO is a public limited company incorporated on June 14, 2004 under the Companies Act, 1956 and its registered office is situated at Valuable Techno Park, Plot No 53/1, Road No 7, Marol MIDC, Andheri East, Mumbai – 400 093. The equity shares of UFO are listed on BSE Limited and National Stock Exchange of India Limited. UFO is engaged in the business of digital cinema distribution, in-cinema advertising and electronic ticketing.

5. PJSA is a private limited company incorporated on October 17, 2017 under the Companies Act, 2013 and its registered office is situated at 2602, Wing C, Oberoi Splendor, Opp. Majas Depot, JVLR, Andheri East, Mumbai – 400 060. PJSA will be engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

(B) RATIONALE AND PURPOSE OF THE SCHEME

1. QCTPL and UFO are engaged in similar business. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, QCTPL and UFO believe that the proposed consolidation of the QCTPL Business (*more particularly defined hereinafter*) with UFO will lead to robust growth opportunities in India and globally.

2. UFO has developed an efficient satellite delivery mechanism for delivery of content into theatres using MPEG4 technology. QCTPL, on the other hand, uses MPEG2 technology and has also developed its own DCI compliant servers. The resultant entity will thus have all the complementary technologies

UFO MOVIEZ INDIA LIMITED

at its disposal and will be in a position to offer its clients a comprehensive bouquet of services. Additionally, based on evaluation of technologies, the resultant entity will be able to use best features of these technologies for growth of its business in a competitive manner.

3. Neither QCTPL nor UFO is currently able to provide a comprehensive advertising solution to its clients across the length and breadth of the country.

4. While QCTPL has a very strong presence in southern regions of India, UFO has a higher number of its screens in northern regions with reasonable presence in southern regions of India. Thus, the proposed restructuring will ensure an all India presence for the combined entity thereby facilitating provision of a wholesome offering across the country to its advertising clients. This will help in substantial growth of the advertising business for the resultant entity.

5. Further, this Scheme would bring about synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances will be unified.

6. This Scheme will facilitate exit of private equity investors from the QCTPL Business who have stayed invested in QCTPL for a long time. The private equity investors will continue to remain invested in the Studio DPS Business (*more particularly defined hereinafter*) of QCTPL.

7. This Scheme will provide an opportunity to employees and shareholders of QCTPL to become part of a listed entity.

8. The resultant entity will be able to provide better and more efficient and comprehensive services to all the stakeholders of the industry such as exhibitors, distributors, advertisers etc.

9. As part of this Scheme, all businesses of QCTPL which are synergic with UFO will be demerged into QDCPL, a company owned by QCTPL Promoter 1 and his relative, leaving behind businesses in QCTPL that are not synergic or have limited growth potential. Further, it is also proposed to merge MPL, a

UFO MOVIEZ INDIA LIMITED

company controlled by QCTPL Promoters and which holds various intellectual properties, into QDCPL, thereby consolidating and combining the businesses of QCTPL and MPL in QDCPL. QDCPL will then be merged with UFO.

10. QCTPL has developed certain new software, technologies and processes ("**QCTPL Products**") which are currently in the process of commercialization. UFO, in addition to its screen network in India, also has a network of screens overseas. QCTPL Products have global application and the combined network post amalgamation will allow faster monetization of QCTPL Products not only in India but overseas as well. Post merger of QDCPL into UFO, the business relating to the QCTPL Products i.e. IP Business (*more particularly defined hereinafter*) will be hived off into PJSA, a wholly subsidiary of UFO, thereby creating a pure technology play. The IP Business derives value significantly from the technical expertise and talent of the QCTPL Promoters. Further, synergies will be derived from such talent acquisitions pursuant to the Scheme. Accordingly, the continual support of the QCTPL Promoters would be required upon implementation of the Scheme for the technology aspects. This will also facilitate hiring of relevant technical talent which is a challenge currently for both QCTPL and UFO.

Thus, with the aforesaid objectives, it is proposed to demerge the QCTPL Business of QCTPL into QDCPL, merge MPL into QDCPL, undertake the purchase of the QDCPL Sale Shares (*more particularly defined hereinafter*) of the Sellers (*more particularly defined hereinafter*) who no longer wish to participate in the QCTPL Business, amalgamate QDCPL with UFO and thereafter slump sale the IP Business from UFO into PJSA pursuant to this composite Scheme. For the avoidance of any doubt, it is stated that each of the aforesaid transactions form an integral and indivisible part of this composite Scheme and the said transactions shall be deemed to occur in the sequence set out in Para (D) herein below and none of the said transactions shall be considered to be consummated, unless each of the other transactions are also consummated and this Scheme is approved by the SEBI, the Stock Exchanges and the NCLTs, as the case may be.

UFO MOVIEZ INDIA LIMITED

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(C) OVERVIEW OF THIS SCHEME

For the sake of convenience, the Scheme is divided into the following parts –

PART I – Definitions and Share Capital;

PART II – Demerger of QCTPL Business from QCTPL into QDCPL;

PART III – Amalgamation of MPL into QDCPL;

PART IV – Amalgamation of QDCPL into UFO;

PART V – Slump Sale of IP Business from UFO to PJSA;

PART VI - General Terms and Conditions.

Part II, III, IV and V of the Scheme are interdependent and not severable. Each part shall be deemed to have taken effect as per the chronology specifically provided for in the Scheme.

(D) EFFECTIVENESS OF THE SCHEME

The various parts of the Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLTs, Stock Exchanges, SEBI or any other Governmental Authorities shall be deemed to have given effect to as per the following chronology and sequence:

i) With effect from the Appointed Date 1, Part II (relating to demerger of the QCTPL Undertaking of QCTPL into QDCPL) and Part III of the Scheme (relating to amalgamation of MPL into QDCPL) shall be deemed to have been operative from the Effective Date 1;

ii) With effect from the Appointed Date 2, Part IV of the Scheme (relating to amalgamation of QDCPL into UFO) shall be deemed to have been operative from the Effective Date 2; and

iii) With effect from the Appointed Date 3, Part V of the Scheme (relating to slump sale of the Transferred Undertaking of UFO into PJSA) shall be deemed to have been operative from the Effective Date 3.

Notwithstanding any other provisions of this Scheme, it is specified that none of the transactions contemplated under this Scheme i.e., demerger of the QCTPL Undertaking of QCTPL into QDCPL, amalgamation of MPL into QDCPL, purchase of the QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamation of QDCPL with UFO and slump sale of Transferred Undertaking of UFO into PJSA, shall be considered to be consummated, unless each of the other transactions are also consummated and this Scheme is approved by the SEBI, the Stock Exchanges and the NCLTs, as the case may be. It is expressly clarified that it is the intention of QCTPL, QDCPL, MPL, PJSA and UFO that each of the transactions contemplated under Part II, Part III, Part IV and Part V of the Scheme constitute a single transaction and the Scheme shall be implemented only if the Scheme is approved in its entirety.

(E) TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME-TAX ACT, 1961

1. The provisions of Part II of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-Tax Act, 1961. If any of the terms or provisions of Part II of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-Tax Act, 1961. Such modifications will however not affect other parts of the Scheme.

2. Part III and IV of the Scheme have been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-Tax Act 1961. If any of the terms or provisions of Part III and/ or IV of the Scheme is/are found or interpreted to be inconsistent with the provisions

of Section 2(1B) of the Income-Tax Act 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income-Tax Act 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the provisions of Section 2(1B) of the Income-Tax Act 1961. Such modification will however not affect other parts of the Scheme.

3. Part V of the Scheme has been drawn up to comply with the conditions relating to "Slump Sale" as specified under Section 2(42C) of the Income-Tax Act 1961. If any of the terms or provisions of Part VI of the Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(42C) of the Income-Tax Act 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(42C) of the Income-Tax Act 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the provisions of Section 2(42C) of the Income-Tax Act 1961. Such modification will however not affect other parts of the Scheme.

PART I: DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

1.1 **"Act"** means the Companies Act, 2013 and any rules, regulations, circulars or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof.

1.2 **"Applicable Law"** includes all statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, Governmental Approvals regulations thereof, notifications, guidelines required to be followed, directions, directives and orders of any Governmental Authority as may be applicable to the relevant Party.

1.3 **"Appointed Date 1"** means Effective Date 1, being the date with effect from which Part II and Part III of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.

1.4 **"Appointed Date 2"** means Effective Date 2, being the date with effect from which Part IV of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.

1.5 **"Appointed Date 3"** means Effective Date 3, being the date with effect from which Part V of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.

1.6 **"Board of Directors"** means the Board of Directors of QCTPL, QDCPL, MPL, PJSA and/or UFO, as the context may require, and includes committees of the Board (if any) constituted for the implementation of this Scheme.

1.7 **"Business"** means the QCTPL Business and Studio DPS Business.

1.8 "**Business Day**" means any day other than a Saturday, Sunday or any day on which banks in Mumbai, Chennai, Singapore, Mauritius or Delaware are permitted to be closed.

1.9 "**Consent**" means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person.

1.10 **"Demerged Company"** means QCTPL.

1.11 "**Demerger Record Date**" means the date to be mutually fixed by the Board of Directors of QDCPL and QCTPL, for the purpose of determining the shareholders of QCTPL to whom shares of QDCPL shall be issued in consideration for the demerger of the QCTPL Undertaking into QDCPL pursuant to and as contemplated under Part II of this Scheme.

1.12 "**Demerger Share Entitlement Ratio**" means the ratio in which the QDCPL Demerger Shares shall be issued to the shareholders of QCTPL as on the Demerger Record Date as specified under Clause 5.1.

1.13 "**Effective Date 1**" means the date which is the later of (i) the date on which the certified copies of the last of the NCLT Order(s) is filed with the relevant RoC; and (ii) 2 (two) Business Days from the date on which the final approval to the Scheme from the Stock Exchanges and SEBI is obtained. Reference in this Scheme to 'upon Part II of the Scheme becoming effective" or "upon Part III of the Scheme becoming effective" shall mean the Effective Date 1.

1.14 "**Effective Date 2**" means 1 (one) calendar day after the completion of the sale and purchase of the QDCPL Sale Shares in the manner as mutually agreed between the Sellers, UFO and New Investor. Reference in this Scheme to 'upon Part IV of the Scheme becoming effective" shall mean the Effective Date 2.

1.15 "**Effective Date 3**" means 1 (one) calendar day after the Effective Date 2. Reference in this Scheme to "upon Part V of the Scheme becoming effective" shall mean the Effective Date 3.

1.16 "**Encumbrance**" means any mortgage, pledge, hypothecation, non-disposal undertaking, escrow, charge, lien or other security interest or encumbrance of any kind securing any obligation of any Person, any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law), option, pre-emptive right, proxy, voting agreement, right of first offer, first last or other refusal right, or transfer restriction in favor of any Person, beneficial ownership, adverse claim, title retention agreement, conditional sale agreement, any provisional, conditional or executional attachment, trust (other title exception of whatsoever nature), or any agreement to create any of the foregoing and the term "Encumber" shall be construed accordingly.

1.17 **"Governmental Approvals"** means any Consent of any Governmental Authority.

1.18 **"Governmental Authority"** means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over QCTPL, QDCPL, MPL, PJSA and/ or UFO, as the context may require.

1.19 "**IP Business**" means the divisions, undertakings, businesses, activities and operations of UFO relating to the development and commercial exploitation of the intellectual property rights underlying the QCTPL Products set out in **Schedule I** (as transferred to UFO pursuant to the merger of QDCPL into UFO under Part IV of this Scheme).

1.20 **"IT Act"** means the Indian Income-Tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.

1.21 **"NCLT"** means, collectively, the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to UFO and PJSA and National Company Law Tribunal, Chennai Bench, having jurisdiction in relation to QCTPL, QDCPL and MPL as applicable or such other forum or authority as may be vested with any of the powers for approving any scheme of arrangement, compromise or reconstruction of a company under Section 230 to 234 of the Act of the above mentioned tribunals under the Act.

1.22 **"NCLT Order(s)"** means all orders passed by the NCLT sanctioning the Scheme and includes any orders passed by NCLT or any other Governmental Authority's order(s) for extension of time or condonation of delay in filing of the requisite forms with the relevant Registrar of Companies in relation to this Scheme, if applicable.

1.23 **"New Investor"** shall have the meaning ascribed to such term in Clause 24.1 of this Scheme.

1.24 **"Person"** means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body.

1.25 "**MPL Business**" means the divisions, undertakings, businesses, activities and operations of MPL relating to operation of a backend platform for curating and playing back customised template messages as per viewer choices based on customer chosen schedules on chosen front-end playback devices and marketing the offering directly to end customers or through chosen channels and platforms.

1.26 "**MPL Merger Record Date**" means the date to be mutually fixed by the Board of Directors of QDCPL and MPL, for the purpose of determining the shareholders of MPL to whom shares shall be issued in consideration for the merger of MPL into QDCPL pursuant to and as contemplated under Part III of this Scheme.

1.27 "**MPL Merger Share Entitlement Ratio**" means the ratio in which the QDCPL Merger Shares shall be issued to the shareholders of MPL as on the MPL Merger Record Date as specified under Clause 20.1.

1.28 **"MPL Undertaking"** means MPL and includes all the undertaking and the entire MPL Business as a going concern as of the Appointed Date 1, including all its assets, investments, rights, approvals, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees including, but not in any way limited to, the following:

a) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, capital advances, rental deposits, telephone deposits, investment (including in subsidiaries, associates, joint venture, whether in India or abroad), prepaid expenses, staff advances, rebates, outstanding loans

and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

b) all permits, licences, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto.

c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.

d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies,

technical knowhow, confidential information and all such rights of whatsoever description and nature (including but not limited to "QUIPS", the intellectual property underlying the operation of a backend platform for dynamically creating and playing back customised content at scheduled times).

e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by MPL and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by MPL.

f) all the credits for taxes such as income tax, sales tax, service tax, CENVAT, Good and Service Tax (GST) including but not limited to tax deduction at source, MAT credit and advance tax of MPL.

g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form.

h) all debts, secured and unsecured, liabilities including contingent liabilities, duties, taxes and obligations of MPL of whatsoever kind, nature and description and howsoever arising, raised, incurred or

utilized; provided that: (1) any reference in the security documents or arrangements entered into by MPL and under which, the assets of MPL stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that MPL Undertaking of MPL only as are vested in QDCPL by virtue of the Scheme, and (2) the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by MPL which shall vest in QDCPL by virtue of the amalgamation and QDCPL shall not be obliged to create any further or additional security therefor after the Effective Date 1 or otherwise.

i) all employees of MPL employed as on the Effective Date 1.

j) all legal or other proceedings of whatsoever nature relating to MPL.

1.29 **"QCTPL Business"** means the divisions, undertakings, businesses, activities and operations of QCTPL relating to (i) manufacturing, sale and deployment of digital cinema equipment and providing support, content mastering, content delivery and key management services in connection therewith; (ii) operating platforms to enable digital rights management and dissemination of digital cinema content; (iii) acquisition and marketing of cinema advertising rights and providing content mastering, dissemination, scheduling and management services in connection therewith; (iv) sale and distribution of software and hardware for audio/video post-production and broadcast and providing associated services; and (v) exploiting all commercial opportunities that may be available based on the deployment and use of the intellectual properties set out in **Schedule I**. The QCTPL Business does not include the Studio DPS Business.

1.30 "**QCTPL Eligible Employees**" shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.

1.31 "**QCTPL ESOPs**" means the employee stock options issued to the employees of QCTPL employed/engaged in the QCTPL Undertaking as on the Effective Date 1, pursuant to the QCTPL ESOP Scheme.

1.32 "**QCTPL ESOP Scheme**" means the (i) ESOP 2006 Scheme of QCTPL consisting of 300,000 QCTPL ESOPs granted and vested with an exercise price of Rs.10/- per QCTPL ESOP; and (ii) ESOP 2012 Scheme of QCTPL consisting of net 75,000 QCTPL ESOPs (after extinguishing 225,000 QCTPL ESOPs which have not been granted) with an exercise price of Rs.130/- per QCTPL ESOP of which 50,000 QCTPL ESOPs have been granted and vested, and 25,000 ESOPs have been granted and vesting is pending.

1.33 **"QCTPL Undertaking"** or **"Demerged Undertaking"** means the whole of the undertaking and the entire QCTPL Business, including all its assets, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the QCTPL Business on a going concern basis as of the Appointed Date 1 including, but not in any way limited to, the following:

a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, structures, workshop, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used for the purpose of and in relation to the QCTPL Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties (including, without limitation, the immovable properties of QCTPL, a list of which has been specifically set out in **Schedule II**).

b) all assets, as are movable in nature pertaining to and in relation to the QCTPL Business, whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, investment

(including in QCTPL Subsidiaries, associates, joint venture, whether in India or abroad), outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

c) all permits, licenses, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the QCTPL Business.

d) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the QCTPL Business.

e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names,

service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the QCTPL Business (including but not limited to the intellectual properties set out in **Schedule I**).

f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by QCTPL pertaining to or in connection with the QCTPL Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by QCTPL and pertaining to the QCTPL Business.

g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the QCTPL Business; and

h) all debts, liabilities, duties, taxes and obligations of QCTPL pertaining to the QCTPL Business, namely:

1. The debts of QCTPL which arises out of the activities or operations of the QCTPL Business;

2. Specific loans and borrowings raised, incurred and utilized for the activities or operations of or pertaining to QCTPL Business; and

3. General and multipurpose borrowings of QCTPL shall be allocated to QCTPL Business in same proportion which the value of assets transferred under this Scheme bears to the total value of assets of QCTPL.

i) all employees of QCTPL employed/engaged in the QCTPL Business as on the Effective Date 1.

j) all legal or other proceedings of whatsoever nature relating to the QCTPL Business.

Explanation:

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the QCTPL Business or whether it arises out of the activities or operations of the QCTPL Business, the same shall be decided by mutual agreement between the Board of Directors of QCTPL, QDCPL and UFO.

1.34 "**QCTPL Promoters**" means QCTPL Promoter 1 and QCTPL Promoter 2.

1.35 "**QCTPL Promoter 1**" means V Senthil Kumar.

1.36 "**QCTPL Promoter 2**" means Jayendra Panchapakesan.

1.37 "**QCTPL Subsidiaries**" means the subsidiaries of QCTPL including Justickets Private Limited and Qube Cinema Inc., USA.

1.38 "**QDCPL Demerger Shares**" means the equity shares to be issued by QDCPL to the shareholders of QCTPL (as on the Demerger Record Date) in

accordance with the Demerger Share Entitlement Ratio in consideration for the demerger of the QCTPL Undertaking pursuant to and as contemplated under Part II of this Scheme.

1.39 "**QDCPL Eligible Employees**" shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.

1.40 "**QDCPL ESOPs**" shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.

1.41 "**QDCPL ESOP Scheme**" shall have the meaning ascribed to such term in Clause 12.2 of this Scheme.

1.42 "**QDCPL Merger Record Date**" means the date to be mutually fixed by the Board of Directors of UFO and QDCPL , being any day after the Effective Date 2, for the purpose of determining the shareholders of QDCPL to whom shares shall be issued in consideration for the merger of QDCPL into UFO pursuant to and as contemplated under Part IV of this Scheme.

1.43 "**QDCPL Merger Shares**" means the equity shares to be issued by QDCPL to the shareholders of MPL (as on the MPL Merger Record Date) in accordance with the MPL Merger Share Entitlement Ratio in consideration for the merger of MPL into QDCPL pursuant to and as contemplated under Part III of this Scheme.

1.44 "**QDCPL Merger Share Entitlement Ratio**" means the ratio in which the UFO Merger Shares shall be issued to the shareholders of QDCPL as on the QDCPL Merger Record Date as specified under Clause 31.2.

1.45 "**QDCPL Sale Shares**" means 1,09,79,515 equity shares of QDCPL representing 53.20% of the total issued and paid up share capital of QDCPL on a fully diluted basis, after giving effect to Part II and Part III of this Scheme.

1.46 **"QDCPL Undertaking"** means QDCPL and includes all the undertaking and entire business of QDCPL as a going concern as of the Appointed Date 2

(including the QCTPL Undertaking and MPL Undertaking as transferred to QDCPL under Part II and Part III of this Scheme respectively), all its assets, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, obligations and employees including, but not in any way limited to, the following:

a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including leasehold improvements, offices, structures, workshop, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties (including, without limitation, the immovable properties of QDCPL, a list of which has been specifically set out in **Schedule II**).

b) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, capital advances, rental deposits, telephone deposits, investment (including in subsidiaries, associates, joint venture, whether in India or abroad), prepaid expenses, staff advances, rebates, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance

tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

c) all permits, licences, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto.

d) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder.

e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature (including but not limited to the intellectual properties set out in **Schedule I** and "QUIPS", the intellectual property underlying operation of a backend platform for dynamically creating and playing back customised content at scheduled times).

f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by QDCPL and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by QDCPL.

g) all the credits for taxes such as income tax, sales tax, service tax, CENVAT, Good and Service Tax (GST) including but not limited to tax deduction at source, MAT credit and advance tax of QDCPL.

h) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form.

i) all debts, secured and unsecured, liabilities including contingent liabilities, duties, taxes and obligations of QDCPL of whatsoever kind, nature and description and howsoever arising, raised, incurred or utilized; provided that: (1) any reference in the security documents or arrangements entered into by QDCPL and under which, the assets of QDCPL stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that QDCPL Undertaking of QDCPL only as are vested in UFO by virtue of the Scheme, and (2) the Scheme shall not

operate to enlarge the security for any loan, deposit or facility created by QDCPL which shall vest in UFO by virtue of the amalgamation and UFO shall not be obliged to create any further or additional security therefor after the Effective Date 2 or otherwise.

j) all employees of QDCPL employed as on the Effective Date 2.

k) all legal or other proceedings of whatsoever nature relating to QDCPL.

1.47 "**Registrar of Companies**" means the relevant Registrar of Companies, having jurisdiction over QCTPL, QDCPL, MPL, PJSA and UFO, as the case may be.

1.48 **"Resulting Company"** means QDCPL for the purposes of Part II of this Scheme.

1.49 "**Rupees**" or "**Rs.**" or "**INR**" means the lawful currency of India.

1.50 **"Scheme"** or **"the Scheme"** or "**this Scheme"** means this composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) approved or imposed or directed by the NCLT, Stock Exchanges, SEBI or any other Governmental Authorities.

1.51 "**SEBI**" means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

1.52 "**SEBI Circular**" means circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

1.53 "**SEBI ICDR Regulations**" means SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI including any amendments thereof from time to time.

1.54 "**Sellers**" means the collective reference to: (i) Nomura Asia Investment (MB) Pte. Ltd., (ii) CSI BD (Mauritius); (iii) Intel Capital Corporation; and (iv) Streetedge Capital LP, who are existing shareholders of QCTPL, and who will

own and hold the QDCPL Sale Shares, pursuant to and as contemplated under Part II of this Scheme.

1.55 "**Stock Exchanges**" shall mean BSE Limited and National Stock Exchange of India Limited collectively.

1.56 **"Studio DPS Business"** means business of QCTPL relating exclusively to the contracts as set out in **Schedule III** including all rights, interests and benefits, and all liabilities, debts, duties, taxes and obligations in relation to the same.

1.57 **"Transferred Undertaking"** means the whole of the undertaking and the entire IP Business, including all its assets, investments, rights, approvals, licenses and powers, and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the IP Business as of the Appointed Date 3 including, but not in any way limited to, the following:

a) all assets, as are movable in nature pertaining to and in relation to the IP Business, whether present or future or contingent, tangible or intangible, in possession or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants, actionable claims, current assets, earnest monies and sundry debtors, financial assets, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other Persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, GST credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds.

b) all permits, licenses, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions,

concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the IP Business.

c) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the IP Business.

d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the IP Business (including but not limited to the intellectual properties set out in **Schedule I**).

e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated

belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by UFO pertaining to or in connection with the IP Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by UFO and pertaining to the IP Business.

k) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the IP Business; and

l) all debts, liabilities, duties, taxes and obligations of UFO pertaining to the IP Business, namely:

1. The debts of UFO which arises out of the activities or operations of the IP Business;

2. Specific loans and borrowings raised, incurred and utilized for the activities or operations of or pertaining to IP Business; and

3. General and multipurpose borrowings of UFO shall be allocated to IP Business in same proportion which the value of assets transferred under this Scheme bears to the total value of assets of UFO.

m) all employees of UFO employed/engaged in the IP Business as on the Effective Date 3.

n) all legal or other proceedings of whatsoever nature relating to the IP Business.

Explanation:

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the IP Business or whether it arises out of the activities or operations of the IP Business, the same shall be decided by the Board of Directors of UFO.

1.58 **"Transferor Company 1"** means MPL for the purposes of Part III of this Scheme.

1.59 **"Transferor Company 2"** means QDCPL for the purposes of Part IV of this Scheme.

1.60 **"Transferor Company 3"** means UFO for the purposes of Part V of this Scheme.

1.61 **Transferee Company 1"** means QDCPL for the purposes of Part III of this Scheme.

1.62 **"Transferee Company 2"** means UFO for the purposes of Part IV of this Scheme.

1.63 **"Transferee Company 3"** means PJSA for the purposes of Part V of this Scheme.

1.64 "**UFO Business**" with respect to UFO means all the undertakings, businesses, divisions, activities and operations including their respective assets, properties and liabilities of UFO other than the Transferred Undertaking, for the purposes of Part V of this Scheme.

1.65 "**UFO ESOPs**" shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.

1.66 "**UFO ESOP Scheme**" shall have the meaning ascribed to such term in Clause 29.1 of this Scheme.

1.67 "**UFO Merger Shares**" means the equity shares to be issued by UFO to the shareholders of QDCPL as on the QDCPL Merger Record Date in accordance with the QDCPL Merger Share Entitlement Ratio in consideration for the amalgamation of QDCPL into UFO pursuant to and as contemplated under Part V of this Scheme.

2 INTERPRETATION

2.1 In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.

2.1.1 The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

2.1.2 All references in this Scheme to statutory provisions shall be construed as meaning and including references to:

(a) any statutory modification, consolidation or re-enactment made after the date of approval this Scheme by the Boards of QCTPL, QDCPL, MPL, PJSA and UFO and for the time being in force;

(b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

(c) all statutory instruments or orders made pursuant to a statutory provision; and

(d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

2.1.3 Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

2.1.4 Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.

2.1.5 References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.

2.1.6 Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.

2.1.7 Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

2.1.8 The words "include" and "including" are to be construed without limitation.

2.1.9 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3 SHARE CAPITAL

3.1 The share capital of QCTPL as on September 30, 2017 is as follows:

Particulars	Amount in INR
Authorised:	
16,500,000 Equity Shares of Rs. 10 each	165,000,000
7,500,000 Compulsorily Convertible Preference Shares of Rs. 10 each	75,000,000
Total	240,000,000
Issued, Subscribed and Paid-up:	
9,940,858 Equity Shares of Rs. 10 each fully paid up	99,408,580
7,443,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	74,436,110

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Total	173,844,690

3.2 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of QCTPL, there has been no change in the authorized, issued, subscribed and paid-up capital of QCTPL.

3.3 The share capital of QDCPL as on October 23, 2017 is as follows:

Particulars	**Amount in INR**
Authorised:	
10,000 Equity Shares of Rs. 10 each	100,000
Total	**100,000**
Issued, Subscribed and Paid-up:	
10,000 Equity Shares of Rs. 10 each fully paid up	100,000
Total	**100,000**

3.4 The entire issued, subscribed and paid up share capital of QDCPL is presently held by the QCTPL Promoter 1 and his relative.

3.5 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of QDCPL, there has been no change in the authorized, issued, subscribed and paid-up capital of QDCPL.

3.6 The share capital of MPL as on October 25, 2017 is as follows:

Particulars	**Amount in INR**
Authorised:	
850,000 Equity Shares of Rs. 10 each	8,500,000
Total	**8,500,000**

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Issued, Subscribed and Paid-up:	
10,212 Equity Shares of Rs. 10 each	1,02,120
Total	**1,02,120**

3.7 The QCTPL Promoters presently hold 66.66% of the issued, subscribed and paid up share capital of MPL.

3.8 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of MPL, there has been no change in the authorized, issued, subscribed and paid-up capital of MPL.

3.9 The share capital of UFO as on September 30, 2017 is as follows:

Particulars	**Amount in INR**
Authorised:	
45,000,000 Equity Shares of Rs. 10 each	450,000,000
1,385,000 Preference shares of Rs 1,000 each	1,385,000,000
Total	**1,835,000,000**
Issued, Subscribed and Paid-up:	
27,600,801 Equity Shares of Rs. 10 each	276,008,010
Total	**276,008,010**

3.10 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of UFO, there has been no change in the authorized, issued, subscribed and paid-up capital of UFO.

3.11 The share capital of PJSA as on the date of incorporation i.e. October 17, 2017 is as follows:

Particulars	Amount in INR
Authorised:	
10,000 Equity Shares of Rs. 10 each	100,000
Total	**100,000**
Issued, Subscribed and Paid-up:	
10,000 Equity Shares of Rs. 10 each	100,000
Total	**100,000**

3.12 The entire issued, subscribed and paid up share capital of PJSA is presently held by UFO and its nominees.

3.13 Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of PJSA, there has been no change in the authorized, issued, subscribed and paid-up capital of PJSA.

3.14 The unaudited financial position of QCTPL (standalone basis) as at September 30, 2017 is as under:

Particulars	Amount in Rs (Mn)
Net worth	2655.35
Turnover (Gross Sales)	1807.39
Current Assets	1728.00
Non-Current Assets	3525.74
Current Liabilities	1647.56
Non-Current Liabilities	950.84

3.15 The unaudited financial position of MPL as at June 30, 2017 is as under:

Particulars	Amount in Rs
Net worth	61859
Turnover (Gross Sales)	0
Current Assets	64719
Non-Current Assets	0
Current Liabilities	2860
Non-Current Liabilities	0

3.16 The unaudited financial position of UFO (consolidated basis) as at June 30, 2017 is as under:

Particulars	Amount in Rs Lacs
Net worth	41,912
Turnover (Gross Sales)	15,440
Current Assets	35,912
Non-Current Assets	37,587
Current Liabilities	22,511
Non-Current Liabilities	8449

PART II: DEMERGER OF QCTPL UNDERTAKING FROM QCTPL INTO QDCPL

4 TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF DEMERGED COMPANY

4.1 For the purpose of this Part II, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part II of the Scheme or effectiveness of Part II of the Scheme. This Part II of the Scheme shall come into operation from Effective Date 1.

4.2 Upon the coming into effect of this Scheme (prior to Part IV and Part V of this Scheme having taken effect) and with effect from the Appointed Date 1, the Demerged Undertaking shall stand transferred to and vested in and/ or deemed to be transferred to and vested in the Resulting Company, as the case may be, as a going concern in the following manner:

4.2.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, subject to the provisions of this Scheme, the Demerged Undertaking shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(19AA) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred on a going concern basis to and vested in and / or deemed to be transferred to and vested in the Resulting Company, so as to vest in the Resulting Company all the rights, title and interest pertaining to the Demerged Undertaking.

4.2.2 In respect of such of the assets of the Demerged Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Demerged Company to the Resulting Company, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company, absolutely and forever.

4.2.3 In respect of the movable assets other than those dealt with in Clause 4.2.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any Person so that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company. Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

4.2.4 All immovable properties of the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of QCTPL Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of law. The Resulting Company shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof. The Resulting Company shall subsequent to Scheme

becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Demerged Undertaking in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

4.2.5 All the other assets, rights, title, interests and investments of the Demerged Company in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.

4.2.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking, shall be transferred to and vested in the Resulting Company.

4.2.7 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, GST input credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.

4.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Resulting Company as successor in interest with

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respect to the Demerged Undertaking, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Resulting Company shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Demerged Undertaking.

4.2.9 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Demerged Company pertaining to the Demerged Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company and it shall not be necessary to obtain the Consent of any third party or other Person, who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.

4.2.10 The transfer and vesting of the Demerged Undertaking, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relatable to the Demerged Undertaking.

4.2.11 Resulting Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement pertaining to the Demerged Undertaking in relation to which Demerged Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

5 CONSIDERATION

5.1 Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the shareholders of the Demerged Company, whose names appear in the register of members as on the Demerger Record Date, fully paid up equity shares of the Resulting Company in the following share entitlement ratio (collectively the "**Demerger Share Entitlement Ratio**"):

*(i) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1(one) equity shares held in the Demerged Company of INR 10/- each, and (ii) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1 (one) Series A Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each; (iii) 1 (one) equity share of the Resulting Company of INR 10/- each for every 1 (one) Series B Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each; and (iv) 1.6386 (one point six thousand three hundred eighty six) equity shares of the Resulting Company of INR 10/- each for every 1 (one) Series C Preferred Shares (as defined in the articles of association of the Demerged Company) held in the Demerged Company of INR 10/- each ("**QDCPL Demerger Shares**").*

5.2 VSS & Co., Chartered Accountant has issued the report on the Demerger Share Entitlement Ratio adopted under the Scheme. The aforesaid report on the Demerger Share Entitlement Ratio has been duly considered by the Board of Directors of the Demerged Company and the Resulting Company.

5.3 The QDCPL Demerger Shares issued pursuant to Clause 5.1 above, shall be issued to the shareholders of the Demerged Company in demat form, that is, dematerialized shares.

5.4 The QDCPL Demerger Shares to be issued by the Resulting Company pursuant to Clause 5.1 above in respect of such equity shares of the Demerged

Company which are held in abeyance under the provisions of Section 126 of the Act (erstwhile Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance by the Resulting Company.

5.5 In case any shareholder's holding in Demerged Company is such that such shareholder becomes entitled to a fraction of an QDCPL Demerger Share, the Resulting Company shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

5.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Demerged Company, shall be empowered prior to or even subsequent to the Demerger Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Demerger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the QDCPL Demerger Shares issued by the Resulting Company after the Scheme is effected. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.

5.7 The QDCPL Demerger Shares issued and allotted by the Resulting Company, in terms of Clause 5.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the then existing equity shares of the Resulting Company. Further, the Resulting Company shall, if required, take all necessary steps for increase of authorized share capital for issue of QDCPL Demerger Shares pursuant to Clause 5.1 above.

5.8 It is clarified that upon the approval of this Scheme by the shareholders of the Demerged Company and Resulting Company under Sections 230 and 232 of

the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

6 CANCELLATION OF EXISTING EQUITY SHARE CAPITAL OF QDCPL AND EQUITY SHARES HELD BY CERTAIN SHAREHOLDERS OF QCTPL

6.1 Upon the Scheme becoming effective, the 2571, 790 and 790 equity shares of INR 10/- each held by Intel Capital Corporation, CSI BD (Mauritius) and Payone Enterprises Private Limited respectively in the Demerged Company shall stand cancelled and reduced without any consideration.

6.2 Upon the Scheme becoming effective and upon issuance of QDCPL Demerger Shares by the Resulting Company QDCPL to the shareholders of the Demerged Company pursuant to Clause 5.1 above, the existing 10,000 equity shares of INR 10/- each held by the shareholders of the Resulting Company (as mentioned in Clause 3.3 above) shall stand cancelled and reduced without any consideration.

6.3 Such reduction of equity share capital of the Resulting Company and the Demerged Company as provided in Clauses 6.1 and 6.2 above respectively shall be effected as a part of the Scheme, upon which the share capital of the Resulting Company and the Demerged Company shall be deemed to be reduced respectively. The said reduction shall be in accordance with the provisions of Section 230 of the Act and without having to follow the procedure under Section 66 of the Act and the NCLT Order(s) sanctioning the Scheme shall be deemed to be an order under the relevant provisions of the Act confirming such reduction of share capital of the Resulting Company and the Demerged Company.

7 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

7.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Demerged Company shall account for the Demerged Undertaking in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard ('**IND AS**') 103 for Business Combination prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time.

8 ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY

8.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting Company shall account for the Demerged Undertaking in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of IND AS 103 for Business Combination prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time

9 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

9.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Appointed Date 1, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against

the Resulting Company as fully and effectively as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

9.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Demerged Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. Resulting Company shall be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

10 LEGAL PROCEEDINGS

10.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Demerged Company be pending in each case relating to the Demerged Undertaking, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Demerged Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Resulting Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Demerged Company, if this Scheme had not been made.

11 STAFF, EMPLOYEES & WORKMEN

11.1 Upon the coming into effect of this Scheme, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall become the employees of Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms

and conditions which are not less favourable than the terms and conditions as were applicable.

11.2 Resulting Company agrees that the service of all employees engaged in or in relation to the Demerged Undertaking immediately prior to the Effective Date 1 shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Demerged Company immediately prior to the Effective Date 1. Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

11.3 Upon the coming into effect of this Scheme, Resulting Company shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Resulting Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Resulting Company for Demerged Company.

11.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Demerged Company for employees engaged in or in relation to the Demerged Undertaking, shall be transferred to the necessary funds, schemes or trusts of Resulting Company and till the time such necessary funds, schemes or trusts are created by Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Demerged Company.

12 EMPLOYEE STOCK OPTIONS

12.1 Upon the Scheme coming into effect, all QCTPL ESOPs which have not been granted as of the Effective Date 1, shall lapse automatically without any further act, instrument or deed by the Demerged Company, the employee or

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the Resulting Company and without any approval or acknowledgement of any third party.

12.2 Upon the Scheme coming into effect, in respect of the QCTPL ESOPs granted by the Demerged Company under the QCTPL ESOP Scheme to employees engaged in the Demerged Undertaking who are proposed to be transferred as part of this Scheme to the Resulting Company, which have been granted (whether vested or not) but have not been exercised as on the Demerger Record Date ("**QCTPL Eligible Employees**"), the Resulting Company shall grant 1 (one) employee stock options of QDCPL ("**QDCPL ESOPs**") under a new employee stock option scheme created by QDCPL ("**QDCPL ESOP Scheme**") in lieu of every 1 (one) QCTPL ESOP held by such QCTPL Eligible Employees under the QCTPL ESOP Scheme in accordance with the Demerger Share Entitlement Ratio as mentioned under Clause 5.1 of this Scheme and the existing QCTPL ESOPs held by them under the QCTPL ESOP Scheme shall stand cancelled. The terms and conditions of the QDCPL ESOP Scheme shall not be less favourable than those provided under the QCTPL ESOP Scheme.

12.3 The exercise price payable for the QDCPL ESOPs by the QCTPL Eligible Employees shall be such as may be determined by the committee constituted by QDCPL to deal with matters pertaining to employee stock option schemes.

12.4 Subject to Applicable Laws, the entitlement of the QCTPL Eligible Employees to the QDCPL ESOPs and the adjustments to be made in the exercise price of QDCPL ESOPs shall be appropriately reflected in the accounts of the Resulting Company.

12.5 The aforesaid grant of QDCPL ESOPs to the QCTPL Eligible Employees shall be effected as an integral part of this Scheme and the consent of the shareholders of the Demerged Company and Resulting Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the QCTPL ESOP Scheme and the QDCPL ESOP Scheme and all related matters. No further approval of the shareholders of the Demerged Company or Resulting Company or resolution, action or compliance would be required in

this connection under any applicable provisions of the Act and/ or other Applicable Laws.

12.6 In relation to the QDCPL ESOPs granted by the Resulting Company to the QCTPL Eligible Employees under the QDCPL ESOP Scheme, the period during which the QCTPL ESOPs granted by the Demerged Company under the QCTPL ESOP Scheme were held by or deemed to have been held by the QCTPL Eligible Employees shall be taken into account for determining the minimum vesting period required under the Applicable Laws, the QCTPL ESOP Scheme and the QDCPL ESOP Scheme.

12.7 The Board of Directors of the Demerged Company and Resulting Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

13 SAVING OF CONCLUDED TRANSACTIONS

13.1 Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking and continuance of proceedings by or against the Resulting Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Demerged Company before the Effective Date 1, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company in relation to the Demerged Undertaking as acts, deeds and things done and executed by and on behalf of the Resulting Company.

14 STUDIO DPS BUSINESS

14.1 The Studio DPS Business and all liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by the Demerged Company.

14.2 All legal, tax and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date 1 or which may be instituted at any time thereafter, whether or not in respect of any matter arising

before the Effective Date 1, which does not specifically pertain or relate to the Demerged Undertaking (including those relating to any right, power, liability, obligation or duty, of the Demerged Company in respect of the Studio DPS Business) shall be continued and enforced solely by or against the Demerged Company only, without any liability arising on the Resulting Company or its shareholders.

14.3 The Demerged Company shall carry on all business and activities pertaining or relating to the Studio DPS Business in its own name and on its own account and its own behalf in all respects, without any liability arising on the Resulting Company or its shareholders.



PART III: AMALGAMATION OF MPL INTO QDCPL

15 TRANSFER AND VESTING OF THE MPL UNDERTAKING

15.1 For the purpose of this Part III, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part III of the Scheme or effectiveness of Part III of the Scheme. This Part III of the Scheme shall come into operation from Effective Date 1.

15.2 Upon the coming into effect of this Scheme (prior to Part IV and Part V of this Scheme having taken effect) and with effect from the Appointed Date 1, the entire MPL Undertaking of Transferor Company 1 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in Transferee Company 1 so as to become the undertaking of Transferee Company 1 by virtue of and in the following manner:

15.2.1 All assets of Transferor Company 1 that are movable in nature or are otherwise capable of transfer by physical or constructive delivery, novation and/ or endorsement and delivery or by operation of law, pursuant to the NCLT Order(s), shall be vested in Transferee Company 1. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of Transferee Company 1, absolutely and forever.

15.2.2 In respect of such of the assets of Transferor Company 1 other than those referred to in Clause 15.2.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in Transferee Company 1 and/or be deemed to be transferred to and vested in Transferee Company 1 on the Appointed Date 1 upon effectiveness of the Scheme. Transferee Company 1 shall upon sanction

of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

15.2.3 All the other assets, rights, title, interests and investments of the Transferor Company 1 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 1 upon the coming into effect of this Scheme.

15.2.4 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of Transferor Company 1 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, Transferee Company 1, so as to become on and from the Appointed Date 1, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of Transferee Company 1 on the same terms and conditions as were applicable to Transferor Company 1, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by Transferor Company 1.

15.2.5 Any statutory licences, registrations, authorizations, statutory rights, permissions, Governmental Approvals, tax registrations, service tax, GST registrations, provident fund, employees' state insurance (ESI), or other registrations whether statutory or otherwise, no objection certificates, or any Consents to carry on the operations of Transferor Company 1 shall stand transferred to and vested in Transferee Company 1 without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of Transferee Company 1 so as to empower and facilitate the continuation of the operations of Transferee Company 1. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special

status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by Transferor Company 1 are concerned, the same shall, without any further act or deed, vest with and be available to Transferee Company 1 on the same terms and conditions as are available to Transferor Company 1.

15.2.6 All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to Transferor Company 1, if any, shall stand vested in Transferee Company 1 without any further act, instrument or deed (unless filed only for statistical record with any appropriate Governmental Authority or registrar), upon the sanction of the Scheme and upon this Scheme becoming effective.

15.2.7 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, GST etc.) payable by or refundable to Transferor Company 1 with effect from the Appointed Date 1, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of Transferor Company 1, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, Good and Service Tax input credits etc., as would have been available to Transferor Company 1, shall pursuant to this Scheme becoming effective, be available to Transferee Company 1.

15.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 1 as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 1 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions,

registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

15.2.9 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of Transferor Company 1 shall stand transferred to Transferee Company 1, as if the same were originally given by, issued to or executed in favour of Transferee Company 1, and Transferee Company 1 shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Transferee Company 1.

15.2.10 Transferee Company 1 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which Transferor Company 1 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. Transferee Company 1 shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of Transferee Company 1.

16 LEGAL PROCEEDINGS

16.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 1 be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the MPL Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against Transferee Company 1 in the same manner and to the same

extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Company 1, if this Scheme had not been made.

17 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

17.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Company 1 is a party or to the benefit of which Transferor Company 1 may be eligible and which are subsisting or having effect on the Appointed Date 1, without any further act, instrument or deed, shall be in full force and effect against or in favour of Transferee Company 1, as the case may be, and may be enforced by or against Transferee Company 1 as fully and effectively as if, instead of Transferor Company 1, Transferee Company 1 had been a party or beneficiary or obligee thereto.

17.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the MPL Undertaking occurs by virtue of this Scheme itself, Transferee Company 1 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which Transferor Company 1 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 1 shall be deemed to be authorised to execute any such writings on behalf of Transferor Company 1 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company 1.

18 STAFF, EMPLOYEES & WORKMEN

18.1 Upon the coming into effect of this Scheme, all the employees of Transferor Company 1 shall become the employees of Transferee Company 1 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

18.2 Transferee Company 1 agrees that the service of all employees of Transferee Company 1 immediately prior to the Effective Date 1shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 1 immediately prior to the Effective Date 1. Transferee Company 1 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 1, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

18.3 Upon the coming into effect of this Scheme, Transferee Company 1 shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 1 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 1 for Transferee Company 1.

18.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 1 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 1 and till the time such necessary funds, schemes or trusts are created by Transferee Company 1, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 1.

19 WINDING UP

19.1 Upon the Scheme becoming effective, Transferor Company 1 shall stand dissolved without being wound-up.

20 CONSIDERATION

20.1 Upon coming into effect of this Scheme, and in consideration of the transfer and vesting of the entire MPL Undertaking in the Transferee Company 1, the Transferee Company 1 shall without any further application, act, instrument or

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deed, issue and allot to all the equity shareholders of the Transferor Company 1, whose names appears in the register of members as on the MPL Merger Record Date, fully paid up equity shares in the following share entitlement ratio ("**MPL Merger Share Entitlement Ratio**"):

76,381 (seventy six thousand three hundred eighty one) equity shares of INR 10/- each credited as fully paid-up of the Transferee Company 1 for every 1,000 (one thousand) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Transferor Company 1 ("**QDCPL Merger Shares**")

20.2 VSS & Co., Chartered Accountant has issued the report on the MPL Merger Share Entitlement Ratio adopted under the Scheme. The aforesaid report on the MPL Merger Share Entitlement Ratio has been duly considered by the Board of Directors of Transferor Company 1 and Transferee Company 1.

20.3 The QDCPL Merger Shares issued pursuant to Clause 20.1 above, shall be issued to the shareholders of the Transferor Company 1 in physical form, that is, physical share certificate.

20.4 In case any shareholder's holding in Transferor Company 1 is such that such shareholder becomes entitled to a fraction of an QDCPL Merger Share of the Transferee Company 1, the Transferee Company 1 shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

20.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 1, the Board of Directors of the Transferor Company 1, shall be empowered prior to the MPL Merger Record Date, to effectuate such transfers in the Transferor Company 1 as if such changes in registered holders were operative as on the MPL Merger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the QDCPL Merger Shares issued by the Transferee Company 1 after the Scheme is effected. The Board of Directors of the Transferee Company 1 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new

members in the Transferee Company 1 on account of difficulties faced in the transition period.

20.6 The QDCPL Merger Shares issued and allotted by the Transferee Company 1, in terms of Clause 20.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 1 and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company 1. Further, the Transferee Company 1 shall, if required, take all necessary steps for increase of authorized share capital for issue of the QDCPL Merger Shares pursuant to Clause 20.1 above.

20.7 Upon the Scheme becoming effective and upon the QDCPL Merger Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company 1, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the MPL Merger Record Date. Wherever applicable, the Transferee Company 1 may, instead of requiring the surrender of the share certificates of the Transferor Company 1, directly issue and dispatch the new share certificates of the Transferee Company 1.

20.8 It is clarified that upon the approval of this Scheme by the shareholders of the Transferee Company 1 and Transferor Company 1 under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

21 ACCOUNTING TREATMENT

21.1 Upon the Scheme coming into effect and with effect from Appointed Date 1, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, Transferee Company 1 shall account for the amalgamation of the Transferor Company 1 in its books of account in accordance with Appendix C 'Business Combinations of entities under common control' of IND AS 103 for Business Combination prescribed

under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounted principles, as may be amended from time to time.

22 CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TRANSFEREE COMPANY 1

22.1 The authorised share capital of Transferor Company 1 shall stand transferred to and combined with the authorised share capital of Transferee Company 1 and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Transferor Company 1 on its authorised share capital shall be deemed to have been so paid by Transferee Company 1 on the combined authorised share capital and accordingly, Transferee Company 1 shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of Transferee Company 1 under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of Transferee Company 1 shall automatically stand increased without any further act, instrument or deed on the part of Transferee Company 1 including payment of stamp duty and payment of fees payable to Registrar of Companies, for the authorised share capital of Transferor Company 1.

22.2 Clause V of the Memorandum of Association of Transferee Company 1 and relevant clause, if any, of Articles of Association of Transferee Company 1 relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be.

23 SAVING OF CONCLUDED TRANSACTIONS

23.1 Subject to the terms of the Scheme, the transfer and vesting of the MPL Undertaking and continuance of proceedings by or against the Transferee Company 1, as provided herein, shall not affect any transactions or

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proceedings already concluded by the Transferor Company 1 before the Effective Date 1, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 1 in relation to the MPL Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 1.

24 TRANSFER OF THE QDCPL SALE SHARES

24.1 Upon Part II and Part III of this Scheme having taken effect and upon giving effect to Clause 5.1 and Clause 20.1 of the Scheme, UFO and certain other Person ("**New Investor**") shall purchase from the Sellers and the Sellers shall sell to UFO and the New Investor, the QDCPL Sale Shares free from all Encumbrances, together with full legal and beneficial right, title and interest thereto in the manner as may be mutually agreed between the Sellers, UFO and New Investor.

PART IV: AMALGAMATION OF QDCPL INTO UFO

25 TRANSFER AND VESTING OF THE QDCPL UNDERTAKING

25.1 For the purpose of this Part IV, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part IV of the Scheme or effectiveness of Part IV of the Scheme. This Part IV of the Scheme shall come into effect from Effective Date 2.

25.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, the entire QDCPL Undertaking of Transferor Company 2 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in Transferee Company 2 so as to become the undertaking of Transferee Company 2 by virtue of and in the following manner:

25.2.1 All assets of Transferor Company 2 that are movable in nature are otherwise capable of transfer by physical or constructive delivery, novation and/ or endorsement and delivery or by operation of law, pursuant to the NCLT Order(s), shall be vested in Transferee Company 2. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of Transferee Company 2, absolutely and forever.

25.2.2 In respect of such of the assets of Transferor Company 2 other than those referred to in Clause 25.2.1 above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in Transferee Company 2 and/or be deemed to be transferred to and vested in Transferee Company 2 on the Appointed Date 2 upon effectiveness of the Scheme. Transferee Company 2 shall upon sanction

of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

25.2.3 All immovable properties of the Transferor Company 2, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Transferor Company 2, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in Transferee Company 2, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in Transferee Company 2 and shall be deemed to be and become the property as an integral part of Transferee Company 2 by operation of law. Transferee Company 2 shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of Transferee Company 2 and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as record of continuing titles with Transferee Company 2 and shall be constituted as a deemed mutation and substitution thereof. Transferee Company 2 shall subsequent to Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of Transferor Company 2 in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in Transferee Company 2.

25.2.4 All the other assets, rights, title, interests and investments of the Transferor Company 2 shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 2 upon the coming into effect of this Scheme.

25.2.5 Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of Transferor Company 2 shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, Transferee Company 2, so as to become on and from the Appointed Date 2, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of Transferee Company 2 on the same terms and conditions as were applicable to Transferee Company 2, and further that it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by Transferor Company 2.

25.2.6 Any statutory licences, registrations, authorizations, statutory rights, permissions, Governmental Approvals, tax registrations, service tax, GST registrations, provident fund, ESI, or other registrations whether statutory or otherwise, no objection certificates, or any Consents to carry on the operations of Transferor Company 2 shall stand transferred to and vested in Transferee Company 2 without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of Transferee Company 2 so as to empower and facilitate the continuation of the operations of Transferee Company 2. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by Transferor Company 2 are concerned, the same shall, without any further act or deed, vest with and be available to Transferee Company 2 on the same terms and conditions as are available to Transferor Company 2.

25.2.7 All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to Transferor Company 2, if any, shall stand vested in Transferee Company 2 without any



further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

25.2.8 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, GST etc.) payable by or refundable to Transferor Company 2 with effect from the Appointed Date 2, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of Transferee Company 2, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, service tax input credits, Good and Service Tax input credits etc., as would have been available to Transferor Company 2, shall pursuant to this Scheme becoming effective, be available to Transferee Company 2.

25.2.9 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 2 as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 2 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

25.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of Transferor Company 2 shall stand transferred to Transferee Company 2, as if the same were originally given by,

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issued to or executed in favour of Transferee Company 2, and Transferee Company 2 shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Transferee Company 2.

25.4 Transferee Company 2 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which Transferor Company 2 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. Transferee Company 2 shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of Transferor Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company 2.

26 LEGAL PROCEEDINGS

26.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 2 be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the QDCPL Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against Transferee Company 2 in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Company 2, if this Scheme had not been made.

27 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

27.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Company 2 is a party or to the benefit of which Transferor Company 2 may be eligible and which are subsisting or having effect on the Appointed Date 2, without any further act, instrument or deed, shall be in full force and effect

against or in favour of Transferee Company 2, as the case may be, and may be enforced by or against Transferee Company 2 as fully and effectively as if, instead of Transferee Company 2, Transferor Company 2 had been a party or beneficiary or obligee thereto.

27.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the QDCPL Undertaking occurs by virtue of this Scheme itself, Transferee Company 2 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which Transferor Company 2 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 2 shall be deemed to be authorised to execute any such writings on behalf of Transferor Company 2 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company 2.

28 STAFF, EMPLOYEES & WORKMEN

28.1 Upon the coming into effect of this Scheme, all the employees of Transferor Company 2 shall become the employees of Transferee Company 2 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

28.2 Transferee Company 2 agrees that the service of all employees of Transferee Company 2 immediately prior to the coming into effect of this Scheme shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 2 immediately prior to the coming into effect of this Scheme. Transferee Company 2 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 2, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

28.3 Upon the coming into effect of this Scheme, Transferee Company 2 shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 2 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 2 for Transferee Company 2.

28.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 2 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 2 and till the time such necessary funds, schemes or trusts are created by Transferee Company 2, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 2.

29 EMPLOYEE STOCK OPTIONS

29.1 Upon the Scheme coming into effect, the QDCPL ESOPs shall automatically stand cancelled. Simultaneously with the cancellation of the QDCPL ESOPs, Transferee Company 2 shall grant 13 (thirteen) employee stock options of UFO ("**UFO ESOPs**") under the existing employee stock options scheme of UFO or under a new employee stock options scheme as may be created by UFO ("**UFO ESOP Scheme**") in lieu of every 17 (seventeen) QDCPL ESOPs held by the employees of QDCPL as of the QDCPL Merger Record Date under the QDCPL ESOP Scheme ("**QDCPL Eligible Employees**"), in accordance with the QDCPL Merger Share Entitlement Ratio as mentioned under Clause 31.2 of this Scheme. The terms and conditions of the UFO ESOP Scheme shall not be less favourable than those provided under the QDCPL ESOP Scheme, except as required under Applicable Law.

29.2 The exercise price payable for the UFO ESOPs to the QDCPL Eligible Employees shall be such as may be determined by the committee constituted by UFO to deal with matters pertaining to employee stock option schemes.

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29.3 Subject to Applicable Laws, the entitlement of the QDCPL Eligible Employees to the UFO ESOPs and the adjustments to be made in the exercise price of UFO ESOPs shall be appropriately reflected in the accounts of the Transferee Company 2.

29.4 The aforesaid grant of UFO ESOPs to the QDCPL Eligible Employees shall be effected as an integral part of this Scheme and the consent of the shareholders of the Transferor Company 2 and Transferee Company 2, Stock Exchanges and SEBI or any other relevant Governmental Authorities to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the QDCPL ESOP Scheme and the UFO ESOP Scheme and all related matters. No further approval of the shareholders of the Transferor Company 2 and Transferee Company 2 or resolution, action or compliance would be required in this connection under any applicable provisions of the Act and/ or SEBI laws and/ or other Applicable Laws.

29.5 In relation to the UFO ESOPs granted by the Transferee Company 2 to the QDCPL Eligible Employees under the UFO ESOP Scheme, the period during which the QDCPL ESOPs granted by the Transferor Company 2 under the QDCPL ESOP Scheme were held by or deemed to have been held by the QDCPL Eligible Employees shall be taken into account for determining the minimum vesting period required under the Applicable Laws, the QDCPL ESOP Scheme and the UFO ESOP Scheme.

29.6 The Board of Directors of the Transferor Company 2 and / or Transferee Company 2 shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

30 WINDING UP

30.1 Upon the Scheme becoming effective, Transferor Company 2 shall stand dissolved without being wound-up.

31 CONSIDERATION

31.1 Upon coming into effect of this Scheme, the QDCPL Sale Shares held by the Transferee Company 2 on the Effective Date 2 shall be extinguished or shall be deemed to be extinguished and all such QDCPL Sale Shares held by the Transferee Company 2 shall be cancelled and shall be deemed to be cancelled without any further application, act or deed.

31.2 Upon coming into effect of this Scheme, and in consideration of the transfer and vesting of the QDCPL Undertaking in the Transferee Company 2, the Transferee Company 2 shall without any further application, act, instrument or deed, issue and allot to all the equity shareholders of the Transferor Company 2 (other than the Transferee Company 2), whose names appears in the register of members as on the QDCPL Merger Record Date, fully paid up equity shares in the following share entitlement ratio ("**QDCPL Merger Share Entitlement Ratio**"):

13 (thirteen) equity shares of INR 10/- each credited as fully paid-up of the Transferee Company 2 for every 17 (seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in the Resulting Company. ("**UFO Merger Shares**")

31.3 Walker Chandiok & Co LLP, Chartered Accountant has issued the report on the QDCPL Merger Share Entitlement Ratio adopted under the Scheme. Axis Capital Ltd., a category 1 Merchant Banker, has provided its fairness opinion on the aforesaid QDCPL Merger Share Entitlement Ratio in compliance with the applicable provisions of the SEBI Circular. The aforesaid reports on the Merger Share Entitlement Ratio and fairness opinion have been duly considered by the Board of Directors of the Transferee Company 2.

31.4 The UFO Merger Shares issued pursuant to Clause 31.2 above, shall be issued to the shareholders of the Transferor Company 2 in demat form, that is, dematerialized shares.

31.5 In case any shareholder's holding in Transferor Company 2 is such that such shareholder becomes entitled to a fraction of an UFO Merger Share of the

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Transferee Company 2, the Transferee Company 2 shall not issue fractional share certificates to such shareholders. Any fraction equal to or more than 0.5 arising out of such allotment shall be rounded off to the next higher integer and fraction less than 0.5 shall be rounded off to the earlier lower integer.

31.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 2, the Board of Directors of the Transferor Company 2, shall be empowered prior to the QDCPL Merger Record Date, to effectuate such transfers in the Transferor Company 2 as if such changes in registered holders were operative as on the QDCPL Merger Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the UFO Merger Shares issued by the Transferee Company 2 after the Scheme is effected. The Board of Directors of the Transferee Company 2 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Transferee Company 2 on account of difficulties faced in the transition period.

31.7 The UFO Merger Shares issued and allotted by the Transferee Company 2, in terms of Clause 31.2 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 2 and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company 2. Further, the Transferee Company 2 shall, if required, take all necessary steps for increase of authorized share capital for issue of the UFO Merger Shares pursuant to Clause 31.2 above.

31.8 The UFO Merger Shares allotted and issued in terms of Clause 31.2 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company 2 are listed and/or admitted to trading; subject to the Transferee Company 2 obtaining the requisite Governmental approvals pertaining to their listing. The shareholders of the Transferor Company 2, including the New Investor, who are allotted the UFO Merger Shares under this Scheme shall not, at any point of time, be deemed to be the promoters of the Transferee Company 2 and the lock-in restrictions stipulated under Chapter VII of the SEBI ICDR Regulations shall not apply to

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shareholders of the Transferor Company 2, including the New Investor, who are allotted the UFO Merger Shares under this Scheme in accordance with the exemptions granted under Regulation 70 of the SEBI ICDR Regulations.

31.9 Upon the Scheme becoming effective and upon the UFO Merger Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company 2, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the QDCPL Merger Record Date. Wherever applicable, the Transferee Company 2 may, instead of requiring the surrender of the share certificates of the Transferor Company 2, directly issue and dispatch the new share certificates of the Transferee Company 2.

31.10 It is clarified that upon the approval of this Scheme by the shareholders of the Transferee Company 2 and Transferor Company 2 under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 180(1)(c), 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

32 ACCOUNTING TREATMENT

32.1 Upon the Scheme coming into effect and with effect from Appointed Date 2, Transferee Company 2 shall account for the amalgamation in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, as amended, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

33 CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF RESULTING COMPANY

33.1 The authorised share capital of Transferor Company 2 shall stand transferred to and combined with the authorised share capital of Transferee Company 2

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and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Transferor Company 2 on its authorised share capital shall be deemed to have been so paid by Transferee Company 2 on the combined authorised share capital and accordingly, Transferee Company 2 shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of Transferee Company 2 under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of Transferee Company 2 shall automatically stand increased without any further act, instrument or deed on the part of Transferee Company 2 including payment of stamp duty and payment of fees payable to Registrar of Companies, for the authorised share capital of Transferor Company 2.

33.2 Clause V(a) of the Memorandum of Association of Transferee Company 2 and relevant clause, if any, of Articles of Association of Transferee Company 2 relating to authorised share capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Act, as the case may be.

34 SAVING OF CONCLUDED TRANSACTIONS

34.1 Subject to the terms of the Scheme, the transfer and vesting of the QDCPL Undertaking and continuance of proceedings by or against the Transferee Company 2, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company 2 before the Effective Date 2, to the end and intent that the Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 2 in relation to the QDCPL Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 2.

PART V: SLUMP SALE OF TRANSFERRED UNDERTAKING FROM UFO TO PJSA

35 TRANSFER AND VESTING OF TRANSFERRED UNDERTAKING OF TRANSFEROR COMPANY 3

35.1 For the purpose of this Part V, a reference to coming into effect of the Scheme or effectiveness of the Scheme shall mean the coming into effect of Part V of the Scheme or effectiveness of Part V of the Scheme. This Part V of the Scheme shall come into operation from Effective Date 3.

35.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date 3, the Transferred Undertaking of the Transferor Company 3 shall stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company 3, as the case may be, on a slump sale basis in the following manner:

35.2.1 Upon the coming into effect of this Scheme, subject to the provisions of this Scheme, the Transferred Undertaking shall, under the provisions of Sections 230 to 232 of the Act and also in accordance with Section 2(42C) of the IT Act and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company 3 on a slump sale basis, so as to vest in the Transferee Company 3 all the rights, title and interest pertaining to the Transferred Undertaking.

35.2.2 The PJSA shall be responsible for operating and delivering the technology requirements of UFO. PJSA shall ensure that the technology delivered by PJSA to meet the requirements of UFO: (i) is capable of allowing UFO to effect satellite delivery of movies and media content; and (ii) allows UFO control over playback of movies and media content.

35.2.3 In respect of such of the assets of the Transferred Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive

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delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Transferor Company 3 to the Transferee Company 3, upon the coming into effect of this Scheme, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company 3 , absolutely and forever.

35.2.4 In respect of the movable assets other than those dealt with in Clause 35.2.3 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Governmental Authority and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Transferee Company 3 without any notice or other intimation to any Person so that the right of the Transferor Company 3 to recover or realise the same stands transferred to the Transferee Company 3. Transferee Company 3 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Transferee Company 3 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

35.2.5 All the other assets, rights, title, interests and investments of the Transferor Company 3 in relation to the Transferred Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company 3 upon the coming into effect of this Scheme.

35.2.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, Governmental Approvals, clearances, Consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Transferor Company 3 pertaining to the Transferred Undertaking, shall be transferred to and vested in the Transferee Company 3.

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35.2.7 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, GST input credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company 3 are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferred Undertaking, vest with and be available to the Transferee Company 3 on the same terms and conditions., as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company 3.

35.2.8 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of Transferee Company 3 as successor in interest with respect to the Transferred Undertaking, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, Transferee Company 3 shall file certified copies of such NCLT Order(s) and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature with respect to the Transferred Undertaking.

35.2.9 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities of the Transferor Company 3 pertaining to the Transferred Undertaking shall without any further act, instrument or deed be and stand transferred to the Transferee Company 3 and shall thereupon become the debts, duties, obligations and liabilities of the Transferee Company 3 and it shall not be necessary to obtain the Consent of any third party or other Person, who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause.

35.2.10 The transfer and vesting of the Transferred Undertaking, as aforesaid shall be subject to the existing securities, charges, mortgages and other Encumbrances, if any, subsisting over in respect of the property and assets or any part thereof relatable the Transferred Undertaking.

35.2.11 Transferee Company 3 shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement pertaining to the Transferred Undertaking in relation to which Transferor Company 3 have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions.

36 CONSIDERATION

36.1 The consideration, for the transfer and vesting of the Transferred Undertaking shall be equal to an aggregate lump sum amount of INR 235,000,000 (Rupees two hundred thirty five million), subject to adjustment as on the Effective Date 3 required in relation to continued investments in the IP Business and such other adjustments as may be mutually agreed upon between the Boards of the Transferor Company 3 and the Transferee Company 3. The consideration shall be discharged by the Transferee Company 3 by issuing and allotting to the Transferor Company 3 equity shares of INR 10/- each fully paid up of the Transferee Company 3.

36.2 The equity shares issued and allotted by the Transferee Company 3, in terms of Clause 36.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company 3 and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company 3. Further, the Transferee Company 3 shall, if required, take all necessary steps for increase of authorized share capital for issue of the equity shares pursuant to Clause 36.1 above.

37 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY 3

37.1 Upon the Scheme coming into effect and with effect from Appointed Date 3, Transferor Company 3 shall account for the transfer of the Transferred Undertaking in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, as amended, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

38 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 3

38.1 On effectiveness of the Scheme and with effect from Appointed Date 3, Transferee Company 3 shall account for the Transferred Undertaking in its books of account in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, **as amended,** including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

39 CONTRACTS, DEEDS, AND OTHER INSTRUMENTS

39.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature, in relation to the Transferred Undertaking, to which the Transferor Company 3 is a party or to the benefit of which the Transferor Company 3 may be eligible and which are subsisting or having effect on the Appointed Date 3, without any further act, instrument or deed, shall be in full force and effect against or in favour of the Transferee Company 3, as the case may be, and may be enforced by or against the Transferee Company 3 as fully and effectively as if, instead of the Transferor Company 3, the Transferee Company 3 had been a party or beneficiary or obligee thereto.

39.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Transferred Undertaking occurs by virtue of this Scheme itself, the Transferee Company 3 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company 3 is a party as may be necessary to be executed in order to give formal effect to the above provisions. Transferee Company 3 shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company 3 and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company 3.

40 LEGAL PROCEEDINGS

40.1 Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company 3 be pending in each case relating to the Transferred Undertaking, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Transferred Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company 3 in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company 3, if this Scheme had not been made.

41 STAFF, EMPLOYEES & WORKMEN

41.1 Upon the coming into effect of this Scheme, all the employees of the Transferor Company 3 engaged in or in relation to the Transferred Undertaking shall become the employees of Transferee Company 3 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

41.2 Transferee Company 3 agrees that the service of all employees engaged in or in relation to the Transferred Undertaking immediately prior to the Effective Date 3 shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Transferor Company 3 immediately prior to the Effective Date 3. Transferee Company 3 further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company 3, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

41.3 Upon the coming into effect of this Scheme, Transferee Company 3 shall make all the necessary contributions for such transferred employees engaged in or in relation to the Transferred Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company 3 will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of Transferor Company 3 for Transferee Company 3.

41.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 3 for employees engaged in or in relation to the Transferred Undertaking, shall be transferred to the necessary funds, schemes or trusts of Transferee Company 3 and till the time such necessary funds, schemes or trusts are created by Transferee Company 3, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company 3.

42 SAVING OF CONCLUDED TRANSACTIONS

42.1 Subject to the terms of the Scheme, the transfer and vesting of the Transferred Undertaking and continuance of proceedings by or against the Transferee Company 3, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company 3 before the Effective Date 3, to the end and intent that the Transferee Company 3 accepts

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and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company 3 in relation to the Transferred Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company 3.

43 CHANGE IN NAME OF THE TRANSFEREE COMPANY 3

43.1 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the name of the Transferee Company 3, subject to the availability of the name with the jurisdictional registrar of companies, shall stand changed to "**Qube Cinema Private Limited**" or such other name as may be decided by its Board of Directors or a committee thereof of the Transferee Company 3 and approved by the concerned Registrar of Companies. Further, the present name of "PJSA Technosoft Private Limited" wherever it occurs in its memorandum and articles of association be substituted by such name.

43.2 It is hereby clarified that for the purposes of this Clause 43, the consent of the shareholders of the Transferee Company 3 to the Scheme shall be deemed to be sufficient for change of name of the of the Transferee Company 3 and no further resolutions under the applicable provisions of the Act would be required to be separately passed.

43.3 Pursuant to this Scheme, the Transferee Company 3 shall file the requisite forms with the Registrar of Companies for such change in name.

44 UFO BUSINESS

44.1 The UFO Business and all liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by the Transferor Company 3.

44.2 All legal, tax and other proceedings by or against the Transferor Company 3 under any statute, whether pending on the Appointed Date 3 or which may be instituted at any time thereafter, whether or not in respect of any matter arising before the Effective Date 3, which does not specifically pertain or relate to the Transferred Undertaking (including those relating to any right, power,

liability, obligation or duty, of the Transferor Company 3 in respect of the UFO Business) shall be continued and enforced solely by or against the Transferor Company 3 only, without any liability arising on the Transferee Company 3 or its shareholders.

44.3 The Transferor Company 3 shall carry on all business and activities pertaining or relating to the UFO Business in its own name and on its own account and its own behalf in all respects, without any liability arising on the Transferee Company 3.

PART VI: GENERAL TERMS AND CONDITION

45 CONDUCT OF BUSINESS TILL EFFECTIVE DATE 3

45.1 Except as provided under this Scheme, from the date of the Scheme being approved by the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO up to the Effective Date 3, QCTPL, QDCPL, MPL and/or the QCTPL Subsidiaries shall not, undertake any corporate actions and commence any operations outside of the ordinary course of business, without the prior Consent of UFO, unless otherwise agreed between QCTPL, QDCPL and UFO.

45.2 Except as provided under this Scheme, from the date of the Scheme being approved by the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO up to the Effective Date 3, subject to Applicable Laws, UFO and PJSA shall not, undertake any corporate actions and commence any operations outside of the ordinary course of business, without the prior Consent of the QCTPL Promoters, unless otherwise agreed between QCTPL, QDCPL, MPL, PJSA and UFO.

45.3 Notwithstanding anything to the contrary, nothing in this Scheme shall prohibit an issuance by UFO of not more than 2,285,000 shares or other equity interest or any securities convertible into or exchangeable for equity shares or any other rights, warrants or options to acquire equity shares of UFO at a price not lower than INR 396 (Indian Rupees Three Hundred and Ninety-Six) per equity share of UFO.

46 MANAGEMENT, SHAREHOLDER CLASSIFICATION AND BOARD OF DIRECTORS OF UFO

46.1 On the date of allotment of the UFO Merger Shares, the New Investor and the QCTPL Promoters shall be classified as 'public shareholders' of UFO in accordance with Applicable Law.

46.2 On and from the date of the Scheme being approved by the Board of Directors of QCTPL and UFO, as long as QCTPL is in existence or under control of the QCTPL Promoters, whichever is earlier, the QCTPL Promoters shall not take any action that will result in them being classified as a 'promoter' of UFO under the rules and regulations framed by SEBI as prevailing on the date of the Scheme being approved by the Board of Directors of QCTPL and UFO.

46.3 On and from the date of allotment of the UFO Merger Shares:

(a) the QCTPL Promoters shall not have the right to nominate any individual to a management position in UFO and/or have any right in relation to the management of UFO;

(b) the Board of Directors of UFO shall be reconstituted as follows:

i. 2 (two) directors to be appointed by the promoters of UFO, 1 (one) of whom shall be the existing managing director of UFO;

ii. 2 (two) non-executive directors to be appointed by the QCTPL Promoters;

iii. 3 (three) independent directors;

iv. 1 (one) executive director who shall be the existing joint managing director of UFO; and

v. 1 (one) non-executive director to be appointed by the New Investor.

Provided that the nominee director appointed by the QCTPL Promoters and/or the New Investor pursuant to (ii) and (v) above shall not be an individual who serves as a director on the board of directors of a competitor or an affiliate of a competitor as may be mutually agreed between the parties.

(c) If the QCTPL Promoters cease to hold at least 3,374,007 (three million three hundred and seventy-four thousand and seven) shares of UFO, net of any subsequent sale or purchase, tested on a quarterly

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basis, then the QCTPL Promoters shall be entitled to nominate only 1 (one) non-executive director on the Board of UFO and the QCTPL Promoters shall within 30 (thirty) days be required to cause 1 (one) of their nominee to resign.

(d) Further, if the QCTPL Promoters cease to hold at least 1,446,003 (one million four hundred and forty-six thousand and three) shares of UFO, net of any subsequent sale or purchase, tested on a quarterly basis, then they shall cease to have any right pursuant to Clause 46.3 (b)(ii) to appoint their nominee on the Board of UFO and the QCTPL Promoters shall within 30 (thirty) days be required to cause their remaining nominee to resign.

(e) Notwithstanding anything to the contrary, the QCTPL Promoters shall be entitled to transfer their shares in UFO, *inter se* the QCTPL Promoters and to their affiliates and that the aggregate percentage shareholding of the QCTPL Promoters shall not be affected by any such *inter se* transfers among the QCTPL Promoters and their affiliates.

46.4 The articles of association of UFO shall without any further act, instrument or deed, be and stand altered, modified and amended to incorporate the suitable terms of appointment of the Board of Directors of UFO as specified in Clause 46. It is clarified that the resolution approving the Scheme shall be deemed to be the approval for amendment of the Articles of Association of UFO pursuant to this Clause.

47 MANAGEMENT AND BOARD OF DIRECTORS OF PJSA

47.1 On and from the date of allotment of the UFO Merger Shares, the Board of Directors of PJSA shall be reconstituted as follows:

(a) a majority of the directors of the Board of Directors of PJSA shall be nominated by UFO;

(b) subject to appointment of other directors as required under Applicable Law, the balance directors of the Board of Directors of PJSA shall be nominated by the QCTPL Promoters. Provided that the QCTPL Promoters shall be entitled to nominate at least 2 (two) directors on the Board of Directors of PJSA of which 1 (one) nominee shall be QCTPL Promoter 1. QCTPL Promoter 1 shall be appointed as the managing director of PJSA on a non-retiring basis and QCTPL Promoter 2 shall be appointed as an executive director of PJSA on a non-retiring basis;

(c) the management and the Board of Directors of PJSA shall be subject to the overall supervision of the Board of Directors of UFO, and the Board of Directors of UFO shall not delegate such powers to its committee or any other person; and

(d) PJSA shall have an independent organisational structure as may be agreed by the Board of Directors of PJSA.

47.2 The articles of association of PJSA shall without any further act, instrument or deed, be and stand altered, modified and amended to incorporate the suitable terms of appointment of the Board of Directors of PJSA and the management of PJSA as specified in Clauses 47.1 above. It is clarified that the resolution approving the Scheme shall be deemed to be the approval for amendment of the articles of association of PJSA pursuant to this Clause 47.

48 APPLICATIONS TO NCLT

48.1 QCTPL, QDCPL, MPL, PJSA and UFO, shall, with all reasonable dispatch, simultaneously, make necessary applications/ petitions to the NCLTs, where the registered offices of QCTPL, QDCPL, MPL, PJSA and UFO are situated, for sanctioning this Scheme and all matters ancillary or incidental thereto under Sections 230 to 232 read with Section 66 of the Act and other applicable provisions of the Act.

49 MODIFICATIONS OR AMENDMENTS TO THE SCHEME

49.1 QCTPL, QDCPL, MPL, PJSA and UFO by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may, collectively, make and/or Consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. QCTPL, QDCPL, MPL, PJSA and UFO by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of QCTPL, QDCPL, MPL, PJSA and UFO shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

50 WITHDRAWAL OF THE SCHEME

50.1 QCTPL, QDCPL, MPL, PJSA and UFO shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by all of the Boards of Directors of QCTPL, QDCPL and UFO prior to the Effective Date 1. In such a case, QCTPL, QDCPL, MPL, PJSA and UFO shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, QCTPL, QDCPL, MPL, PJSA and UFO shall not be entitled to withdraw the Scheme unilaterally without the prior written Consent of the other companies.



51 SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is and shall be conditional upon and subject to the followings:

51.1 The requisite Consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular, on terms acceptable to QCTPL, QDCPL, MPL, PJSA and UFO;

51.2 The Scheme being approved by respective requisite majorities in numbers and value of such classes of members and creditors of the companies as may be directed by the NCLT;

51.3 The Scheme being approved by the majority of public shareholders (members) of UFO (by way of e- voting) as required under the SEBI Circular;

51.4 The Scheme being sanctioned by the NCLTs under Sections 230 to 232 of the Act, on terms acceptable to QCTPL, QDCPL, MPL, PJSA and UFO;

51.5 The certified copies of the NCLT Order(s) being filed with the relevant RoC by QCTPL, QDCPL, MPL, PJSA and UFO;

51.6 The deposit of the relevant portions of the purchase consideration for the sale of QDCPL Sale Shares in an escrow account by UFO and New Investor in the manner as mutually agreed between the Sellers, UFO and New Investor.

52 EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

52.1 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 51 above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se QCTPL, QDCPL, MPL, PJSA and UFO or their respective shareholders or creditors or employees or any other Person.

53 SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY

53.1 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme

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would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Boards of Directors of QCTPL, QDCPL, MPL, PJSA and UFO.

53.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of QCTPL, QDCPL, MPL, PJSA and UFO in writing, affect the validity or implementation of the other provisions of this Scheme.

SCHEDULE I

List of intellectual property rights underlying the QCTPL Products:

1. Moviebuff
2. Moviepass
3. Cheers
4. Slydes
5. html2DCP[1]
6. iCount hardware & software
7. Qube XP E-Cinema hardware & software
8. Qube XP DCI hardware & software
9. Qube Xi Integrated Media Block
10. QubeCast
11. QubeCentral[2]
12. QubeMaster Pro, Xpress & Xport[3]
13. Transformer[4]
14. Qube Wire
15. Qube Wire Desktop applications
16. Qube Wire Partner, Festival & Theatre Appliances & software
17. Wire Safe Appliance & software[5]
18. Wire Master[6]
19. Qube Account

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[1] For internal use only.
[2] No longer in active development. To be replaced by Qube Wire & Transformer.
[3] Minimal development. To be replaced by Wire Master.
[4] In design phase.
[5] Under development and released only for internal use.
[6] Under development, not yet released.

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SCHEDULE II

List of the immovable properties:

Sr. no.	Description of Premises	Lessee/Licensee	Details of Instrument
1.	Premises on 4th floor, Aver Plaza situated on plot no. B-13, bearing CTS no. 606, Opposite Citi Mall, New Link Road, Andheri (West), Village Oshiwara, Mumbai 400 053.	Licensee	Leave and License Agreement dated March 19, 2013 between M/s Aver Software Technologies Limited and Real Image
2.	Door no. 33-14-6/C , Pragathi Duplex Kadiyala Vari Veedi, Besides Sunrise Hospital, Sitarampuram, Vijayawada, Andhra Pradesh- 520002	Lessee	Lease Agreement dated December 29, 2014 between Kavari Hari Krishna and QCTPL
3.	Premises being Nos. 43A, 43B, 44A 10th Cross, 1st Main Road, Prakashnagar, Bangalore- 560021.	Lessee	Lease Agreement dated April 26, 2017 between Mr. S Karunakaran and QCTPL
4.	Flat on 3rd floor, Maudestan, 2/2A, D' Monte Park Road, Bandra (West), Mumbai 400 050	Licensee	Leave and License Agreement dated July 14, 2017 between Mrs. Gwendoline Oliveira and QCTPL
5.	Flat no. 203, 2nd Floor, Panorama Tower, Prathmesh Complex, Veera Desai Road, Andheri (West), Mumbai 400053	Licensee	Leave and License Agreement dated June 6, 2016 between Mr. Himawati Mishra and Real Image
6.	Flat no. 302, B Wing, 'Dev Prestige', Building no. 55/56, Azad Nagar Road no. 3, Veera Desai Road, Andheri (West), Mumbai 400053	Licensee	Leave and License Agreement dated October 7, 2017 between Mr. Asif Shaikh and QCTPL
7.	Premises No. 12, 1st Main Road, Seethammal Colony, Alwarpet, Chennai- 600 018	Lessee	Lease Agreement dated January 12, 2017 between Mr. Sekar Guruswamy Nadar and Real Image

UFO MOVIEZ INDIA LIMITED

Sr. no.	Description of Premises	Lessee/Licensee	Details of Instrument
8.	Premises being Second Floor (Eastern side) in Plot no. 21 NP, Guindy Industrial Estate, Hamlet of Alandur Village, Mambalam – Guindy Taluk, Madras District in Survey No. TS. No.15	Lessee	Lease Agreement dated May 25, 2016 between Mr. GH Shah, Proprietor, Plant Engineering Services, and Real Image
9.	Premises being Ground Floor (Northern Side) and Ground Floor (Southern Side) on Plot no. 21 NP, Guindy Industrial Estate, Hamlet of Alandur Village, Mambalam – Guindy Taluk, Madras District in survey no. TS. No.15 part	Lessee	Lease Agreement dated November 29, 2013 between Mr. GH Shah, Proprietor, Plant Engineering Services, and Real Image
10.	Premises on plot W-7, Green Park Main, New Delhi-110016	Lessee	Lease Deed dated January 1, 2016 between Mrs. Annanna Idicula and Real Image
11.	Premises bearing no. 1034, situated at 1st Main Road, 4th Block, Dr. Rajkumar Road, Bangalore- 560010	Lessee	Lease Deed dated December 18, 2015 between Mr. Bharathi Kumar Jain and Real Image
12.	House bearing MCH No. 317/A/B, MLA's colony at road no. 12, Banjara Hills, Hyderabad (Andhra Pradesh)	Lessee	Lease Agreement dated June 6, 2012 between Smt. B Indira Devi, Sri BN Keshav Rao, Sri. Ram Bhoopal and Sri. B Anant Nag and Real Image (Extended by the Letter of Extension dated October 11, 2017
13.	First floor and ground floor respectively of the building no. 41/643 C and 41/643 D standing on the land bearing Old Survey No. 2730 located at Ernakulum, Kerala	Lessee	Lease deeds dated August 7, 2013 and August 10, 2015 between Mrs. P Thankamani Amma and QCTPL
14.	Premises no. S-17, Uphar Shopping Complex, Green Park Extension, New Delhi	Lessee	Lease Deed dated June 1, 2017 between Jagdeep S. Suri and Jasmine Kaur; and QCTPL
15.	Premises no. 42, Dr. Ranga Road, Mylapore, Chennai - 600004	Lessee	Lease Agreement dated November 16, 2013 between Sumanth Subramanian and

Sr. no.	Description of Premises	Lessee/Licensee	Details of Instrument
			Real Image
16.	Premises admeasuring 143 square feet located in Sri Nagaraj Theatre, KABIR Road, Mandi Mohalla, Mysore	Lessee	Unregistered Agreement of Lease dated August 16, 2012 made between Sri Nagraj Investments Private Limited and Real Image and the letter of extension of the lease dated June 16, 2015
17.	Premise admeasuring 424 square feet being at Door No.607 B, Sixth Floor, Cystell Mall, Sawai Jai Singh Road, Banipark, Jaipur, Rajasthan	Lessee	Lease Agreement dated Lease Agreement dated November 6, 2015 made between Satyapal Manocha and Real Image
18.	Shop/Office premises bearing No.137, First Floor Highway Mall, Survey No. 233/1/2, 234/2 Chandkheda, Ahmedabad admeasuring about 22.21 square meters equivalent 239 square feet with built-up area and as per final plot undivided receivable about 21.84 square meters (as per Survey No. about 36.28 square meters) land of said Shop/Office situated in the scheme known as 'Highway Mall'	Lessee	Lease Agreement dated November 9, 2015 made between Shobhaben Vinodkumar Sharma and Vinodkumar Shivnath Sharma; and Real Image
19.	Private Office No. 313 in DBS Business Center, Kolkata	Licensee (Member)	Office Plan Registration Form issued by DBS Business Centre in favor of QCTPL

SCHEDULE III

LIST OF STUDIO DPS CONTRACTS

Sl. No.	Name of Hollywood Studio	Title of the Agreement	Date of Original Agreement
1.	Fox Star Studios India Private Limited	Digital Cinema Deployment Agreement	1 April 2012
2.	Viacom Global (Netherlands) BV (Paramount)	Digital Cinema Deployment Agreement	25 January 2013
3.	Sony Pictures Releasing International Corporation (Sony)	Binding Memorandum of Understanding	28 June 2013
3A.	SPE Films India Pvt. Ltd. (Sony Pictures)	Novation & Amended & Restated Binding Memorandum of Understanding	9 January 2015
4.	NBC Universal Media Distribution Services Pvt. Ltd. (Universal)	Digital Cinema Deployment Agreement	17 May 2013
5.	Warner Pictures India Pvt. Ltd.	Memorandum of Agreement	1 January 2013
6.	Walt Disney Studios Motion Pictures International Walt Disney Co. (India) Pvt. Ltd. UTV Software Communications Ltd.	Digital Cinema International Deployment Agreement	1 April 2012

Certified True Copy
For UFO Moviez India Limited

S.S. Chavz

Company Secretary

Annexure - 3(a)

Walker Chandiok & Co LLP

Certified True Copy
For UFO Moviez India Limited

Company Secretary

STRICTLY PRIVATE & CONFIDENTIAL

Date: 1 November 2017

To

Board of Directors
UFO Moviez India Limited
Valuable Techno Park
Plot No. 53/1, Road No. 07
Marol MIDC, Andheri (East)
Mumbai 400 093

Board of Directors
Qube Cinema Technologies Private Limited
42, Dr. Ranga Road
Mylapore
Chennai 600 004

Walker Chandiok & Co LLP
16th Floor, Tower II
Indiabulls Finance Centre
S B Marg, Elphinstone (W)
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Sub: Recommendation of Share Exchange Ratio

Dear Sir/ Madam,

We refer to the engagement letter whereby UFO Moviez India Limited ("UFO") and Qube Cinema Technologies Private Limited ("Qube") have requested Walker Chandiok & Co LLP ('WCC') for recommendation of the Share Exchange Ratio for the Proposed Merger (as defined below).

UFO and Qube are together referred to as 'the Specified Companies'.

In the following paragraphs, we have summarized our valuation analysis together with the description of the methodologies used and limitations on our scope of work.

WCC has been hereafter referred to as 'Valuer' or 'we' or 'us' in this report ('Valuation Report' or 'Report').

SCOPE AND PURPOSE OF THIS REPORT

UFO, incorporated in 2004, is a digital cinema distribution network and an in-cinema advertising platform. It is headquartered in Mumbai and operates India's largest satellite based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. It has 5,390 digital screens in India across 1,422 cities and towns with seating capacity of ~2.2 Mn capacity per show. For its in-cinema platform, UFO has 4,032 in-cinema advertising screens with an average weekly seating capacity of ~51.6 Mn across 1,416 town and cities across India. UFO is listed on the BSE Limited and National Stock Exchange Limited in India.

Qube, incorporated in 1986, has over 30 years of experience in film, video and audio technology. It is headquartered in Chennai and has offices across Mumbai, New Delhi, Hyderabad, Bengaluru, Cochin and Kolkata, with its 100% subsidiary Qube Cinema Inc., located in California and also has a mastering set-up in Dubai in association with a strategic partner. It provides technology solutions and services in the film, video and audio domain, including digital cinema. Its mastering facilities are located in Chennai, Mumbai, Hyderabad, Dubai (in association with a strategic partner) & California (through 100% subsidiary Qube Cinema Inc.) which have capacity to master over 40 films/ week.

Qube Digital Cinema Pvt. Ltd. ("R1"), a company incorporated under the Companies Act, 2013 having its registered office situated at Mylapore, Chennai. Upon completion of the Step I detailed in Point 5 below, R1 shall include demerged business of Qube excluding Studio DPS business.

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Moviebuff Private Limited ("R3"), a company incorporated under the Companies Act, 2013 having its registered office situated at Mylapore, Chennai. R3's business relates to operation of backend platform for curating and playing back customized template messages as per viewer choices based on customer chosen schedules on chosen front-end playback devices and marketing the offering directly to end customers or through chosen channels and platforms. Shares of R3 are entirely held by the promoters of Qube and their associates.

Studio DPS business of Qube means business undertaken by Qube pursuant to the contracts as set out in Schedule VII of the Draft Scheme and all liabilities, debts, duties, taxes and obligations in relation to the same.

PJSA Technosoft Private Limited ("U2"), incorporated in 2017, will become a wholly owned subsidiary of UFO prior to formulation of the Scheme (as defined below). Currently U2 does not have any income stream however it is proposed to be engaged in the business of development and commercial exploitation of certain software, technologies and processes.

We have been informed that the management of Qube and UFO are evaluating the following through a National Company Law Tribunal approved Composite Scheme of Arrangement and Amalgamation pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 (the "Scheme"):

Step I: Qube intends to de-merge its business (except for Studio DPS business) into a separate company, R1 on a going concern basis. In consideration for the same, R1 would issue and allot its equity shares to all the shareholders of Qube.

Step II: Thereafter, amalgamation of R3 into R1 (with consequent dissolution of R3 without winding up) to form a combined entity, hereinafter referred to as the "Resultant Company". As a consideration for the merger of R3 into R1, the Resultant Company will issue equity shares to the shareholders of R3. Pursuant to this transaction, specific non-promoter shareholders of Qube, who no longer want to participate in the demerged business of Qube (as mentioned in Step I), will sell their holding in the Resultant Company to UFO and certain new investors.

Step III: Pursuant to completion of Step I & Step II, the Resultant Company shall merge with UFO (with consequent dissolution of Resultant Company without winding up) and the shareholders of Resultant Company would be issued equity shares of UFO pursuant to merger ("Proposed Merger").

Step IV: Subsequent to the completion of Step III, slump sale of IP business (as transferred to UFO pursuant to Step I to Step III above) by UFO into a wholly owned subsidiary of UFO ("U2").

We understand that the management of the Specified Companies ('Management') are contemplating amalgamation of Resultant Company into UFO ('Transaction'), as mentioned in Step III above, pursuant to the Scheme.

For the aforesaid purpose, the Specified Companies have requested WCC to submit a report recommending the Share Exchange Ratio for the proposed amalgamation of Resultant Company with UFO for the consideration of the Board of Directors of the companies. This report will be placed before the Board of UFO and Qube and to the extent mandatorily required under applicable laws of India, maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Merger.



The scope of our services is to conduct a relative (and not absolute) valuation of the Specified Companies for recommending a Share Exchange ratio in accordance with generally accepted professional standards.

As a consideration for the amalgamation, equity shareholders of Resultant Company would be issued equity shares of UFO. Share Exchange Ratio for this Report refers to the number of equity shares of face value of INR 10/- each of UFO, which would be issued to shareholders of Resultant Company.

We have been provided with financial information for the Specified Companies. We have considered the same in our analysis and made adjustments for further facts made known (past or future) to us till the date of our Report. Our analysis does not factor impact of any event which is unusual or not in normal course of business. We have relied on the above while arriving at the Share Exchange Ratio.

This report is our deliverable in respect of our recommendation of Share Exchange ratio for the purpose of the Proposed Merger.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and / or gathered from public domain:

- Audited financial statements of the Specified Companies for the 3 years ended 31 March 2017;
- Management Certified unaudited carved out income statement for the 5 month period ended 31 August 2017 and statement of assets and liabilities of the Resultant Company as at 31 August 2017 taking into effect the merger of R3 into R1;
- Projected financial statements of the Resultant Company for the period 1 September 2017 to 31 March 2022 as provided by the Management of Qube;
- Draft Scheme of Arrangement and Amalgamation between UFO, Qube, R1, R3 and U2 under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("Draft Scheme");
- Number of equity shares on a fully diluted basis / shareholding pattern of UFO as at 30 September 2017 and Qube as at 31 August 2017 and proposed shareholding of Resultant Company;
- Market prices and trading history of the equity shares of UFO;
- Meetings and correspondence with the Management of the Specified Companies;
- Secondary research and market data on comparable companies and information on recent transactions, to the extent readily available; and
- Such other analyses, reviews and enquiries, as we considered relevant.

The Specified Companies have been provided with the opportunity to review the draft report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that the factual inaccuracies / omissions are avoided in our final report.



SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation recommendations and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this Report; (iii) based on the financial statements of the Resultant Company as of 31 August 2017; (iv) the financial statements of UFO as at 30 June 2017 and (v) other information provided by the Management of the Specified Companies on key events after 30 June 2017 (for UFO) and 31 August 2017 (for Resultant Company) till the date of the Report, if any.

The realization of the projected financial information provided will be dependent on the continuing validity of assumptions on which it is based. Our analysis, therefore, will not and cannot be directed to providing any assurance about the achievability of the future plans. Since the projections relate to the future, actual results could to be different from the projected results because events and circumstances do not occur as expected and the differences may be material.

We have also relied on certain data from external sources. These sources, although considered to be reliable, are external and hence, we assume no liability for the accuracy of the data. We have assumed that the business of the Specified Companies continues normally without any disruptions due to statutory or other external/internal occurrences.

The Management has represented that the business activities have been carried out in the normal and ordinary course between 30 June 2017 and the Report date for UFO and between 31 August 2017 and the Report date for the Resultant Company and that no material adverse change has occurred in their respective operations and financial position between the respective aforementioned dates and the Report date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as on the Report date. Events and transactions occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The recommendation(s) rendered in this Report only represent our recommendation(s) based upon information furnished by the Specified Companies (or their executives/ representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this Report.

The determination of a Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of

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individual judgment. There is, therefore, no single undisputed Share Exchange ratio. While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Exchange Ratio at which the proposed merger shall take place will be with the Board of Directors of the respective Specified Companies, who should take into account other factors such as their own assessment of the proposed merger and input of other advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Specified Companies. In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently verified the data provided by the Specified Companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Specified Companies, we have been given to understand by the Management of the Specified Companies that they have not omitted any relevant and material factors about the Specified Companies. Our conclusions are based on the assumptions and information given by / on behalf of the Specified Companies and reliance on public information. The Management of the Specified Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results. Accordingly, we assume no responsibility for any errors in the information furnished by the Specified Companies and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially mis-stated / incorrect or would not afford reasonable grounds upon which to base the Report.

The Report assumes that the Specified Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Specified Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheet of the Specified Companies. Our conclusion of value assumes that the assets and liabilities of the Specified Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Proposed Merger. This Report does not look into the business / commercial reasons behind the Proposed Merger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Merger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Specified Companies' claim to title of assets has been made for the purpose of this Report and the Specified Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

We have no present or planned future interest in the Specified Companies and the fee for this Report is not contingent upon the results reported herein. Our valuation analysis should not be

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construed as investment advice; specifically, we do not express any opinion on the suitability of the Proposed Merger.

We owe responsibility to only the Boards of Directors of the Specified Companies. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Exchange Ratio. This Report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Valuation Report is subject to the laws of India.

Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory authorities including stock exchanges and SEBI. In addition, this Report does not in any manner address the prices at which equity shares of UFO will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to how the shareholders of any Specified Company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

SHAREHOLDING PATTERN OF SPECIFIED COMPANIES

UFO Moviez India Limited

The issued and subscribed equity share capital of UFO as at 30 September 2017 is INR 276 million consisting of 27,600,801 equity shares of face value of INR 10/- each. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoter & Promoter Group- UFO	7,765,452	28.1%
Public	19,835,349	71.9%
Total No. of Shares	**27,600,801**	**100.0%**

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Qube Cinema Technologies Private Limited

The diluted equity share capital of Qube as at 31 August 2017 is INR 198.6 million consisting of 19,858,114 equity shares of face value of INR 10/- each on a fully diluted basis. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoters	5,523,091	27.8%
Street Edge Capital LP USA	1,597,302	8.0%
Intel Capital (Mauritius) Limited , USA (Ser A)	2,571,006	12.9%
Intel Capital (Mauritius) Limited , USA (Ser C)	323,731	1.6%
CSI BD (Mauritius) (Ser B)	789,941	4.0%
Nomura Asia Investment (MB) Pte. Ltd (Ser C)	5,697,535	28.7%
Others	2,066,350	10.4%
Equity Shares allotted to ESOP Pool 2006	914,158	4.6%
ESOP Options Diluted	375,000	1.9%
Total No. of Shares	**19,858,114**	**100.0%**

Resultant Company

The diluted equity share capital of the Resultant Company after Step II as mentioned above would be INR 206.4 million consisting of 20,638,114 equity shares of face value of INR 10/- each on a fully diluted basis. The shareholding pattern is as follows:

Shareholding Pattern	No. of Shares	% Shareholding
Promoters of Qube	5,523,091	26.8%
New Investor	7,104,058	34.4%
UFO	3,875,457	18.8%
Others	2,066,350	10.0%
Equity Shares allotted to ESOP Pool 2006	914,158	4.4%
ESOP Options Diluted	375,000	1.8%
New Shares issued to R3 Shareholders	780,000	3.8%
Total No. of Shares	**20,638,114**	**100.0%**

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The Management of Specified Companies has represented to us that there have been no changes in the shareholding pattern of the Specified Companies post relevant dates as mentioned above, and further that there would not be any changes to the shareholder equity in the Specified Companies till the Transaction becomes effective.

APPROACH & METHODOLOGY

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Specified Companies. Further, this valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Specified Companies, and other factors which generally influence the valuation of companies and their assets.

The Draft Scheme contemplates the amalgamation of Resultant Company into UFO. Arriving at the Share Exchange Ratio would require determining the value of the equity shares of UFO, in terms of the value of the equity shares of the Resultant Company. These values are to be determined independently but on a relative basis, and without considering the proposed merger.

The following are commonly used and accepted methods for determining the value of the equity shares of a company/ business:

1. Market Approach
    a. Market Price method
    b. Comparable Companies Quoted Multiples method
    c. Comparable Companies Transaction Multiples method
2. Income Approach – Discounted Cash Flows method
3. Asset Approach – Net Asset Value method

Market Approach

a. Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Equity shares of UFO are listed on BSE Ltd. and NSE Ltd. Equity shares of UFO are frequently traded in terms of Para 71A, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR Regulations'). Equity shares of Resultant Company are not listed on any stock exchanges.

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b. Comparable Companies' Quoted Multiple ('CCM') Method

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

c. Comparable Companies' Transaction Multiple ('CTM') Method

Under this method, value of the equity shares of a company / business is arrived at by using multiples derived from valuations in the same or comparable companies, as manifest through transaction valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

There have been limited transactions in the movies and entertainment segments with similar operational characteristics as that of Specified Companies. Further, transaction multiples may include acquirer-specific considerations such as synergy benefits, control premium and minority adjustments, on which sufficient information may not be available in the public domain.

Income Approach – Discounted Cash Flows ('DCF') Method

Under the DCF method the projected free cash flows to the equity shareholders are discounted at the cost of equity. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's equity capital.

Appropriate discount rate to be applied to cash flows i.e. the cost of equity:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the equity capital provider expects to earn on other investments of equivalent risk.

Asset Approach – Net Asset Value ('NAV') Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings capability. UFO and the Resultant Company are operating companies. A scheme of Amalgamation would normally be proceeded with, on the assumption that the companies merge as going concerns and an actual realization of the operating assets is not contemplated.



ICDR Regulations

As per SEBI circular nos. CFD/DIL3/CIR/2017/21 and CFD/DIL3/CIR/2017/26 dated 10 March 2017 and 23 March 2017, respectively, the issuance of shares under schemes in case of allotment of shares by listed companies only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of the ICDR Regulations and the relevant date for the purpose of computing pricing shall be the date of the Board meeting in which the scheme is approved.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Taking the above outlined factors, including ICDR Regulations, into consideration, we have adopted following approaches for determination of Share Exchange Ratio:

Valuation of UFO

- **Market Approach**: We have considered Market Price Method as the equity shares of UFO are frequently traded.

  Trading volume of equity shares of UFO during the year ended 31 October 2017 was higher on NSE as compared to BSE. Under the Market price method, average of weekly high and low of the volume weighted average price ('VWAP') of UFO on NSE during the twenty six weeks or two weeks preceding 1 November 2017, whichever is higher has been considered. Please refer **Annexure 1** for details.

- **Income Approach**: We have not considered Discounted Cash Flow method for the valuation of UFO as the financial projections were not provided by the management of UFO.

Valuation of Resultant Company

- **Market Approach**: Equity shares of the Resultant Company are not listed on any stock exchanges. Accordingly, the market price methodology could not be used for this entity and therefore, we have considered Comparable Companies Multiple Method under this approach.

  We have used the quoted multiples of comparable listed companies, as appropriate, for the purpose of our valuation analysis. Adjustments, as appropriate, are made for borrowings, surplus assets and other matters to arrive at the equity value of the Resultant Company.

- **Income Approach:** We have also used Discounted Cash Flow method under this approach for the valuation of Resultant Company.

  For the purpose of DCF valuation, the free cash flow forecast is based on Financial Projections as provided by the management of Qube. While carrying out this engagement, we have relied extensively on historical information made available to us by the management of the Companies and the respective Financial Projections for future related information. We did not carry out any validation procedures or due diligence with respect to the information provided/ extracted or carry out any verification of the assets or comment on the achievability of the assumptions underlying the Financial Projections, save for satisfying ourselves to the extent possible that they are consistent with other information provided to us in the course of this engagement.

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We have adjusted the value of Discounted Cash Flows (as explained above in "Income Approach") for adjustments, as appropriate for net borrowings, surplus assets and other matters to arrive at the equity value of the Resultant Company.

SHARE EXCHANGE RATIO

The basis of the Proposed Merger would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending an exchange ratio of equity shares it is necessary to arrive at a single value for each of the business / subject companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Specified Companies but at their relative values to facilitate the determination of an exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of UFO using Market Approach and Resultant Company using the Market Approach and Income Approach. The Share Exchange Ratio is based on the methodologies explained herein earlier and various qualitative factors relevant to each Company and the business dynamics and growth potential of the businesses of the Resultant Company, having regard to information, key underlying assumptions and limitations. Please refer Annexure 2 for summary valuation workings.

We have independently applied methodologies, as considered appropriate and discussed above and arrived at their assessment of value per share of the Specified Companies. To arrive at the Share Exchange Ratio, suitable averaging and rounding off in the values arrived at has been done.

In view of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Share Exchange Ratio as follows:

13 (Thirteen) equity shares of UFO (of INR 10/- each fully paid up) for every 17 (Seventeen) diluted equity shares of the Resultant Company (of INR 10/- each fully paid up) for the merger of the Resultant Company into UFO.

Respectfully submitted,

Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration Number:
001076N/ N500013

Riaz Thingna
Partner
Membership No: 034864
Date: 1 November 2017

WALKER CHANDIOK & Co LLP * CHARTERED ACCOUNTANTS * MUMBAI

Walker Chandiok & Co LLP

Annexure 1 – Valuation of equity shares of UFO under the Market Price method

Week	Week Start Date	Week End Date	VWAP High	VWAP Low	VWAP Average
1	25-Oct-2017	31-Oct-2017	429.1	390.9	410.0
2	18-Oct-2017	24-Oct-2017	395.4	385.1	390.2
3	11-Oct-2017	17-Oct-2017	377.0	360.3	368.7
4	04-Oct-2017	10-Oct-2017	392.3	378.7	385.5
5	27-Sep-2017	03-Oct-2017	390.7	384.7	387.7
6	20-Sep-2017	26-Sep-2017	399.2	376.3	387.8
7	13-Sep-2017	19-Sep-2017	404.1	397.0	400.6
8	06-Sep-2017	12-Sep-2017	407.7	377.8	392.7
9	30-Aug-2017	05-Sep-2017	375.9	356.7	366.3
10	23-Aug-2017	29-Aug-2017	345.4	340.0	342.7
11	16-Aug-2017	22-Aug-2017	347.1	337.3	342.2
12	09-Aug-2017	15-Aug-2017	357.3	326.2	341.8
13	02-Aug-2017	08-Aug-2017	372.1	365.4	368.8
14	26-Jul-2017	01-Aug-2017	386.8	375.8	381.3
15	19-Jul-2017	25-Jul-2017	397.1	388.8	392.9
16	12-Jul-2017	18-Jul-2017	394.6	389.7	392.2
17	05-Jul-2017	11-Jul-2017	400.2	385.7	393.0
18	28-Jun-2017	04-Jul-2017	395.7	389.3	392.5
19	21-Jun-2017	27-Jun-2017	415.3	400.2	407.8
20	14-Jun-2017	20-Jun-2017	426.5	414.2	420.3
21	07-Jun-2017	13-Jun-2017	400.2	380.0	390.1
22	31-May-2017	06-Jun-2017	381.0	377.6	379.3
23	24-May-2017	30-May-2017	388.5	374.9	381.7
24	17-May-2017	23-May-2017	441.5	400.5	421.0
25	10-May-2017	16-May-2017	441.2	432.4	436.8
26	03-May-2017	09-May-2017	444.6	435.1	439.8

Particulars	INR
Average of weekly high and low of Volume Weighted Average Price (VWAP) of UFO on NSE during 6 months or 26 weeks preceding relevant date	389.0
Average of weekly high and low of Volume Weighted Average Price (VWAP) of UFO quoted on NSE during 2 weeks preceding relevant date	400.1

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Annexure 2 - Summary of Valuation Workings

Valuation Approach	UFO		Resultant Company	
	INR	Weight (%)	INR	Weight (%)
Asset Approach	NA	0%	NA	0%
Market Approach				
Market Price Method	400.1	100%	NA	0%
Comparable Companies Method	NA	-	285.7	50%
Income Approach	NA	-	327.6	50%
Relative Value Per Share*	**400.1**	**100%**	**306.7**	**100%**

*face value INR 10 per share
NA = Not Adopted / Not Applicable

Share Exchange Ratio
13 (Thirteen) equity shares of UFO (of INR 10/- each fully paid up) for every 17 (Seventeen) diluted equity shares of the Resultant Company (of INR 10/- each fully paid up)



VSS & Co
Chartered Accountants

Date: 31st October, 2017

To

The Board of Directors
M/s. Qube Cinema Technologies Pvt Ltd
Chennai

Dear Sir,

Sub: Report on share entitlement ratio for the proposed demerger of substantial undertaking of M/s. Qube Cinema Technologies Pvt. Ltd ("Company") into Qube Digital Cinema Pvt Ltd.

We enclose our report on the valuation of and share entitlement ratio in respect of proposed scheme of demerger of the substantial undertaking of Qube Cinema Technologies Pvt. Ltd into Qube Digital Cinema Pvt. Ltd.

Share entitlement ratio is the number of shares of Qube Digital Cinema Pvt. Ltd that a shareholder of Qube Cinema Technologies Pvt. Ltd is entitled to.

Thanking you

For VSS & Co

Chartered Accountants

Sanjay Jain

Partner

M No. 207975

VSS & CO. Chennai Chartered Accountants

VSS & Co
Chartered Accountants

Date: 31st October, 2017

To

The Board of Directors
M/s. Qube Digital Cinema Pvt. Ltd
Chennai

Dear Sir,

Sub: **Valuation of Equity Shares of M/s. Qube Digital Cinema Pvt. Ltd - reg**

We refer to our discussions regarding the valuation of the equity shares of **M/s. Qube Digital Cinema Pvt. Ltd** (the "Company") taking into consideration the proposed demerger of the Undertakings of Qube Cinema Technologies Pvt. Ltd. ("QCT") into the Company. As requested by you, we present herewith our report of valuation of the equity shares of the Company (the "Valuation").

1. Purpose of Valuation

1.1 We understand as an integral part of the above proposed transaction, a substantial part of the undertaking of QCT (excluding business arising from the Studio DPS Contracts i.e., business carried out pursuant to contracts entered into by QCT with 6 Hollywood Studios in connection with playback of their digital titles) is proposed to be demerged into the Company and it is proposed that the shareholders of QCT shall, in consideration of such demerger, be allotted shares in the Company in proportion to their holdings in QCT. In relation to above proposed Demerger of the Undertakings, you have requested for our report on the valuation of the equity shares of the Company after adjusting for the business not forming part of the above said proposed demerger. The company have further requested to consider the reference date for valuation as August 31, 2017 and accordingly the financial projections for the period September 2017 to March 2022 have been considered for the purpose of valuation.

1.2 We understand that the QCT has issued reserved certain options under its Employee Stock Option Plan, which are not yet granted. The current Valuation is based on fully diluted equity share capital as at the date of this report, assuming full conversion of granted and/ or vested options. In this respect, we have been advised that the options pending grant shall be extinguished prior to the proposed demerger scheme. For the purposes of this report, we have assumed that such options stand cancelled and are not available for conversion into equity shares and have accordingly computed the fully diluted equity shares in the Company.

VSS & CO. Chennai Chartered Accountants

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Tel : + 91 44 4306 3041 • Telefax : + 91 44 4306 3042 • E.mail : team@vssco.in • www.vssco.in

2. Company and Qube Cinema Technologies Private Limited – Brief Background.

QCT was incorporated in 1986 and has been providing technology solutions and services to the media and entertainment industry with a dominant focus on the digital cinema domain. QCT has a 100% subsidiary in California, by the name Qube Cinema Inc. and has a 39.23% shareholding in Justickets Pvt. Ltd. (JTPL) which is a subsidiary by virtue of QCT having contractual management control rights therein.

The Company has been incorporated on October 11, 2017 and currently has a paid-up capital of Rs.100,000/-

3. Financial Projections

3.1 We were furnished with the detailed business plan and projected financials covering the businesses as presently carried out by QCT and as proposed to be carried out for the financial years 2017-18 to 2021-22 along with the provisional financials for the period of April 01, 2017 to August 31, 2017. Further we have been provided the details of the expected earnings included in the above provisional financials and net receivables/ assets as on August 31, 2017 of the business not considered for the above proposed demerger. These projections cover the entire businesses as currently carried out but excluding the impact of the businesses carried out by JTPL, in respect of which the investment made by QCT in the share capital of JTPL, which will flow to the Company consequent to the demerger, has been considered at its acquisition cost, as reflected in the books of QCT.

3.2 As informed to us, the projections presented for our review have been prepared by the management of the Company based on inputs from the management of QCT and represent the business plan forecast by the management of the Company and the same is approved by the Board of the Company.

3.3. The Projected and Provisional Financials with detailed workings and assumptions have been provided by the management of the Company.

4. Methodologies used for Valuation

You have specifically represented to us that the businesses covered under the projected financials, as currently operated by QCT and as proposed to be operated by the Company have significant growth potential, including those arising out of certain new IP/ technology based businesses which are currently in the process of being launched and requested us to value the shares of the Company accordingly. Taking this into account, we have, based on the financial projections provided to us, used the discounted free cash flow method for valuation assuming the aforementioned demerger transaction to be effective as at Aug 31, 2017. Further since the projections include the consolidated business of QCT as carried out presently, we have been asked to adjust the estimated profits and net assets receivables of the business, which is not part of the proposed demerger to arrive the above said valuation.



5. Value as per Discounted Free Cash Flow Method

5.1 Our Valuation is based on the detailed business plan and financial projections referred to in 3.1 above, for the period 2018 to 2022 (forecast period considered by us) and on an 'as if proposed demerger is effective" basis.

5.2 We have considered the estimated free cash flows of the Company and have applied discounting rate obtained from sources which were considered reliable at the time of valuation to the aforesaid free cash flows to arrive at the business value of the Company. The various factors considered to arrive at the discounting rate are long term risk free rate of return, enhanced risk & lack of marketability, cost of debt of the Company etc. Further cost of debt is reckoned at the weighted average interest rate at which QCT is currently borrowing, after adjusting the currency risk for foreign currency debts and adjusted for tax impact. This would result in an applicable discount rate of 13.16%.

5.3 After discussions with the management of the Company, we have considered 28% on estimated turnover of the final year i.e.2021-22 to determine Profit before depreciation, interest and tax and considered the cash flows of the final year i.e.2021-22 to continue into perpetuity with a growth rate of 4% per annum with certain assumptions as stated in valuation workings.

5.4 Since the Value of the Undertakings proposed to be demerged is to the equity shareholders of the Company, all the debts taken and long term advances / deposits given are adjusted to arrive the valuation.

5.5 Hence, since the Company is incorporated with the limited liability and there is no amount outstanding against partly paid shares, we believe the present value of Undertaking proposed to be demerged would be **Rs.625,38,68,452/-** as per the Valuation arrived. Accordingly based on the fully diluted equity shares of 1,98,58,114 the value per equity share works out to be Rs. 314.93 or ~ Rs.315.

6. Limitations/ Disclaimers

6.1 In the course of our Valuation, we have relied on the financial data, projections and information made available to us by the Company. Our conclusions are dependent on such information being reasonable and complete in all material respects. Although we have reviewed this information, the scope of our work will not enable us to accept responsibility for the reasonableness and completeness of this information. We have not conducted an independent audit, due diligence review or validation of such information.

Therefore, we do not express any opinion on the accuracy of the same. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the projection since other anticipated events frequently may not occur as expected and the variation may be material.

6.2 Our report does not constitute a recommendation as to whether or not any party should carry out a transaction vis-à-vis the Company. Any investment decision relating to the Company should only be made by the relevant parties based on their own assessment of the merits or demerits of any such investment.

6.3 We shall not be liable to the Company for any loss or liabilities which may arise based upon the information used in this report. Further, the Company agrees that we shall not

VSS & CO. Chennai Chartered Accountants

be liable for any consequential, incidental or punitive loss or expense even if we have been advised of their possible existence. This provision shall survive the termination of the engagement for any reason.

6.4 This report is for the sole purpose stated in Para 1 above.

Thanking You,
Yours Faithfully,

For VSS & CO
Chartered Accountants

Sanjay Jain
Partner

Exhibits I- Projected & Provisional Financials
Exhibit II- Valuation Workings

Annexure - 3 (c)

VSS & Co
Chartered Accountants

Date: 31st October, 2017

To

The Board of Directors
M/s. Movie Buff Pvt. Ltd
Chennai

Dear Sir,

Sub: **Valuation of Equity Shares of M/s. Movie Buff Pvt Ltd - reg**

We refer to our discussions regarding the valuation of the equity shares of **M/s. Movie Buff Pvt. Ltd** (the "Company") in connection with its proposed merger with Qube Digital Cinema Pvt. Ltd. As requested by you, we present herewith our report of valuation of the equity shares of the Company (the "Valuation").

1. **Purpose of Valuation**

1.1 We understand as an integral part of the above proposed transaction, all the shareholders of the Company have agreed to transfer its equity shares held in lieu of the equity shares of Qube Digital Cinema Pvt. Ltd. In relation to above proposed Merger of the Company, you have provided us the provisional financial and projected financials for five years with request for our report on the valuation of the equity shares of the Company. As the company is yet to commence their operations, the projected financials with various other assumptions provided to us have been considered for valuing the equity shares of the Company. Based on the Company's request the reference date for valuation has been taken as August 31, 2017 and accordingly the financial projections for the period September 2017 to March 2022 have been considered for the purpose of valuation.

2. **Movie Buff Pvt. Ltd – Brief Background.**

Movie buff Pvt. Ltd. (formerly known as South Beach Software Pvt. Ltd.) was incorporated in 1996. While it has largely had no business operations in the past, its directors and shareholders have been in the technology domain, with specific focus on media and entertainment. They have, in the recent past, worked on certain innovative ideas in this domain, which they now intend to operationalize, using the Company as a platform. The business concept envisages operating a backend platform for dynamically creating and playing back customised content at scheduled times. Qube Digital Cinema Pvt. Ltd. (QDC), a company incorporated in October 2017, intends acquiring through a scheme of demerger, substantial undertaking of Qube Cinema Technologies Pvt. Ltd. (Qube), a pioneer in technology solutions & services with a focus on digital cinema. Keeping in view potential synergies of the Company's business concept in the context of the cinema domain, QDC and the Company have been in discussions and are contemplating an amalgamation of the Company into QDC.

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Tel : + 91 44 4306 3041 • Telefax : + 91 44 4306 3042 • E.mail : team@vssco.in • www.vssco.in

3. **Financial Projections**

3.1 We were furnished with the detailed business plan and projected financials of the Company for the financial years 2017-18 to 2021-22 along with the provisional financials for the period of April 01, 2017 to August 31, 2017.

3.2 As informed to us, the projections presented for our review have been prepared by the management of the Company and represent the business plan forecast by the management of the Company and the same is approved by the Board of the Company.

3.3. The Projected and Provisional Financials with detailed workings and assumptions have been provided by the management of the Company.

4. **Methodologies used for Valuation**

You have specifically represented to us that the businesses covered under the projected financials are currently in the pre-commercialisation stage and therefore, do not have any historical track record, trends or metrics or any ready comparables and that the business concept has significant potential going forward and requested us to value the shares of the Company accordingly. Taking this into account, we have, based on the financial projections provided to us, used the discounted free cash flow method for valuation for the purpose of above merger of the Company.

5. **Value as per Discounted Free Cash Flow Method**

5.1 Our Valuation is based on the detailed business plan and financial projections of the Company provided by the management for the financial years 2018 to 2022.

5.2 We have considered the estimated free cash flows of the Company and have applied discounting rate obtained from sources which were considered reliable at the time of valuation to the aforesaid free cash flows to arrive at the business value of the Company. The various factors considered to arrive the discounting rate are long term risk free rate of return, enhanced risk & lack of marketability, risk premium for start up company etc. This would result in an applicable discount rate of 18%.

5.3 After discussions with the management of the Company, we have considered the cash flows of the final year i.e. 2021-22 to continue into perpetuity with a conservative estimates growth rate of 2.5% per annum as the company is in its start up stage with certain assumptions as stated in valuation workings.

5.4 Hence, since the Company is incorporated with the limited liability and there is no amount outstanding against partly paid shares, we believe the present value of Company proposed to be merged would be **Rs 24,57,07,318/-** as per the Valuation arrived. Accordingly based on the current issued and paid up equity shares of 10,212 the value per equity share works out to be Rs. 24060.65 or ~ Rs.24060.



6. **Limitations/ Disclaimers**

6.1 In the course of our Valuation, we have relied on the financial data, projections and information made available to us by the Company. Our conclusions are dependent on such information being reasonable and complete in all material respects. Although we have reviewed this information, the scope of our work will not enable us to accept responsibility for the reasonableness and completeness of this information. We have not conducted an independent audit, due diligence review or validation of such information.

Therefore, we do not express any opinion on the accuracy of the same. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the projection since other anticipated events frequently may not occur as expected and the variation may be material.

6.2 Our report does not constitute a recommendation as to whether or not to any party should carry out a transaction vis-à-vis the Company. Any investment decision relating to the Company should only be made by the relevant parties based on their own assessment of the merits or demerits of any such investment.

6.3 We shall not be liable to the Company for any loss or liabilities which may arise based upon the information used in this report. Further, the Company agrees that we shall not be liable for any consequential, incidental or punitive loss or expense even if we have been advised of their possible existence. This provision shall survive the termination of the engagement for any reason.

6.4 This report is for the sole purpose stated in Para 1 above.

Thanking You,
Yours Faithfully,

For VSS & CO
Chartered Accountants

Sanjay Jain
Partner

Exhibits I- Projected & Provisional Financials
Exhibit II- Valuation Workings

Annexure – 4

UFO
digital cinema

REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE OF UFO MOVIEZ INDIA LIMITED RECOMMENDING THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

Members Present:

1.	Mr. Sanjeev Aga	-	Chairman & Independent Director
2.	Mr. S. Madhavan	-	Independent Director
3.	Mr. Varun Laul	-	Director

Certified True Copy
For UFO Moviez India Limited

S. Sachdeva
Company Secretary

In Attendance:

1.	Mr. Kapil Agarwal	-	Joint Managing Director
2.	Mr. Ashish Malushte	-	Chief Financial Officer
3.	Mr. Rajesh Mishra	-	CEO – Indian Operations
4.	Mr. Sameer Chavan	-	Company Secretary

1. **Background**

1.1 A meeting of the Audit and Risk Management Committee of UFO Moviez India Limited ("**Company**" or "**Transferee Company**") was held on November 1, 2017, to consider and recommend to the Board of Directors of the Company the draft composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited ("**UFO**" or "**the Company**"), Qube Cinema Technologies Private Limited ("**QCTPL**"), Qube Digital Cinema Private Limited ("**QDCPL**"), Moviebuff Private Limited ("**MPL**") and PJSA Technosoft Pvt. Limited ("**PJSA**") and their respective shareholders ("**Scheme**"), to be implemented under Sections 230 to Section 232 read with other applicable provisions of the Companies Act, 2013.

1.2 UFO ("Company" or "Transferee Company 2" or "Transferor Company 3") is a public limited company incorporated on June 14, 2004 under the Companies Act, 1956 and its registered office is situated at Valuable Techno Park, Plot No 53/1, Road No 7, Marol MIDC, Andheri East, Mumbai – 400 093. The CIN of UFO is L22120MH2004PLC285453. The equity shares of UFO are listed on BSE Limited and National Stock Exchange of India Limited. UFO is engaged inter alia in the business of digital cinema distribution and in-cinema advertising.

1.3 Qube Cinema Technologies Private Limited ("QCTPL" or "Demerged Company") is a private limited company incorporated on January 01, 1986 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600004. The Corporate Identity Number (CIN) of QCTPL is U92490TN1986PTC012536. QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

1.4 Qube Digital Cinema Private Limited ("QDCPL" or "Resulting Company" or "Transferee Company 1" or "Transferor Company 2") is a private limited company incorporated on October 11, 2017 under the Companies Act, 2013 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600004. The CIN of QDCPL is U93000TN2017PTC119019. QDCPL will be engaged in the same business as that of QCTPL i.e. providing technology in film, video and audio, including digital cinema distribution, editing, production and sound.

Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093. Tel: +91 022 4030 5060, Fax: +91 022 4030 5110
Corporate Identity Number: L22120MH2004PLC285453 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com

1.5 Moviebuff Private Limited ("MPL" or "Transferor Company 1") is a private limited company incorporated on November 4, 1996 under the Companies Act, 1956 and its registered office is situated at 42, Dr. Ranga Road, Mylapore, Chennai 600004. The CIN of MPL is U22300TN1996PTC036847 . MPL is engaged in the business of operating a backend platform for dynamically creating and playing back customised content at scheduled times.

1.6 PJSA Technosoft Pvt. Limited ("PJSA" or "Transferee Company 3") is a private limited company incorporated on October 17, 2017 under the Companies Act, 2013 and its registered office is situated at 2602, Wing C, Oberoi Splendor, Opp. Majas Depot, JVLR, Andheri East, Mumbai – 400 060. The CIN of PJSA is U74999MH2017PTC300940. PJSA will be engaged in the business of Providing IT and IT related services.

1.7 This report of the Audit and Risk Management Committee is made in order to comply with the requirements of Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India ("**SEBI Circular**").

1.8 The following documents were placed before the Audit and Risk Management Committee:

(a) Draft composite Scheme of Arrangement and Amalgamation.

(b) Valuation Reports dated November 1, 2017 issued by the Independent Valuer, Walker Chandiok & Co. LLP ("**Valuation Reports**").

(c) Fairness Opinion dated November 1, 2017 issued by Axis Capital Limited, an independent Category-I Merchant Banker ("**Fairness Opinion**").

(d) Certificate from M/s. S.R. Batliboi & Associates LLP, statutory auditors of the Company confirming that the Scheme is in compliance with applicable accounting treatment notified under the Companies Act, 2013 and other generally accepted principles.

2. **Proposed Scheme of Amalgamation**

2.1 Any term which has not been defined in this Report shall have the meaning ascribed to it under the attached Scheme.

2.2 The Audit and Risk Management Committee noted the facts, rationale and benefits of the proposed demerger, which are, *inter alia*, as follows:

(a) UFO and QCTPL are engaged in similar businesses. Considering the existing entertainment and advertising market dynamics in India and the tremendous prospects for services in global markets, both QCTPL and UFO believe that the proposed merger of the two companies will lead to robust growth opportunities in India and globally.

(b) UFO has developed an efficient satellite delivery mechanism for the transmission of content into non-DCI theatres using MPEG4 technology. QCTPL, on the other hand, uses MPEG2 technology for non-DCI theatres and has also developed its own DCI compliant servers. The merged entity will thus have all the complementary technologies at its disposal. Going forward, it is

expected that the combined entity will develop and deploy both DCI and non-DCI systems that incorporate the best features of the multiple technologies available to the company. Such a best-of-breed system will serve the interests of both the film industry with the highest levels of security, ease-of-use and reliability; and advertisers with centrally controlled ad scheduling that blends seamlessly with locally controlled movie selection and playback.

(c) In-cinema advertising is one of the fastest growing media in the country today. Both UFO, with ~4000 advertising screens, and QCTPL, with ~3300 advertising screens, have been running large advertising networks. The two companies have a complementary network profile with QCTPL having a deeper penetration in South India and UFO having a similar presence in rest of India. By combining the two networks, the merged business will be able to offer a pan India in-cinema advertising network covering over 7300 screens, significantly improving the overall value proposition for clients. The two companies also have complementary strengths in terms of client base, presenting attractive cross-sell opportunities

(d) Further, the proposed merger would bring about synergies of operations and benefits of scale by minimizing the duplication of administrative functions, combining some infrastructural requirements and unifying legal and regulatory compliances.

(e) QCTPL has developed a self-service single-window content and digital rights management platform for movies called Qube Wire. This service is currently in the process of commercialization but is already in operation on a limited-scale serving select clients. UFO, in addition to its screen network in India, also has a network of screens overseas. Apart from Qube Wire, QCTPL has other products with global potential and the combined network, post-amalgamation, will allow faster monetization of Qube Wire and other QCTPL products, both within India and internationally.

(f) This merger will also facilitate the exit of the private equity investors in QCTPL who have been invested for a number of years and provide an opportunity for the employees and shareholders of QCTPL to become part of a listed entity.

(g) Thus, with the aforesaid objectives, it is proposed to demerge the QCTPL Business of QCTPL into QDCPL, merge MPL into QDCPL, undertake the purchase of the QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamate QDCPLwith UFO and thereafter slump sale the IP Business from UFO into PJSA pursuant to the composite Scheme.

2.3 The salient features of the draft Scheme are, *inter alia*, as under:

(a) The draft Scheme provides for the following:

(i) Demerger of the entire business of QCTPL except business relating to certain identified contracts with overseas studios ("Demerged Undertaking") into QDCPL on a going concern basis ("Demerged Business") and the issuance of equity shares by QDCPL to the shareholders of QCTPL ("QCTPL Demerger");

(ii) Amalgamation of MPL into QDCPL and the issuance of equity shares by QDCPLto the shareholders of MPL and consequent dissolution of MPL without winding up ("MPL Merger");

(iii) Upon giving effect to QCTPL Demerger and MPL Merger and upon issuance of shares by QDCPL to shareholders of QCTPL and MPL, specific non-promoter shareholders of QDCPL, who no longer wish to participate in the Demerged Undertaking of QDCPL (as mentioned in point (i)), to sell their holding in QDCPL aggregating to 53.20% of the share capital of QDCPL to the Company and UFO and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited ("Investor") ("Purchase of QDCPL Sale Shares");

(iv) Post completion of Transfer of QDCPL Sale Shares, amalgamation of QDCPL into the Company and the issuance of equity shares by the Company to the shareholders of QDCPL and consequent dissolution of QDCPL without winding up ("QDCPL Merger"); and

(v) Slump Sale of the business relating to certain new software, technologies and processes of QCTPL which are currently in the process of commercialization from the Company (post transfer to the Company pursuant to the QDCPL Merger) ("Transferred Undertaking") into PJSA and payment of a lump sum consideration by PJSA to the Company ("Slump Sale").

(b) Each of the aforesaid transactions form an integral and indivisible part of the composite Scheme and the said transactions shall be deemed to occur in the sequence set out herein below and none of the said transactions shall be considered to be consummated, unless each of the other transactions are also consummated and the Scheme is approved by the SEBI, the Stock Exchanges and the National Company Law Tribunals (NCLTs), as the case may be. It is the intention of QCTPL, QDCPL, MPL, PJSA and UFO that each of the transactions contemplated under Part II, Part III, Part IV and Part V of the Scheme constitute a single transaction and the Scheme shall be implemented only if the Scheme is approved in its entirety.

(i) With effect from the Appointed Date 1, Part II (relating to demerger of the QCTPL Undertaking of QCTPL into QDCPL) and Part III of the Scheme (relating to amalgamation of MPL into QDCPL) shall be deemed to have been operative from the Effective Date 1.

(ii) With effect from the Appointed Date 2, Part IV of the Scheme (relating to amalgamation of QDCPL into UFO) shall be deemed to have been operative from the Effective Date 2; and

(iii) With effect from the Appointed Date 3, Part V of the Scheme (relating to slump sale of the Transferred Undertaking of UFO into PJSA) shall be deemed to have been operative from the Effective Date 3.

(c) None of the transactions contemplated under the Scheme i.e., QCTPL Demerger, MPL Merger, Purchase of QDCPL Sale Shares, QDCPL Merger and Slump Sale, shall be considered to be consummated, unless each of the other transactions are also consummated and the Scheme is approved by the SEBI, the stock exchanges and the NCLTs, as the case may be.

(d) As consideration for the QDCPL Merger, shareholders of QDCPL (except the Company) shall be issued 13 (Thirteen) equity shares of INR 10/- each, credited as fully paid-up, of the Company for every 17 (Seventeen) equity share of INR 10/- each fully paid-up held by such equity shareholder in QDCPL (as on the record date fixed under the Scheme). The Company shall grant 13 (Thirteen) employee stock options to the employees of QDCPL for every 17 (Seventeen) employee stock option of QDCPL held by such employees.

(e) As consideration for the Slump Sale, PJSA shall pay the Company an aggregate lump sum amount of Rs. 235 Mn, subject to any adjustment as on the Effective Date 3. The consideration shall be discharged by PJSA by issuing equity shares of INR 10/- each fully paid up to the Company.

(e) The Company shall account for the QDCPL Merger and the Slump Sale in its books of account in accordance with applicable Indian Accounting Standard as notified under section 133 of the Act, read together with paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015, including the provisions of IND AS 103 on Business Combinations and the other accounting principles generally accepted in India.

(f) The Scheme is subject to the approvals and sanctions as mentioned in the Scheme.

2.4 The Audit and Risk Management Committee reviewed the Valuation Reports along with the Fairness Opinion and noted the recommendations made therein. The Audit and Risk Management Committee also noted the draft certificate obtained from the Statutory Auditor of the Company, on the accounting treatment, prescribed in the draft Scheme, as required under the SEBI Circular.

3. **Recommendation of the Audit and Risk Management Committee**

3.1 The Audit and Risk Management Committee has considered and noted the aforementioned documents and *inter alia* taking into consideration the rationale and benefits of the draft Scheme, the Valuation Reports and the Fairness Opinion, recommends the draft Scheme to the Board of Directors of the Company for their favourable consideration and approval.

Dated: November 1, 2017
Place: Mumbai

Sanjeev Aga
Chairman of the Audit and Risk Management Committee

UFO MOVIEZ INDIA LIMITED
Registered & Corporate Office : Valuable Techno Park, Plot # 53/1, Road # 07, Marol MIDC, Andheri (E), Mumbai - 400 093. Tel: +91 022 4030 5060, Fax: +91 022 4030 5110
Corporate Identity Number: L22120MH2004PLC285453 • Email: corporate@ufomoviez.com • Website: www.ufomoviez.com

Annexure -5

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CONFIDENTIAL

November 1, 2017

The Board of Directors
UFO Moviez India Ltd.
Valuable Techno Park,
Plot No. 53/1, Road No. 7,
MIDC, Marol,
Andheri (E), Mumbai 400 093

Certified True Copy
For UFO Moviez India Limited

S.S.Chavan

Company Secretary

Dear Members of the Board:

UFO Moviez India Ltd ("UFO" or "Company"), founded in 2004, is a digital cinema distribution network and an in-cinema advertising platform. UFO is listed on the Bombay Stock Exchange Limited and National Stock Exchange Limited in India.

I. Engagement Background

We understand that the Board of Directors of UFO Moviez India Ltd, ("UFO" or "Company"), and Qube Cinema Technologies Pvt. Ltd ("Qube") are contemplating a transaction pursuant to a Composite Scheme of Arrangement and Amalgamation ("Scheme") wherein the following steps are being proposed:

Step 1:
Qube to de-merge its business (except certain identified contracts with overseas studios) into a separate company Qube Digital Cinema Private Limited ("Qube Digital"), and Qube Digital to issue its equity shares in consideration to the shareholders of Qube in the same proportion as held by them in Qube.

Step 2:
Moviebuff Private Limited ("Moviebuff") to be merged into Qube Digital to form a combined entity hereinafter for the purpose of this Opinion referred to as the "Qube Digital (Combined Entity)".As a consideration for the merger of Moviebuff into Qube Digital, the Qube Digital (Combined Entity)will issue equity shares to the shareholders of Moviebuff. Post this transaction, specific non-promoter shareholders of Qube, who no longer wish to participate in the demerged business of Qube (as mentioned in Step I), will sell their holding in Qube Digital (Combined Entity) to Unicorn and certain new investors.

Step 3:
Subsequent to Step 2, Qube Digital (Combined Entity) shall be merged with UFO (**"Proposed Merger"**).

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Axis Capital Limited (Erstwhile "Axis Securities and Sales Limited")

SEBI Merchant Banker Regn No.:MB/INM000012029 Member Of: BSE Ltd. & National Stock Exchange of India Ltd., Mumbai.
CIN No. U51900MH2005PLC157853
Regd. Office: Axis House, 8th Floor, Wadia International Centre, P. B. Marg, Worli, Mumbai – 400 025 &
Corp. Office: Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400 025.

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Step 4:

Subsequent to the Proposed Merger of Qube Digital (Combined Entity) into UFO, the IP business (as defined in the Draft Scheme Document defined hereinafter and as transferred to UFO pursuant to Step I to Step III above) will be transferred through a slump sale into a separate company PJSA Technosoft Private Limited ("PJSA"), a wholly owned subsidiary of UFO.

The proposed steps are to be carried out pursuant to a Composite Scheme of Arrangement and Amalgamation under the relevant sections of the Companies Act, 2013, as may be applicable.

We understand from the management of UFO that pursuant to the Proposed Mergerof Qube Digital (Combined Entity) into UFO, the shareholders of the Qube Digital (Combined Entity) will be issued equity shares in UFO as a consideration for their shareholding in Qube Digital (Combined Entity).The terms and conditions of the Proposed Merger are more fully set out in draft scheme document shared with us on October 18, 2017 ("Draft Scheme Document"), the final version of which will be filed by the aforementioned companies with the appropriate authorities.

We further understand that the Share Swap Ratio (as defined below) on the Proposed Merger between UFO and Qube Digital (Combined Entity) has been arrived at based on the valuation report dated November 1, 2017 prepared by Walker Chandiok & Co. LLP (the "Valuer"), who had been jointly appointed for this exercise by UFO and Qube.

Based on our perusal of the valuation report dated November 1, 2017and the Draft Scheme Document, including any assumptions and caveats mentioned therein, we understand that for the Proposed Merger pursuant to the Scheme, for every 17 (seventeen) fully paid up equity shares of the face value of Rs 10 each held by the shareholders of Qube Digital (Combined Entity) as on record date, UFO shall issue and allot 13 (thirteen) fully paid equity shares of the face value of Rs 10 each (hereinafter referred to as "Share Swap Ratio")

In connection with the aforesaid, you requested our opinion ("Opinion") as per the Engagement Letter dated October 18, 2018,as of the date hereof, as to the fairness of the Share Swap Ratio, of the Proposed Merger, as proposed by the Valuer, from a financial point of view, to the shareholders of UFO.

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II. Basis of Opinion

The Rationale for the Scheme as shared with us by the Company's management is based on inter-alia the following benefits:

- UFO and Qube Digital (Combined Entity) are engaged in a similar line of business and a merger of the two will result in consolidation of businesses of the relevant companies resulting in expansion of such companies' business and creation of greater value for their respective shareholders;
- UFO currently uses MPEG4 technology for delivery of content into theatres whereas Qube Digital (Combined Entity) uses MPEG2 technology and has also developed its own DCI compliant servers. The merged entity will thus be in a position to offer its clients a more comprehensive range of offerings;
- While Qube Digital (Combined Entity)has a strong presence in Southern India, UFO is stronger in Northern India with a reasonable presence in South India. The Proposed Merger will facilitate an all India presence for the merged entity.
- Synergies in operational processes leading to economies of scale, creation of efficiencies and optimisation of operational and administrative aspects; etc

A brief history of each of the aforesaid companies is as under –

UFO Moviez India Ltd, founded in 2004, is a digital cinema distribution network and an in-cinema advertising platform. It operates India's largest satellite based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. It has 5,390 digital screens in India across 1,422 cities and towns with seating capacity of ~2.2 mn capacity per show. For its in-cinema platform, UFO has 4,032 in-cinema advertising screens with an average weekly seating capacity of ~51.6 Mn across 1,416 town and cities across India. UFO is listed on the BSE Limited and National Stock Exchange Limited in India.

Qube Cinema Technologies Private Limited, founded in 1986, has over 30 years of experience in film, video and audio technology. It is headquartered in Chennai and has the capacity to master over 40 films/ week. It is headquartered in Chennai and has offices across Mumbai, New Delhi, Hyderabad, Bengaluru, Cochin, Kolkata, California and Dubai. Its businesses comprise of technology marketing and end-to-end digital cinema.

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Qube Digital Cinema Private Limited is a private limited company having its registered office at 42 Dr. Ranga Road, Mylapore, Chennai 600 004. Qube Digital will be engaged in the same business as that of Qube [providing technology in film, video and audio, including digital cinema distribution, editing, production and sound].

Moviebuff Private Limited is a company owned by the promoters of Qube. It holds various IPs and patents for the Qube group.

PJSA Technosoft Private Limited is a private limited company having its registered office at 2602, Wing C, Oberoi Splendor, JVLR, Andheri East, Mumbai 400 060 .

The key features of the Scheme provided to us through Draft Scheme Document are as under:

1. Qube to de-mergeits business (a significant part of its operations except certain identified contracts with overseas studios) into Qube Digital (defined above). As consideration for the demerger, Qube Digital will issue equity shares to all the shareholders of Qube.
2. Thereafter, Moviebuff (defined above) will be merged into Qube Digital to form Qube Digital (Combined Entity). As consideration of the merger, Qube Digital will issue equity shares to all the shareholders of Moviebuff.
3. Subsequently, UFO and another interested entity ("New Investor") shall acquire 53.20% stake in Qube Digital (Combined Entity) from non-promoter shareholders of Qube Digital (Combined Entity) who would have received such shares in Qube Digital pursuant to the demerger of Qube into Qube Digital and who no longer wish to participate in the demerged business of Qube.
4. Qube Digital (Combined Entity) shall merge with UFO and the shareholders of Qube Digital (Combined Entity) would be issued equity shares of UFO pursuant to Proposed Merger.
5. Pursuant to completion of the Proposed Merger, UFO will transfer IPbusiness (as transferred to UFO pursuant to the merger of Qube Digital into UFO) through a slump sale to its wholly owned subsidiary i.e. PJSA

We have relied upon the Draft Scheme Document and taken the abovementioned key features of the Scheme (together with the other facts and assumptions set forth in section III of this Opinion) into account while determining the meaning of "fairness", from a financial point of view, for the purposes of this Opinion.

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III. Limitation of Scope and Review

Our Opinion and analysis is limited to the extent of review of documents as provided to us by UFO and Qube including the valuation report prepared by the Valuerand the Draft Scheme Document.

In connection with this Opinion, we have:

(i) Reviewed the Draft Scheme Document and the valuation report dated November 1, 2017.

(ii) reviewed certain publicly available historical and operational information with respect to the Company available in its respective annual& interim reports and company presentations;

(iii) The provisional historical carved out financial statements of the Qube Digital (Combined Entity) for the period FY15, FY16, FY17 and April – Aug FY18;

(iv) The financial projections of the Qube Digital (Combined Entity) for the period Sep-Mar FY 18 to FY 22 and management information as provided to us by the management of Qube.

(v) The audited historical annual reports of Qube for the period FY15, FY16 and FY17

(vi) Considered publicly available research on the Company as available with us as at the date hereof;

(vii) held discussions with the Valuer, in relation to the approach taken to valuation and the details of the various methodologies utilised by them in preparing the valuation report and recommendations;

(viii) sought various clarifications with the respective senior management teams of the relevant companies;

(ix) reviewed historical stock prices and trading volumes of the Company's shares on NSE

(x) reviewed certain publicly available information with respect to certain other companies in same line of business and which we believe to be generally relevant in the context of the businesses of the Company and Qube; and

(xi) performed such other financial analysis and considered such other information and factors as we deemed appropriate.

We have assumed and relied upon the accuracy and completeness of all information and documents provided to us data publicly available or otherwise reviewed by or discussed with us. We have relied upon the individual Companies assurances that it is not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect.



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We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Company, Qube, Moviebuff, Qube Digital (Combined Entity)and / or their respective subsidiaries/affiliates. In particular, we do not express any opinion as to the value of anyasset of the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their respective subsidiaries/affiliates, whether at current prices or in the future. No investigation of the respective company's claim to title of assets has been made for the purpose of the exercise and the companies' claim to such rights has been assumed to be fully valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility whatsoever is assumed for matters of a legal nature. Further, we have not evaluated the solvency or fair value of the Company, Qube, Moviebuffor Qube Digital (Combined Entity) under any law relating to bankruptcy, insolvency or similar matter.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where shares of the Company are being issued as consideration to the shareholders of Qube Digital (Combined Entity), it is not the absolute valuation that is important for framing an opinion but the relative valuation of the Company vis-à-vis shares of Qube Digital (Combined Entity).

We have assumed, with the Company's consent, that the Scheme will be in compliance with all applicable laws and other requirements and will be implemented on the terms described in the Draft Scheme Document, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or its relevant subsidiaries/affiliates and their respective shareholders. We have assumed, at the directions of the Company that the final Scheme will not differ in any material respect from the Draft Scheme Document. We understand from the Company's management that the Scheme will be given effect to in totality and not in parts.

We express no view or opinion as to any terms or other aspects of the Scheme (other than the Share Swap Ratio to the Proposed Merger to the extent expressly specified herein) including, without limitation, the form or structure of the Scheme. We were not requested to, and we did not, participate in the negotiations of the Scheme. Our Opinion is limited to the fairness, from a financial point of view, to the Company of Share Swap Ratio for the Proposed Merger and not for any terms or other aspects of the Scheme. Our analysis relates to the relative values of UFO and Qube Digital (Combined Entity). We express no opinion

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or view with respect to the financial implications of the Proposed Merger for any stakeholders, including creditors of the Company.

We express no view as to, and our Opinion does not address, the underlying business decision of the Company to effect the Scheme, the relative merits of the Scheme as compared to any other alternative business strategy, the effect of the Scheme on the Company or its affiliates, including, without limitation, possible implications on ownership structure, listing format, capital structure or trading price of the Company's shares post completion of the Scheme. The Company remains solely responsible for the commercial assumptions on the basis of which it agrees to proceed with the Scheme. Our Opinion is necessarily based only upon information as referred to in this letter.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their subsidiaries/affiliates, and their respective shareholders, nor does our Opinion address any legal, tax, regulatory (including all SEBI regulations) or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, governmental investigation or other contingent liabilities to which the Company, Qube, Moviebuff, Qube Digital (Combined Entity) and / or their subsidiaries/affiliates, are or may be a party.

Our Opinion is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this Opinion and we assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. Our Opinion is specific to the Proposed Merger of Qube Digital (Combined Entity) into UFOas contemplated in the Draft Scheme Document provided to us and is not valid for any other purpose. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our Opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance, shareholders rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the Scheme other than the fairness, from a financial point of view, of the Share Swap Ratio of the Proposed Merger.

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We have in the past provided, and may currently or in the future provide, investment banking services to the Company, Qube and/or their subsidiaries or their respective affiliates that are unrelated to the proposed Scheme, for which services we have received or may receive customary fees. Our engagement as a fairness opinion provider is independent of our other business relationships, which we may have with the Company, Qube and/or their subsidiaries or their respective affiliates. In addition, in the ordinary course of their respective businesses, affiliates of Axis Capital Ltd. may invest in securities of the Company and / or its subsidiaries or group companies or for their own accounts and for the accounts of their customers subject to compliance of SEBI (Prohibition of Insider Trading) Regulations and, accordingly, may at any time hold a position in such securities. Our engagement and the Opinion expressed herein are solely for the benefit of the Board of Directors of the Company (in its capacity as such) in connection with its consideration of the Proposed Merger and for none other. Delivery of our Opinion does not create any fiduciary, equitable or contractual duties on Axis Capital Ltd. (including, without limitation, any duty of trust or confidence). Further, our Opinion is being provided only for the limited purpose of complying with the SEBI regulations and the requirement of the stock exchanges on which the Company is listed, and for no other purpose. Neither Axis Capital Ltd., nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final Opinion.

The fee for our services is not contingent upon the results of the proposed Scheme. This document is subject to the laws of India.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter related thereto.

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IV. Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, the Share Swap Ratio is fair to the shareholders of UFO from a financial point of view.

Very truly yours,

For Axis Capital Ltd.

Deepak

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Deepak Sharma
Managing Director
Investment Banking

Annexure - 6(a)

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. If under 31(1)(b) then indicate the report for quarter ending
   b. If under 31(1)(c) then indicate date of allotment/extinguishment

QCTPL - PRE

4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For Qube Cinema Technologies Pvt. Ltd.

P. Venkatesh
Chief Financial Officer

Table I - Summary Statement holding of specified securities

Qube Cinema Technologies Private Limited as on 24th November, 2017

Category	Category of Shareholder	No of Share-holders	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 and options)	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	13	55,23,091	0	0	55,23,091	55.56	1:1 ratio (One share one vote basis)				0	27.81	0	0.00	0	0.00	
(B)	Public*	198	44,17,767.00	0	0	4417767	44.44					7818611**	72.19	0	0.00	0	0	
(C)	Non Promoter-Non Public	0	-	0	0	-	0.00							0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0.00					0	0	0	0.00	0	0	
(C2)	Shares held by Employees Trusts		-	0	0	-	0.00					0	0.00	0	0.00	0	0	
	Total:	211	99,40,858	0	0	99,40,858	100.00					78,18,611	100.00	0	0.00	0	0.00	

*Includes the shares held by Employee Trusts

**It includes ESOP Options held by the option holders which are yet to be exercised and CCPS (Series A, B and C) and represents the number of CCPS/ Options held before conversion into Equity

For Qube Cinema Technologies Pvt. Ltd.

P. Venkatesh
Chief Financial Officer

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Cinema Technologies Private Limited as on 24th November, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		11																
	Mr. Arun Veerappan	ADPPA6900P		2,98,000			2,98,000	3.00					0	1.50	0	0.00	0	0.00	
	Mr. V. Senthil Kumar	AAHPS8822P		5,53,100			5,53,100	5.56					0	2.79	0	0.00	0	0.00	
	Mrs. Meena Veerappan	AGOPM6214A		5,06,800			5,06,800	5.10					0	2.55	0	0.00	0	0.00	
	Mrs. Vee. Vijayalakshmi	AADPV6576D		2,34,000			2,34,000	2.35					0	1.18	0	0.00	0	0.00	
	Mr. V. Sivakumar	AAHPS8804R		1,87,200			1,87,200	1.88					0	0.94	0	0.00	0	0.00	
	Mr. Raja Enok	AEFPR0361C		44,500			44,500	0.45					0	0.22	0	0.00	0	0.00	
	Mrs. Julie Enok	AINPM7817Q		6,000			6,000	0.06					0	0.03	0	0.00	0	0.00	
	Mr. P.C. Sreeram	AMNPS9176Q		3,57,750			3,57,750	3.60					0	1.80	0	0.00	0	0.00	
	Mr. P. Jayendra	AFVPP5428F		3,57,750			3,57,750	3.60					0	1.80	0	0.00	0	0.00	
	Mr. S. Gunaseelan	AIVPG6358E		30,000			30,000	0.30					0	0.15	0	0.00	0	0.00	
	Mr. D. Ashok Kumar			30,000			30,000	0.30					0	0.15	0	0.00	0	0.00	
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

Qube Cinema Technologies Pvt. Ltd. Chennai - 4

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Cinema Technologies Private Limited as on 24th November, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		1						1:1 ratio (One share one vote basis)									
	Real Image LLP	AATFR9609K		24,62,225			24,62,225	24.77				0	12.40	0	0.00	0	0.00	
	Sub-Total (A)(1)		12	50,67,325			50,67,325	50.97				0	25.52	0	0.00	0	0.00	
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																	
(b)	Government																	
(c)	Institutions																	
(d)	Foreign Portfolio Investor																	
(e)	Any Other		1															
	Transglobal technologies Inc	Not Applicable		455766			455766	4.58				0	2.30	0	0.00	0	0.00	
	Sub-Total (A)(2)		1	455766			455766	4.58				0	2.30	0	0.00	0	0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		13	55,23,091			55,23,091	55.56				0	27.81	0	0.00	0	0.00	

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Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																	
(b)	Venture Capital Funds																	
(c)	Alternate Investment Funds																	
(d)	Foreign Venture Capital Investors																	
(e)	Foreign Portfolio Investors																	
(f)	Financial Institutions/Banks		3															
	Canara Bank			5,31,567			5,31,567	5.35				0	2.68	0	0	0	0	
	Andhra Bank			3,54,378			3,54,378	3.56				0	1.78	0	0	0	0	
	Union Bank of India			3,54,378			3,54,378	3.56				0	1.78	0	0	0	0	

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies																	
(h)	Provident Funds/Pension Funds																	
(i)	Any Other																	
	FOREIGN CORPORATE BODIES		4															
	Streetedge Capital LP			15,97,302			15,97,302	16.07				0	8.04	0	0	0	0	
	Intel Capital Corporation			2,571			2,571	0.03				#2571006***	12.95	0	0	0	0	2571 (CCPS are also in Demat)
	Intel Capital Corporation (Series C Preference Shares)											#197563****	1.63	0	0	0	0	(CCPS held under Demat)
	CSI BD (Mauritius)			790			790	0.01				#789941*****	3.98	0	0	0	0	
	Nomura Asia Investment (MB) Pte. Ltd			6,25,747			6,25,747	6.29				#3095160******	28.69	0	0	0	0	625747 CCPS are also in Demat mode)
	Sub Total (B)(1)		7	3466733			3466733	34.87					61.54	0	0	0	0	
(2)	Central Government/State Government(s)/President of India																	
	Sub Total (B)(2)		0	0			0	0				0	0	0	0	0	0	

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Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions								1:1 ratio (One share one vote basis)									
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		9															
	P.C. Nayak			4543			4543	0.05				0	0.02	0	0	0	0	
	Vijay Kumar Angadi			4543			4543	0.05				0	0.02	0	0	0	0	
	K Prasannanjaneya*			2020			2020	0.02				0	0.01	0	0	0	0	
	Ketan Mehta*			5870			5870	0.06				0	0.03	0	0	0	0	
	Susan Zachariah*			8196			8196	0.08				0	0.04	0	0.00	0	0.00	
	A.S. Narayanan*			14820			14820	0.15				0	0.07	0	0	0	0	14820
	Deepak Hirani*			12210			12210	0.12				0	0.06	0	0	0	0	
	Gowri Padmanabh*			15580			15580	0.16				0	0.08	0	0	0	0	
	P Venkatesh*			3000			3000	0.03				0	0.02	0	0	0	0	
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		2															
	Sudha Panchapakesan*			45220			45220	0.45				0	0.23	0	0	0	0	
	Viju Thomas*			24000			24000	0.24				0	0.12	0	0	0	0	24000
(b)	NBFCs Registered with RBI																	
(c)	Employee Trusts																	
	RIMT Employees Trust		175	810242			810242	8.15				0	4.08	0	0	0	0	
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																	
(e)	Any Other																	
	ESOP Options		4															
	Rajesh Ramachandran**											120000	0.60	0	0	0	0	
	Arvind Ranganathan**											180000	0.91	0	0	0	0	
	Harsh Krishna Rohatgi**											50000	0.25	0	0	0	0	
	Sanjeev Mehta**											25000	0.13	0	0	0	0	

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES		1																
	Payone Enterprise Pvt. Ltd.			790			790	0.01					#789941*****	3.98	0	0	0	0	
	Sub Total (B)(3)		191	951034			951034	9.57						10.65	0	0	0	0	
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		198	4417767			4417767	44.44						72.19	0	0	0	0	

* ESOP held by Individuals

** Held as Options and are yet to be exercised

represents the number of CCPS held before conversion into Equity

*** Series A CCPS, which are convertible into Equity at 1: 1 ratio and the Equity shares held by Intel Corporation shall stand cancelled

**** Series C CCPS, which are convertible into Equity at the ratio of 1.6386:1

***** Series B Preference shares, which are convertible into Equity at 1: 1 ratio and the Equity shares held by CSI BD Mauritius and Payone Enterprises shall stand cancelled

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Qube Cinema Technologies Private Limited as on 24th November, 2017

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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								(XIV)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		
(1)	Custodian/DR Holder	NOT APPLICABLE																	
(2)	SEBI(Share based Employee Benefit) Regulations 2014)																		
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																		

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:	NIL		



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	--



Annexure - 6(b)

QDCPL - PRE

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For Qube Digital Cinema Pvt. Ltd.

Director

Table I - Summary Statement holding of specified securities

QUBE DIGITAL CINEMA PRIVATE LIMITED- As on 24th NOVEMBER, 2017

Category	Category of Shareholder	No of Share-holders	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	2	10000	0	0	10000	100.00					0	100.00	0	0.00	0	0.00	0
(B)	Public	0	0	0	0	0	0.00					0	0.00	0	0.00	0	0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00					0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0.00					0	0	0	0.00	0	0	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00					0	0.00	0	0.00	0	0	0
	Total:	2	10000	0	0	10000	100.00					0	100.00	0	0.00	0	0.00	0

For Qube Digital Cinema Pvt. Ltd.

Director

QUBE DIGITAL CINEMA PRIVATE LIMITED- As on 24th NOVEMBER, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		2																
	V. Senthil Kumar	AAHPS8822P		5000	0	0	5000	50.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Vandana Gopikumar	ACKPV3721B		5000	0	0	5000	50.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

Qube Digital Cinema Pvt. Ltd. Chennai-4

QUBE DIGITAL CINEMA PRIVATE LIMITED- As on 24th NOVEMBER, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other																		
	Sub-Total (A)(1)			10000			10000	100.00											
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																		
(b)	Government																		
(c)	Institutions																		
(d)	Foreign Portfolio Investor																		
(e)	Any Other																		
	Sub-Total (A)(2)																		
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)			10000			10000	100.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0



QUBE DIGITAL CINEMA PRIVATE LIMITED - AS ON 24th NOVEMBER, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																		
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Foreign Venture Capital Investors																		
(e)	Foreign Portfolio Investors																		
(f)	Financial Institutions/Banks																		

NIL

Qube Digital Cinema Pvt. Ltd. Chennai-4

QUBE DIGITAL CINEMA PRIVATE LIMITED - AS ON 24th NOVEMBER, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies																		
(h)	Provident Funds/Pension Funds																		
(i)	Any Other																		
	FOREIGN CORPORATE BODIES																		
	Sub Total (B)(1)																		
(2)	Central Government/State Government(s)/President of India																		
	Sub Total (B)(2)																		

NIL

Qube Digital Cinema Pvt. Ltd. Chennai-4

QUBE DIGITAL CINEMA PRIVATE LIMITED - AS ON 24th NOVEMBER, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs																		
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs																		
(b)	NBFCs Registered with RBI																		
(c)	Employee Trusts																		
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																		
(e)	Any Other																		
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES																		
	Sub Total (B)(3)																		
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)																		

NIL

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

QUBE DIGITAL CINEMA PRIVATE LIMITED - AS ON 24th NOVEMBER, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	NIL																	
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)																		
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																		

Qube Digital Cinema Pvt. Ltd. Chennai-4

Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:			



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	-



Annexure - 6 (C)

MPL - PRE

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For MOVIEBUFF PRIVATE LIMITED

Director

Table I - Summary Statement holding of specified securities

Moviebuff Private Limited as on 24th November, 2017

Category	Category of Shareholder	No of Share-holders	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	3	10212	0	0	10212	100.00	1:1 ratio (One share one vote basis)				0	0	0	0	0	0	
(B)	Public																	
(C)	Non Promoter-Non Public	0	0	0	0	0						0	0	0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0						0	0	0	0	0	0	
(C2)	Shares held by Employees Trusts	0	0	0	0	0						0	0	0	0	0	0	
												0	0	0	0	0	0	
	Total:	3	10212	0	0	10212	100.00					0	0	0	0	0	0	

MOVIEBUFF PVT. LTD. CHENNAI

For MOVIEBUFF PRIVATE LIMITED

Director

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Moviebuff Private Limited as on 24th November, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		3																
	Mr. P. Jayendra	AFVPP5428F		3404	0	0	3404	33.33					0	0.00	0	0.00	0	0.00	0
	Mr. V. Senthil Kumar	AAHPS8822P		3404	0	0	3404	33.33					0	0.00	0	0.00	0	0.00	0
	Mr. M.V. Ramachandran	AAAPR1587R		3404	0	0	3404	33.33					0	0.00	0	0.00	0	0.00	0
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Moviebuff Private Limited as on 24th November, 2017

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other																	
	Sub-Total (A)(1)																	
(2)	Foreign			10212			10212	100.00	1:1 ratio (One share one vote basis)									
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																	
(b)	Government																	
(c)	Institutions																	
(d)	Foreign Portfolio Investor																	
(e)	Any Other																	
	Sub-Total (A)(2)																	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)			10212			10212	100.00				0	0.00	0	0.00	0	0.00	0

MOVIEBUFF PVT. LTD. CHENNAI

Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																		
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Foreign Venture Capital Investors																		
(e)	Foreign Portfolio Investors																		
(f)	Financial Institutions/Banks																		

NIL

MOVIEBUFF PVT. LTD. CHENNAI

Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies																		
(h)	Provident Funds/Pension Funds																		
(i)	Any Other																		
	FOREIGN CORPORATE BODIES																		
	Sub Total (B)(1)																		
(2)	Central Government/State Government(s)/President of India																		
	Sub Total (B)(2)																		

NIL



Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited as on 24th November, 2017

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions	NIL																	
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs																		
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs																		
(b)	NBFCs Registered with RBI																		
(c)	Employee Trusts																		
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																		
(e)	Any Other																		
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES																		
	Sub Total (B)(3)																		
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)																		

MOVIEBUFF PVT. LTD. CHENNAI

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Moviebuff Private Limited as on 24th November, 2017

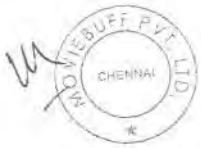
Category	Category & Name of the Shareholder	PAN	No of Share-holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held 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	NIL																	
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)																		
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																		



Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:	NIL		



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
–	–



Annexure - 6(d)

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:** QCTPL - POST
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For Qube Cinema Technologies Pvt. Ltd.

P. Venkatesh
Chief Financial Officer

Table I - Summary Statement holding of specified securities

Qube Cinema Technologies Private Limited -immediately upon demerger

Category	Category of Shareholder	No of Share-holders	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 and options)	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	13	5,523,091	0	0	5,523,091	55.56	1:1 ratio (One share one vote basis)				0	27.81	0	0.00	0	0.00	
(B)	Public*	198	4,417,767.00	0	0	4417767	44.44					7818611**	72.19	0	0.00	0	0	
(C)	Non Promoter-Non Public	0	-	0	0	-	0.00							0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0.00					0	0	0	0.00	0	0	
(C2)	Shares held by Employees Trusts		-	0	0	-	0.00					0	0.00	0	0.00	0	0	
	Total:	211	9,940,858	0	0	9,940,858	100.00					7,818,611	100.00	0	0.00	0	0.00	

*Includes the shares held by Employee Trusts

**It includes ESOP Options held by the option holders which are yet to be exercised and CCPS (Series A, B and C) and represents the number of CCPS/ Options held before conversion into Equity

For Qube Cinema Technologies Pvt. Ltd.

P. Venkatesh
Chief Financial Officer

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Cinema Technologies Pvt Ltd- immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		11																
	Mr. Arun Veerappan	ADPPA6900P		2,98,000			2,98,000	3.00					0	1.50	0	0.00	0	0.00	
	Mr. V. Senthil Kumar	AAHPS8822P		5,53,100			5,53,100	5.56					0	2.79	0	0.00	0	0.00	
	Mrs. Meena Veerappan	AGOPM6214A		5,06,800			5,06,800	5.10					0	2.55	0	0.00	0	0.00	
	Mrs. Vee. Vijayalakshmi	AADPV6576D		2,34,000			2,34,000	2.35					0	1.18	0	0.00	0	0.00	
	Mr. V. Sivakumar	AAHPS8804R		1,87,200			1,87,200	1.88					0	0.94	0	0.00	0	0.00	
	Mr. Raja Enok	AEFPR0361C		44,500			44,500	0.45					0	0.22	0	0.00	0	0.00	
	Mrs. Julie Enok	AINPM7817Q		6,000			6,000	0.05					0	0.03	0	0.00	0	0.00	
	Mr. P.C. Sreeram	AMNPS9176Q		3,57,750			3,57,750	3.60					0	1.80	0	0.00	0	0.00	
	Mr. P. Jayendra	AFVPP5428F		3,57,750			3,57,750	3.60					0	1.80	0	0.00	0	0.00	
	Mr. S. Gunaseelan	AIVPG6358E		30,000			30,000	0.30					0	0.15	0	0.00	0	0.00	
	Mr. D. Ashok Kumar			30,000			30,000	0.30					0	0.15	0	0.00	0	0.00	
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

Qube Cinema Technologies Pvt Ltd Chennai-4

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Cinema Technologies Pvt Ltd- immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		1						1:1 ratio (One share one vote basis)									
	Real Image LLP	AATFR9609K		24,62,225			24,62,225	24.77				0	12.40	0	0.00	0	0.00	
	Sub-Total (A)(1)		12	50,67,325			50,67,325	50.97				0	25.52	0	0.00	0	0.00	
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																	
(b)	Government																	
(c)	Institutions																	
(d)	Foreign Portfolio Investor																	
(e)	Any Other		1															
	Transglobal technologies Inc	Not Applicable		455766			455766	4.58				0	2.30	0	0.00	0	0.00	
	Sub-Total (A)(2)		1	455766			455766	4.58				0	2.30	0	0.00	0	0.00	
	Total Shareholding of Promoter and Promoter Group [A]=(A)(1)+(A)(2)		13	55,23,091			55,23,091	55.56				0	27.81	0	0.00	0	0.00	

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited - immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds																		
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Foreign Veriture Capital Investors																		
(e)	Foreign Portfolio Investors																		
(f)	Financial Institutions/Banks		3																
	Canara Bank			531,567			531,567	5.35											
	Andhra Bank			354,378			354,378	3.56					0	2.68	0	0	0	0	
	Union Bank of India			354,378			354,378	3.56					0	1.78	0	0	0	0	
													0	1.78	0	0	0	0	

Qube Cinema Technologies Pvt. Ltd. Chennai

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited - immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)		(XIII)		(XIV)
(g)	Insurance Companies																		
(h)	Provident Funds/Pension Funds																		
(i)	Any Other																		
	FOREIGN CORPORATE BODIES		4																
	Streetedge Capital LP			1,597,302			1,597,302	16.07					0	8.04	0	0	0	0	
	Intel Capital Corporation			2,571			2,571	0.03					#2571006***	12.95	0	0	0	0	2571 (CCPS are also in Demat)
	Intel Capital Corporation (Series C Preference Shares)																		
	CSI BD (Mauritius)			790			790	0.01					#197563****	1.63	0	0	0	0	(CCPS held under Demat)
	Nomura Asia Investment (MB) Pte. Ltd			625,747			625,747	6.29					#789941*****	3.98	0	0	0	0	
													#3095160******	28.69	0	0	0	0	625747 (CCPS are also in Demat mode)
	Sub Total (B)(1)		7	3466733			3466733	34.87						61.54	0	0	0	0	
(2)	Central Government/State Government(s)/President of India																		
	Sub Total (B)(2)		0	0			0	0					0	0	0	0	0	0	

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited - immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions								1:1 ratio (One share one vote basis)									
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		9															
	P.C. Nayak			4543			4543	0.05				0	0.02	0	0	0	0	
	Vijay Kumar Angadi			4543			4543	0.05				0	0.02	0	0	0	0	
	K Prasannanjaneya*			2020			2020	0.02				0	0.01	0	0	0	0	
	Ketan Mehta*			5870			5870	0.06				0	0.03	0	0	0	0	
	Susan Zachariah*			8196			8196	0.08				0	0.04	0	0.00	0	0.00	
	A.S. Narayanan*			14820			14820	0.15				0	0.07	0	0	0	0	14820
	Deepak Hirani*			12210			12210	0.12				0	0.06	0	0	0	0	
	Gowri Padmanabh*			15580			15580	0.16				0	0.08	0	0	0	0	
	P Venkatesh*			3000			3000	0.03				0	0.02	0	0	0	0	
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		2															
	Sudha Panchapakesan*			45220			45220	0.45				0	0.23	0	0	0	0	
	Viju Thomas*			24000			24000	0.24				0	0.12	0	0	0	0	24000
(b)	NBFCs Registered with RBI																	
(c)	Employee Trusts																	
	RIMT Employees Trust		175	810242			810242	8.15				0	4.08	0	0	0	0	
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																	
(e)	Any Other																	
	ESOP Options		4															
	Rajesh Ramachandran**											120000	0.60	0	0	0	0	
	Arvind Ranganathan**											180000	0.91	0	0	0	0	
	Harsh Krishna Rohatgi**											50000	0.25	0	0	0	0	
	Sanjeev Mehta**											25000	0.13	0	0	0	0	

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Cinema Technologies Private Limited - immediately upon demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total		(X)	(XI)	(XII)		(XIII)		(XIV)
									(IX)										
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES		1																
	Payone Enterprise Pvt. Ltd.			790			790	0.01											
	Sub Total (B)(3)		191	951034			951034	9.57					#789941*****	3.98	0	0	0	0	
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		198	4417767			4417767	44.44						10.65	0	0	0	0	
														72.19	0	0	0	0	

* ESOP held by Individuals
** Held as Options and are yet to be exercised
# represents the number of CCPS held before conversion into Equity
*** Series A CCPS, which are convertible into Equity at 1: 1 ratio and the Equity shares held by Intel Corporation shall stand cancelled
**** Series C CCPS, which are convertible into Equity at the ratio of 1.6386:1
***** Series B Preference shares, which are convertible into Equity at 1: 1 ratio and the Equity shares held by CSI BD Mauritius and Payone Enterprises shall stand cancelled

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Qube Cinema Technologies Private Limited- immediately upon demerger

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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							(XIV)
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		
(1)	Custodian/DR Holder	NOT APPLICABLE																
(2)	SEBI(Share based Employee Benefit) Regulations 2014)																	
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																	

Qube Cinema Technologies Pvt. Ltd. Chennai-4

Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:	NIL		



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	--



Annexure -6(e)

& DCPL -POST (Demer

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For Qube Digital Cinema Pvt. Ltd.

Director

Table I - Summary Statement holding of specified securities

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Category	Category of Shareholder	No of Share-holders	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 and options)	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	13	55,23,091	0	0	55,23,091	28.35					0	27.81	0	0.00	0	0.00	
(B)	Public*	198	13960023	0	0	13960023	71.65					375000*	72.19	0	0.00	0	0	
(C)	Non Promoter-Non Public	0	-	0	0	-	0.00	1:1 ratio (One share one vote basis)						0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0.00					0	0	0	0.00	0	0	
(C2)	Shares held by Employees Trusts		-	0	0	-	0.00					0	0.00	0	0.00	0	0	
	Total:	211	1,94,83,114	0	0	1,94,83,114	100.00					3,75,000	100.00	0	0.00	0	0.00	

*includes the shares held by Employee Trusts

** Held as options and are yet to be exercised

For Qube Digital Cinema Pvt. Ltd.

Director

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		11																
	Mr. Arun Veerappan	ADPPA6900P		2,98,000			2,98,000	1.53					0	1.50	0	0.00	0	0.00	
	Mr. V. Senthil Kumar	AAHPS8822P		5,53,100			5,53,100	2.84					0	2.79	0	0.00	0	0.00	
	Mrs. Meena Veerappan	AGOPM6214A		5,06,800			5,06,800	2.60					0	2.55	0	0.00	0	0.00	
	Mrs. Vee. Vijayalakshmi	AADPV6576D		2,34,000			2,34,000	1.20					0	1.18	0	0.00	0	0.00	
	Mr. V. Sivakumar	AAHPS8804R		1,87,200			1,87,200	0.96					0	0.94	0	0.00	0	0.00	
	Mr. Raja Enok	AEFPR0361C		44,500			44,500	0.23					0	0.22	0	0.00	0	0.00	
	Mrs. Julie Enok	AINPM7817Q		6,000			6,000	0.03					0	0.03	0	0.00	0	0.00	
	Mr. P.C. Sreeram	AMNPS9176Q		3,57,750			3,57,750	1.84					0	1.80	0	0.00	0	0.00	
	Mr. P. Jayendra	AFVPP5428P		3,57,750			3,57,750	1.84					0	1.80	0	0.00	0	0.00	
	Mr. S. Gunaseelan	AIVPG6358E		30,000			30,000	0.15					0	0.15	0	0.00	0	0.00	
	Mr. D. Ashok Kumar			30,000			30,000	0.15					0	0.15	0	0.00	0	0.00	
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Digital Cinema Pvt Ltd - immediately upon Demerger

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		1						1:1 ratio (One share one vote basis)									
	Real Image LLP	AATFR9609K		24,62,225			24,62,225	12.64				0	12.40	0	0.00	0	0.00	
	Sub-Total (A)(1)		12	50,67,325			50,67,325	26.01				0	25.52	0	0.00	0	0.00	
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																	
(b)	Government																	
(c)	Institutions																	
(d)	Foreign Portfolio Investor																	
(e)	Any Other		1															
	Transglobal technologies inc	Not Applicable		455766			455766	2.34				0	2.30	0	0.00	0	0.00	
	Sub-Total (A)(2)		1	455766			455766	2.34				0	2.30	0	0.00	0	0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		13	55,23,091			55,23,091	28.35				0	27.81	0	0.00	0	0.00	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																	
(b)	Venture Capital Funds																	
(c)	Alternate Investment Funds																	
(d)	Foreign Venture Capital Investors																	
(e)	Foreign Portfolio Investors																	
(f)	Financial Institutions/Banks		3															
	Canara Bank			5,31,567			5,31,567	2.73				0	2.68	0	0	0	0	
	Andhra Bank			3,54,378			3,54,378	1.82				0	1.78	0	0	0	0	
	Union Bank of India			3,54,378			3,54,378	1.82				0	1.78	0	0	0	0	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)				(XIV)
(g)	Insurance Companies																		
(h)	Provident Funds/Pension Funds																		
(i)	Any Other																		
	FOREIGN CORPORATE BODIES		4																
	Streetedge Capital LP			15,97,302			1597302	8.20					0	8.04	0	0	0	0	
	Intel Capital Corporation			28,94,737			2894737	14.86					0	14.58	0	0	0	0	
	CSI BD (Mauritius)			7,89,941			789941	4.05					0	3.98	0	0	0	0	
	Nomura Asia Investment (MB) Pte. Ltd			56,97,535			5697535	29.24					0	28.69	0	0	0	0	
	Sub Total (B)(1)		7	1221938	0	0	1221938	62.77014853					0	61.54	0	0	0	0	
(2)	Central Government/State Government(s)/President of India																		
	Sub Total (B)(2)		0	0	0	0	0	0					0	0	0	0	0	0	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		9																
	P.C. Nayak			4543			4543	0.02	1:1 ratio (One share one vote basis)				0	0.02	0	0	0	0	
	Vijay Kumar Angadi			4543			4543	0.02					0	0.02	0	0	0	0	
	K Prasannanjaneya*			2020			2020	0.01					0	0.01	0	0	0	0	
	Ketan Mehta*			5870			5870	0.03					0	0.03	0	0	0	0	
	Susan Zachariah*			8196			8196	0.04					0	0.04	0	0.00	0	0.00	
	A.S. Narayanan*			14820			14820	0.08					0	0.07	0	0	0	0	
	Deepak Hirani*			12210			12210	0.06					0	0.06	0	0	0	0	
	Gowri Padmanabh*			15580			15580	0.08					0	0.08	0	0	0	0	
	P Venkatesh*			3000			3000	0.02					0	0.02	0	0	0	0	
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		2																
	Sudha Panchapakesan*			45220			45220	0.23					0	0.23	0	0	0	0	
	Viju Thomas*			24000			24000	0.12					0	0.12	0	0	0	0	
(b)	NBFCs Registered with RBI																		
(c)	Employee Trusts																		
	RIMT Employees Trust		175	810242			810242	4.16					0	4.08	0	0	0	0	
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																		
(e)	Any Other																		
	ESOP Options		4																
	Rajesh Ramachandran**												120000	0.60	0	0	0	0	
	Arvind Ranganathan**												180000	0.91	0	0	0	0	
	Harsh Krishna Rohatgi**												50000	0.25	0	0	0	0	
	Sanjeev Mehta**												25000	0.13	0	0	0	0	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES		1																
	Payone Enterprise Pvt. Ltd.			789941			789941	4.05					0	3.98	0	0	0	0	
	Sub Total (B)(3)		191	1740185			1740185	8.931760087					375000	10.65	0	0	0	0	
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		198	13960023			13960023	71.65190842					375000	72.19	0	0	0	0	

* ESOP held by Individuals

** Held as Options and are yet to be exercised

Qube Digital Cinema Pvt. Ltd. Chennai-4

Qube Digital Cinema Pvt Ltd - Immediately upon Demerger

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	(XIV)
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		
(1)	Custodian/DR Holder	NOT APPLICABLE																
(2)	SEBI(Share based Employee Benefit) Regulations 2014)																	
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																	

Qube Digital Cinema Pvt Ltd Chennai-4

Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
	NIL		
Total:			



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
–	–



Annexure -6(f)

MIPL -POST

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For MOVIEBUFF PRIVATE LIMITED

Director

Table I - Summary Statement holding of specified securities

Moviebuff Private Limited immediately upon merger

Category	Category of Shareholder	No of Share-holders	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	0	0	0	0	0	0.00					0	0	0	0	0	0	
(B)	Public																	
(C)	Non Promoter-Non Public	0	0	0	0	0						0	0	0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0						0	0	0	0	0	0	
(C2)	Shares held by Employees Trusts	0	0	0	0	0						0	0	0	0	0	0	
	Total:	0	0	0	0	0	0.00					0	0	0	0	0	0	

For MOVIEBUFF PRIVATE LIMITED

Director

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Moviebuff Private Limited immediately upon merger

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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																		
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

MOVIEBUFF PVT. LTD. CHENNAI

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Moviebuff Private Limited immediately upon merger

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other																		
	Sub-Total (A)(1)																		
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																		
(b)	Government																		
(c)	Institutions																		
(d)	Foreign Portfolio Investor																		
(e)	Any Other																		
	Sub-Total (A)(2)																		
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)																		

NIL

MOVIEBUFF PVT. LTD. CHENNAI

Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited immediately upon merger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																	
(b)	Venture Capital Funds																	
(c)	Alternate Investment Funds																	
(d)	Foreign Venture Capital Investors																	
(e)	Foreign Portfolio Investors																	
(f)	Financial Institutions/Banks																	

NIL

MOVIEBUFF PVT. LTD. CHENNAI

Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited immediately upon merger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)		(X)	(XI)	(XII)		(XIII)		(XIV)
(g)	Insurance Companies	NIL																		
(h)	Provident Funds/Pension Funds																			
(i)	Any Other																			
	FOREIGN CORPORATE BODIES																			
	Sub Total (B)(1)																			
(2)	Central Government/State Government(s)/President of India																			
	Sub Total (B)(2)																			



Table III - Statement showing shareholding pattern of the Public shareholder

Moviebuff Private Limited immediately upon merger

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs																		
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs																		
(b)	NBFCs Registered with RBI																		
(c)	Employee Trusts																		
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																		
(e)	Any Other																		
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES																		
	Sub Total (B)(3)																		
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)																		

NIL

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Moviebuff Private Limited immediately upon merger

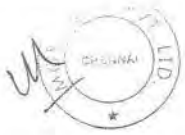
Category	Category & Name of the Shareholder	PAN	No of Share-holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held 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	NIL																
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)																	
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																	



Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:	NIL		



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
–	–



Annexure – 6 (g)

@DCPL – POST (after MPL

Format of Holding of Specified securities

1. Name of Listed Entity: NOT APPLICABLE
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code:** **NSE Symbol:**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares		
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?		
c	Whether the Listed Entity has any shares against which depository receipts are issued?		
d	Whether the Listed Entity has any shares in locked-in?		
e	Whether any shares held by promoters are pledge or otherwise encumbered?		

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

For Qube Digital Cinema Pvt. Ltd.

Director

Table I - Summary Statement holding of specified securities

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Category	Category of Shareholder	No of Share-holders	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 and options)	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	14	6,303,091	0	0	6,303,091	31.11					0	30.54	0	0.00	0	0.00	
(B)	Public*	198	13960023	0	0	13960023	68.89					375000*	69.46	0	0.00	0	0	
(C)	Non Promoter-Non Public	0	-	0	0	-	0.00	1:1 ratio (One share one vote basis)						0	0	0	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0.00					0	0	0	0.00	0	0	
(C2)	Shares held by Employees Trusts		-	0	0	-	0.00					0	0.00	0	0.00	0	0	
	Total:	212	20,263,114	0	0	20,263,114	100.00					375,000	100.00	0	0.00	0	0.00	

*Includes the shares held by Employee Trusts

** Held as options and are yet to be exercised

For Qube Digital Cinema Pvt. Ltd.

Director

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		12																
	Mr. Arun Veerappan	ADPPA6900P		298,000			298,000	1.47					0	1.44	0	0.00	0	0.00	
	Mr. V. Senthil Kumar	AAHPS8822P		553,100			553,100	4.01					0	2.68	0	0.00	0	0.00	
	Mrs. Meena Veerappan	AGOPM6214A		506,800			506,800	2.50					0	2.46	0	0.00	0	0.00	
	Mrs. Vee. Vijayalakshmi	AADPV6576D		234,000			234,000	1.15					0	1.13	0	0.00	0	0.00	
	Mr. V. Sivakumar	AAHPS8804R		187,200			187,200	0.92					0	0.91	0	0.00	0	0.00	
	Mr. Raja Enok	AEFPR0361C		44,500			44,500	0.22					0	0.22	0	0.00	0	0.00	
	Mrs. Julie Enok	AINPM7817Q		6,000			6,000	0.03					0	0.03	0	0.00	0	0.00	
	Mr. P.C. Sreeram	AMNPS9176Q		357,750			357,750	1.77					0	1.73	0	0.00	0	0.00	
	Mr. P. Jayendra	AFVPP5428F		357,750			357,750	3.05					0	1.73	0	0.00	0	0.00	
	Mr. S. Gunaseelan	AIVPG6358E		30,000			30,000	0.15					0	0.15	0	0.00	0	0.00	
	Mr. D. Ashok Kumar			30,000			30,000	0.15					0	0.15	0	0.00	0	0.00	
	Mr. M.V. Ramachandran	AAAPR1587R		260,000			260000	1.28											
(b)	Central Government/State Government(s)																		
(c)	Financial Institutions/Banks																		

1:1 ratio (One share one vote basis)

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		1															
	Real Image LLP	AATFR9609K		2,462,225			2,462,225	12.15				0	11.93	0	0.00	0	0.00	
	Sub-Total (A)(1)		13	5,327,325			5,327,325	28.86				0	25.81	0	0.00	0	0.00	
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals																	
(b)	Government																	
(c)	institutions																	
(d)	Foreign Portfolio Investor																	
(e)	Any Other		1															
	Transglobal technologies Inc	Not Applicable		455766			455766	2.25				0	2.21	0	0.00	0	0.00	
	Sub-Total (A)(2)		1	455766			455766	2.25				0	2.21	0	0.00	0	0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		14	5,783,091			5,783,091	31.11				0	28.02	0	0.00	0	0.00	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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																		
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Foreign Venture Capital Investors																		
(e)	Foreign Portfolio Investors																		
(f)	Financial Institutions/Banks		3																
	Canara Bank			531,567			531,567	2.73					0	2.58	0	0	0	0	
	Andhra Bank			354,378			354,378	1.82					0	1.72	0	0	0	0	
	Union Bank of India			354,378			354,378	1.82					0	1.72	0	0	0	0	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies																	
(h)	Provident Funds/Pension Funds																	
(i)	Any Other																	
	FOREIGN CORPORATE BODIES		4															
	Streetedge Capital LP			1,597,302			1597302	8.20				0	7.74	0	0	0	0	
	Intel Capital Corporation			2,894,737			2894737	14.86				0	14.03	0	0	0	0	
	CSI BD (Mauritius)			789,941			789941	4.05				0	3.83	0	0	0	0	
	Nomura Asia Investment (MB) Pte. Ltd			5,697,535			5697535	29.24				0	27.61	0	0	0	0	
	Sub Total (B)(1)			12219838			12219838	62.73014835				0	59.21	0	0	0	0	
(2)	Central Government/State Government(s)/President of India																	
	Sub Total (B)(2)			0			0	0				0	0	0	0	0	0	

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		9															
	P.C. Nayak			4543			4543	0.02				0	0.02	0	0	0	0	
	Vijay Kumar Angadi			4543			4543	0.02				0	0.02	0	0	0	0	
	K Prasannanjaneya*			2020			2020	0.01				0	0.01	0	0	0	0	
	Ketan Mehta*			5870			5870	0.03				0	0.03	0	0	0	0	
	Susan Zachariah*			8196			8196	0.04				0	0.04	0	0.00	0	0.00	
	A.S. Narayanan*			14820			14820	0.08				0	0.07	0	0	0	0	
	Deepak Hirani*			12210			12210	0.06				0	0.06	0	0	0	0	
	Gowri Padmanabh*			15580			15580	0.08				0	0.08	0	0	0	0	
	P Venkatesh*			3000			3000	0.02				0	0.01	0	0	0	0	
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		2															
	Sudha Panchapakesan*			45220			45220	0.23				0	0.22	0	0	0	0	
	Viju Thomas*			24000			24000	0.12				0	0.12	0	0	0	0	
(b)	NBFCs Registered with RBI																	
(c)	Employee Trusts																	
	RIMT Employees Trust		175	810242			810242	4.16				0	3.93	0	0	0	0	
(d)	Overseas Depositories (Holding DRs)(Balancing figure)																	
(e)	Any Other																	
	ESOP Options		4															
	Rajesh Ramachandran**											120000	0.58	0	0	0	0	
	Arvind Ranganathan**											180000	0.87	0	0	0	0	
	Harsh Krishna Rohatgi**											50000	0.24	0	0	0	0	
	Sanjeev Mehta**											25000	0.12	0	0	0	0	

1:1 ratio (One share one vote basis)

Qube Digital Cinema Pvt. Ltd. Chennai-4

Table III - Statement showing shareholding pattern of the Public shareholder

Qube Digital Cinema Pvt Ltd - Immediately upon Merger with Moviebuff

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
	TRUSTS																		
	NON RESIDENT INDIANS																		
	CLEARING MEMBERS																		
	NON RESIDENT INDIAN NON REPATRIABLE																		
	BODIES CORPORATES		1																
	Payone Enterprise Pvt. Ltd.			789941			789941	4.05					0	3.83	0	0	0	0	
	Sub Total (B)(3)		191	1740189			1740185	8.93					375000	10.75	0	0	0	0	
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		198	13960023			13960023	71.65					375000	69.46	0	0	0	0	

* ESOP held by individuals

** Held as Options and are yet to be exercised

Qube Digital Cinema Pvt Ltd Chennai-4

Qube Digital Cinema Pvt Ltd - immediately upon Merger with Moviebuff

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	(XIV)
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		
(1)	Custodian/DR Holder	NOT APPLICABLE																	
(2)	SEBI(Share based Employee Benefit) Regulations 2014)																		
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)																		

Qube Digital Cinema Pvt. Ltd. Chennai-4

Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
	NIL		
Total:			



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	--



Annexure - 6(h)

Date: October17, 2017

To,

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Fax: 022 – 2272 3121

BSE Scrip Code: 539141

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Fax: 022 – 2659 8237 / 38
NSE Scrip Code: UFO

Dear Sir / Ma'am,

Sub: Regulation 31 (Shareholding Pattern) for the quarter ended September 30, 2017.

With reference to the captioned subject, we attached herewith Shareholding Pattern for the quarter ended September 30, 2017.

Kindly take the same on your records.

Thanking you.

Yours truly,

For **UFO Moviez India Limited**

S.S.Chavan

Sameer Chavan
Company Secretary

Encl: a/a

Certified True Copy
For UFO Moviez India Limited

S.S.Chavan

Company Secretary

Format of Holding of Specified securities

1. Name of Listed Entity:**UFO MOVIEZ INDIA LIMITED**
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code: 539141** **NSE Symbol: UFO**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
   a. if under 31(1)(b) then indicate the report for quarter ending **30-09-2017**
   b. if under 31(1)(c) then indicate date of allotment/extinguishment **NA**
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares	-	NO
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	NO
c	Whether the Listed Entity has any shares against which depository receipts are issued?	-	NO
d	Whether the Listed Entity has any shares in locked-in?	YES	-
e	Whether any shares held by promoters are pledge or otherwise encumbered?	YES	-

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

Certified True Copy
For UFO Moviez India Limited

S. S. Shah

Company Secretary

Table I - Summary Statement holding of specified securities

225

Category	Category of Shareholder	No of Share-holders	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	8	7765452	0	0	7765452	28.13	7765352	0	7765452	28.13	0	28.13	5522442	71.12	481594	6.20	7765452
(B)	Public	30740	19835349	0	0	19835349	71.87	19835449	0	19835349	71.87	0	71.87	0	0.00	NA	NA	19807309
(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 Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	30748	27600801	0	0	27600801	100.00	27600801	0	27600801	100.00	0	100.00	5522442	20.01	481594	6.20	27572761

UFO MOVIEZ INDIA LIMITED

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

226

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		3	481795	0	0	481795	1.75	481795	0	481795	1.75	0	1.75	0	0.00	481594	99.96	481795
	SANJAY SHANKAR GAIKWAD	AAAPG8554D	1	263797	0	0	263797	0.96	263797	0	263797	0.96	0	0.96	0	0.00	263797	100.00	263797
	UDAY SHANKAR GAIKWAD	AAMPG4304P	1	201	0	0	201	0.00	201	0	201	0.00	0	0.00	0	0.00	0	0.00	201
	AMEYA HETE	ABMPH9097B	1	217797	0	0	217797	0.79	217797	0	217797	0.79	0	0.79	0	0.00	217797	100.00	217797
(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



Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		5	7283657	0	0	7283657	26.39	7283657	0	7283657	26.38	0	26.39	5522442	75.82	0	0	7283657
	ADVENT FISCAL PRIVATE LIMITED	AAACA5333K	1	737182	0	0	737182	2.67	737182	0	737182	2.67	0	2.67	0	0.00	0	0.00	737182
	NIFTY PORTFOLIO SERVICES PVT LTD	AAACN1994R	1	542136	0	0	542136	1.96	542136	0	542136	1.96	0	1.96	0	0.00	0	0.00	542136
	APOLLO INTERNATIONAL LIMITED	AAACA6447N	1	2266417	0	0	2266417	8.21	2266417	0	2266417	8.21	0	8.21	1784975	78.76	0	0.00	2266417
	VALUABLE TECHNOLOGIES LIMITED	AACCV2732P	1	2243657	0	0	2243657	8.13	2243657	0	2243657	8.13	0	8.13	2243315	99.98	0	0.00	2243657
	VALUABLE MEDIA LIMITED	AACCV5963G	1	1494265	0	0	1494265	5.41	1494265	0	1494265	5.41	0	5.41	1494152	99.99	0	0.00	1494265
	Sub-Total (A)(1)		**8**	**7765452**	**0**	**0**	**7765452**	**28.13**	**7765452**	**0**	**7765452**	**28.13**	**0**	**28.13**	**5522442**	**71.12**	**481594**	**6.20**	**7765452**
(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
(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)		**8**	**7765452**	**0**	**0**	**7765452**	**28.13**	**7765452**	**0**	**7765452**	**28.13**	**0**	**28.13**	**5522442**	**71.12**	**481594**	**6.20**	**7765452**

UFO MOVIEZ INDIA LIMITED

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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		16	5960822	0	0	5960822	21.60	5960822	0	5960822	21.60	0	21.60	0	0.00	NA	NA	5960822
	DSP BLACKROCK MIP FUND	AAAJD0430B	1	1298627	0	0	1298627	4.71	1298627	0	1298627	4.71	0	4.71	0	0.00	NA	NA	1298627
	RELIANCE CAPITAL TRUSTEE CO LTD A/C RELIANCE MONTHLY INCOME PLAN	AAATR0090B	9	1857739	0	0	1857739	6.73	1857739	0	1857739	6.73	0	6.73	0	0.00	NA	NA	1857739
	SBI MAGNUM GLOBAL FUND	AABTS6407Q	4	2609456	0	0	2609456	9.45	2609456	0	2609456	9.45	0	9.45	0	0.00	NA	NA	2609456
(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		2	87500	0	0	87500	0.32	87500	0	87500	0.32	0	0.32	0	0.00	NA	NA	87500
(d)	Foreign Venture Capital Investors		1	5251608	0	0	5251608	19.03	5251608	0	5251608	19.03	0	19.03	0	0.00	NA	NA	5251608
	PS ASIA HOLDING INVESTMENTS (MAURITIUS) LIMITED	AAECP1949E	1	5251608	0	0	5251608	19.03	5251608	0	5251608	19.03	0	19.03	0	0.00	NA	NA	5251608
(e)	Foreign Portfolio Investors		15	1015307	0	0	1015307	3.68	1015307	0	1015307	3.68	0	3.68	0	0.00	NA	NA	1015307
	KUROTO FUND LP	AAGFK5937L	1	538368	0	0	538368	1.95	538368	0	538368	1.95	0	1.95	0	0.00	NA	NA	538368
(f)	Financial Institutions/Banks		2	31674	0	0	31674	0.11	31674	0	31674	0.11	0	0.11	0	0.00	NA	NA	31674



Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies		2	379694	0	0	379694	1.38	379694	0	379694	1.38	0	1.38	0	0.00	NA	NA	379694
	RELIANCE NIPPON LIFE INSURANCE COMPANY LIMITED	AADCA1410E	2	379694	0	0	379694	1.38	379694	0	379694	1.38	0	1.38	0	0.00	NA	NA	379694
(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		1	313341	0	0	313341	1.14	313341	0	313341	1.14	0	1.14	0	0.00	NA	NA	313341
	EXCEL WAY INTERNATIONAL LTD	AAECE0549B	1	313341	0	0	313341	1.14	313341	0	313341	1.14	0	1.14	0	0.00	NA	NA	313341
	Sub Total (B)(1)		39	13039946	0	0	13039946	47.24	13039946	0	13039946	47.24	0	47.24	0	0.00	NA	NA	13039946
(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



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		29894	3420917	0	0	3420917	12.39	3420917	0	3420917	12.39	0	12.39	0	0.00	NA	NA	3394110
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		23	2210644	0	0	2210644	8.01	2210644	0	2210644	8.01	0	8.01	0	0.00	NA	NA	2210644
	KAPIL KUMAR AGARWAL	AACPA2412L	1	462394	0	0	462394	1.68	462394	0	462394	1.68	0	1.68	0	0.00	NA	NA	462394
	LATA BHANSHALI	AADPB8672N	1	282406	0	0	282406	1.02	282406	0	282406	1.02	0	1.02	0	0.00	NA	NA	282406
(b)	NBFCs Registered with RBI		3	14623	0	0	14623	0.05	14623	0	14623	0.05	0	0.05	0	0.00	NA	NA	14623
(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	172458	0	0	172458	0.62	172458	0	172458	0.62	0	0.62	0	0.00	NA	NA	171225
	NON RESIDENT INDIANS		271	122707	0	0	122707	0.44	122707	0	122707	0.44	0	0.44	0	0.00	NA	NA	122707
	CLEARING MEMBERS		59	22174	0	0	22174	0.08	22174	0	22174	0.08	0	0.08	0	0.00	NA	NA	22174
	NON RESIDENT INDIAN NON REPATRIABLE		91	41857	0	0	41857	0.15	41857	0	41857	0.15	0	0.15	0	0.00	NA	NA	41857
	BODIES CORPORATES		358	790023	0	0	790023	2.86	790023	0	790023	2.86	0	2.86	0	0.00	NA	NA	790023
	Sub Total (B)(3)		**30701**	**6795403**	**0**	**0**	**6795403**	**24.62**	**6795403**	**0**	**6795403**	**24.62**	**0**	**24.62**	**0**	**0.00**	NA	NA	**6767363**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**30740**	**19835349**	**0**	**0**	**19835349**	**71.87**	**19835349**	**0**	**19835349**	**71.87**	**0**	**71.87**	**0**	**0.00**	NA	NA	**19807309**



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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**		**NA**	**0**



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Details of the shareholders acting as persons in Concert including their Shareholding:

Name of Shareholder	Name of PAC	No of shares	Holding%
Total:		0	0



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	--



Format of Holding of Specified securities

1. Name of Listed Entity:**UFO MOVIEZ INDIA LIMITED**
2. Scrip Code/Name of Scrip/Class of Security: **BSE Scrip Code: 539141** **NSE Symbol: UFO**
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c) **POST-MERGER**
   a. if under 31(1)(b) then indicate the report for quarter ending
   b. if under 31(1)(c) then indicate date of allotment/extinguishment **NA**
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares	-	**NO**
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	**NO**
c	Whether the Listed Entity has any shares against which depository receipts are issued?	-	**NO**
d	Whether the Listed Entity has any shares in locked-in?	**YES**	-
e	Whether any shares held by promoters are pledge or otherwise encumbered?	**YES**	-

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5 The tabular format for disclosure of holding of specified securities is as follows:

Certified True Copy
For UFO Moviez India Limited

Company Secretary

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Share-holders	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	8	7765452	0	0	7765452	19.21	7765352	0	7765452	19.21	0	19.21	5522442	71.12	481594	6.20	7765452
(B)	Public	30773	32653793	0	0	32653793	80.79	32653793	0	32653793	80.79	0	80.79	0	0.00	NA	NA	32625753
(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 Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	30781	40419245	0	0	40419245	100.00	40419245	0	40419245	100.00	0	100.00	5522442	13.66	481594	6.20	40391205



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									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		3	481795	0	0	481795	1.19	481795	0	481795	1.19	0	1.19	0	0.00	481594	99.96	481795
	SANJAY SHANKAR GAIKWAD	AAAPG8554D	1	263797	0	0	263797	0.65	263797	0	263797	0.65	0	0.65	0	0.00	263797	100.00	263797
	UDAY SHANKAR GAIKWAD	AAMPG4304P	1	201	0	0	201	0.00	201	0	201	0.00	0	0.00	0	0.00	0	0.00	201
	AMEYA HETE	ABMPH9097B	1	217797	0	0	217797	0.54	217797	0	217797	0.54	0	0.54	0	0.00	217797	100.00	217797
(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



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Cate-gory	Category & Name of the Shareholder	PAN	No of Share-holders	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	No.	As a % of total Shares	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(d)	Any Other		5	7283657	0	0	7283657	18.02	7283657	0	7283657	18.02	0	18.02	5522442	75.82	0	0	7283657
	ADVENT FISCAL PRIVATE LIMITED	AAACA5333K	1	737182	0	0	737182	1.82	737182	0	737182	1.82	0	1.82	0	0.00	0	0.00	737182
	NIFTY PORTFOLIO SERVICES PVT LTD	AAACN1994R	1	542136	0	0	542136	1.34	542136	0	542136	1.34	0	1.34	0	0.00	0	0.00	542136
	APOLLO INTERNATIONAL LIMITED	AAACA6447N	1	2266417	0	0	2266417	5.61	2266417	0	2266417	5.61	0	5.61	1784975	78.76	0	0.00	2266417
	VALUABLE TECHNOLOGIES LIMITED	AACCV2732P	1	2243657	0	0	2243657	5.55	2243657	0	2243657	5.55	0	5.55	2243315	99.98	0	0.00	2243657
	VALUABLE MEDIA LIMITED	AACCV5963G	1	1494265	0	0	1494265	3.70	1494265	0	1494265	3.70	0	3.70	1494152	99.99	0	0.00	1494265
	Sub-Total (A)(1)		**8**	**7765452**	**0**	**0**	**7765452**	**19.21**	**7765452**	**0**	**7765452**	**19.21**	**0**	**19.21**	**5522442**	**71.12**	**481594**	**6.20**	**7765452**
(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
(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)		**8**	**7765452**	**0**	**0**	**7765452**	**19.21**	**7765452**	**0**	**7765452**	**19.21**	**0**	**19.21**	**5522442**	**71.12**	**481594**	**6.20**	**7765452**



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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		16	5960822	0	0	5960822	14.75	5960822	0	5960822	14.75	0	14.75	0	0.00	NA	NA	5960822
	DSP BLACKROCK MIP FUND	AAAJD0430B	1	1298627	0	0	1298627	3.21	1298627	0	1298627	3.21	0	3.21	0	0.00	NA	NA	1298627
	RELIANCE CAPITAL TRUSTEE CO LTD A/C RELIANCE MONTHLY INCOME PLAN	AAATR0090B	9	1857739	0	0	1857739	4.60	1857739	0	1857739	4.60	0	4.60	0	0.00	NA	NA	1857739
	SBI MAGNUM GLOBAL FUND	AABTS6407Q	4	2609456	0	0	2609456	6.46	2609456	0	2609456	6.46	0	6.46	0	0.00	NA	NA	2609456
(b)	Venture Capital Funds		1	5432458	0	0	5432458	13.44	5432458	0	5432458	13.44	0	13.44	0	0.00	NA	NA	5432458
	ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED		1	5432458	0	0	5432458	13.44	5432458	0	5432458	13.44	0	13.44	0	0.00	NA	NA	5432458
(c)	Alternate Investment Funds		2	87500	0	0	87500	0.22	87500	0	87500	0.22	0	0.22	0	0.00	NA	NA	87500
(d)	Foreign Venture Capital Investors		1	5251608	0	0	5251608	12.99	5251608	0	5251608	12.99	0	12.99	0	0.00	NA	NA	5251608
	P5 ASIA HOLDING INVESTMENTS (MAURITIUS) LIMITED	AAECP1949E	1	5251608	0	0	5251608	12.99	5251608	0	5251608	12.99	0	12.99	0	0.00	NA	NA	5251608
(e)	Foreign Portfolio Investors		15	1015307	0	0	1015307	2.51	1015307	0	1015307	2.51	0	2.51	0	0.00	NA	NA	1015307
	KUROTO FUND LP	AAGFK5937L	1	538368	0	0	538368	1.33	538368	0	538368	1.33	0	1.33	0	0.00	NA	NA	538368
(f)	Financial Institutions/Banks		2	31674	0	0	31674	0.08	31674	0	31674	0.08	0	0.11	0	0.00	NA	NA	31674
(f)	**Banks**		**3**	**948482**	**0**	**0**	**948482**	**2.35**	**948482**	**0**	**948482**	**2.35**	**0**	**3.44**	**0**	**0.00**	**NA**	**NA**	**948482**
	Canara Bank		1	406492	0	0	406492	1.01	406492	0	406492	1.01	0	1.47	0	0.00	NA	NA	406492



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(g)	Insurance Companies		2	379694	0	0	379694	0.94	379694	0	379694	0.94	0	0.94	0	0.00	NA	NA	379694
	RELIANCE NIPPON LIFE INSURANCE COMPANY LIMITED	AADCA1410E	2	379694	0	0	379694	0.94	379694	0	379694	0.94	0	0.94	0	0.00	NA	NA	379694
(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		1	313341	0	0	313341	0.78	313341	0	313341	0.78	0	0.78	0	0.00	NA	NA	313341
	EXCEL WAY INTERNATIONAL LTD	AAECE0549B	1	313341	0	0	313341	0.78	313341	0	313341	0.78	0	0.78	0	0.00	NA	NA	313341
	FOREIGN CORPORATE BODIES		**2**	**2231405**	**0**	**0**	**2231405**	**5.52**	**2231405**	**0**	**2231405**	**5.52**	**0**	**5.52**	**0**	**0.00**	**NA**	**NA**	**2231405**
	M/S. Real Image LLP		1	1882878	0	0	1882878	4.66	1882878	0	1882878	4.66	0	4.66	0	0.00	NA	NA	1882878
	Trans Global Technologies Inc.		1	348527	0	0	348527	0.86	348527	0	348527	0.86	0	0.86	0	0.00	NA	NA	348527
	Sub Total (B)(1)		**45**	**21652291**	**0**	**0**	**21652291**	**53.57**	**21652291**	**0**	**21652291**	**53.57**	**0**	**54.70**	**0**	**0.00**	**NA**	**NA**	**21652291**
(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

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
	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		29894	3420917	0	0	3420917	8.46	3420917	0	3420917	8.46	0	8.46	0	0.00	NA	NA	3394110
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		23	2210644	0	0	2210644	5.47	2210644	0	2210644	5.47	0	5.47	0	0.00	NA	NA	2210644
	KAPIL KUMAR AGARWAL	AACPA2412L	1	462394	0	0	462394	1.14	462394	0	462394	1.14	0	1.14	0	0.00	NA	NA	462394
	LATA BHANSHALI	AADPB8672N	1	282406	0	0	282406	0.70	282406	0	282406	0.70	0	0.70	0	0.00	NA	NA	282406
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		20	999242	0	0	999242	2.47	999242	0	999242	2.47	0	2.47	0	0.00	NA	NA	999242
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		5	1983188	0	0	1983188	4.91	1983188	0	1983188	4.91	0	4.91	0	0.00	NA	NA	1983188
	Mr. Arun Veerappan		1	227882	0	0	227882	0.56	227882	0	227882	0.56	0	0.56	0	0.00	NA	NA	227882
	Mr. V. Senthil Kumar		1	621782	0	0	621782	1.54	621782	0	621782	1.54	0	1.54	0	0.00	NA	NA	621782
	Mrs. Meena Veerappan		1	387553	0	0	387553	0.96	387553	0	387553	0.96	0	0.96	0	0.00	NA	NA	387553
	Mr. P.C. Sreeram		1	273574	0	0	273574	0.68	273574	0	273574	0.68	0	0.68	0	0.00	NA	NA	273574
	Mr. P. Jayendra		1	472397	0	0	472397	1.17	472397	0	472397	1.17	0	1.17	0	0.00	NA	NA	472397
(b)	NBFCs Registered with RBI		3	14623	0	0	14623	0.04	14623	0	14623	0.04	0	0.04	0	0.00	NA	NA	14623
(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

Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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)
(e)	Any Other																		
	TRUSTS		2	172458	0	0	172458	0.43	172458	0	172458	0.43	0	0.43	0	0.00	NA	NA	171225
	TRUSTS		1	619597	0	0	619597	1.53	619597	0	619597	1.53	0	1.53	0	0.00			619597
	Arun Veerappan & P. Jayendra, Trustees of RIMT Employees Trust		1	619597	0	0	619597	1.53	619597	0	619597	1.53	0	1.53	0	0.00			619597
	NON RESIDENT INDIANS		271	122707	0	0	122707	0.30	122707	0	122707	0.30	0	0.30	0	0.00	NA	NA	122707
	CLEARING MEMBERS		59	22174	0	0	22174	0.05	22174	0	22174	0.05	0	0.05	0	0.00	NA	NA	22174
	NON RESIDENT INDIAN NON REPATRIABLE		91	41857	0	0	41857	0.10	41857	0	41857	0.10	0	0.10	0	0.00	NA	NA	41857
	BODIES CORPORATES		358	790023	0	0	790023	1.95	790023	0	790023	1.95	0	1.95	0	0.00	NA	NA	790023
	BODIES CORPORATES		1	604072	0	0	604072	1.49	604072	0	604072	1.49	0	1.49	0	0.00	NA	NA	604072
	Payone Enterprise Pvt. Ltd. (Series B)		1	604072	0	0	604072	1.49	604072	0	604072	1.49	0	1.49	0	0.00	NA	NA	604072
	Sub Total (B)(3)		**30727**	**10381905**	**0**	**0**	**10381905**	**25.68555**	**10381905**	**0**	**10381905**	**25.6855**	**0**	**25.685549**	**0**	**0**	**NA**	**NA**	**10353865**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**30773**	**32653793**	**0**	**0**	**32653793**	**80.78774**	**32653793**	**0**	**32653793**	**80.7877**	**0**	**81.9139494**	**0**	**0**	**NA**	**NA**	**32625753**



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share-holders	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**		**NA**	**0**



Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
Total:		**0**	**0**



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account	
No of Shareholders	No of shares
--	--



Annexure -7(a)

QUBE DIGITAL CINEMA PRIVATE LIMITED
CIN: U93000TN2017PTC119019
Regd. Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
E-mail: divya.venkat@qubecinema.com Tel: +91 (44) 4204-1505

Annexure -1

(in Rs.)

	PE' October 31, 2107	YE' March 31, 2017	YE' March 31, 2016	YE' March 31, 2015
	Apr 1 to Oct 31, 2017	FY2016-17	FY2015-16	FY2014-15
Equity Paid up Capital	100,000	NA	NA	NA
Reserves and surplus	(5,895)	NA	NA	NA
Carry forward losses	-	NA	NA	NA
Net Worth	94,105	NA	NA	NA
Miscellaneous Expenditure	-	NA	NA	NA
Secured Loans	-	NA	NA	NA
Unsecured Loans	-	NA	NA	NA
Fixed Assets	-	NA	NA	NA
Income from Operations	-	NA	NA	NA
Total Income	-	NA	NA	NA
Total Expenditure	-	NA	NA	NA
Profit before Tax	(5,895)	NA	NA	NA
Profit after Tax	(5,895)	NA	NA	NA
Cash profit	(5,895)	NA	NA	NA
EPS (Rs.)	(0.59)	NA	NA	NA
Book value	94,105	NA	NA	NA

For Qube Digital Cinema Pvt. Ltd.

V. Senthil Kumar
DIN: 00320535

Annexure -7(b)

ANNEXURE I

The financial details of companies for the previous 3 years as per the audited statement of Accounts: Standalone

Name of the Company: UFO Moviez India Limited

(Rs. in Crores)

Particulars	Unaudited	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	Q1FY18 (INDAS)	FY 2016-2017 (IGAAP)	FY 2015-2016 (IGAAP)	FY 2014-2015 (IGAAP)
Equity Paid up Capital	27.60	27.60	27.50	25.90
Reserves and surplus	477.92	469.79	413.97	370.32
Carry forward losses	0.00	0.00	0.00	0.00
Net Worth	505.52	497.39	441.47	396.22
Miscellaneous Expenditure	0.00	0.00	0.00	0.00
Secured Loans	53.74	59.34	64.43	93.04
Unsecured Loans	0.00	0.00	0.00	0.00
Fixed Assets	215.18	211.33	224.03	242.05
Income from Operations	97.40	386.60	349.58	299.91
Total Income	99.03	403.72	364.47	304.96
Total Expenditure	85.94	327.00	292.05	265.13
Profit before Tax	13.10	76.73	72.42	39.83
Profit after Tax (Total Comprehensive Income)	8.62	54.31	50.99	25.54
Cash profit	24.20	115.80	109.75	84.98
EPS	3.14	19.68	19.46	8.66
Book value	505.52	497.39	441.47	396.22

For **UFO Moviez India Limited**

S. Chavan

UFO MOVIEZ INDIA LIMITED

Sameer Chavan
Company Secretary

Annexure - 7(c)

ANNEXURE I

The financial details of companies for the previous 3 years as per the audited statement of Accounts: Consolidated

Name of the Company: UFO Moviez India Limited

(Rs. in Crores)

Particulars	Quarter ended Jun 17	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	Q1FY18 (INDAS)	FY 2016-2017 (IGAAP)	FY 2015-2016 (IGAAP)	FY 2014-2015 (IGAAP)
Equity Paid up Capital	27.60	27.60	27.50	25.90
Reserves and surplus	391.52	550.75	488.97	427.37
Carry forward losses		-	-	-
Net Worth	419.12	578.35	516.47	453.26
Miscellaneous Expenditure		-	-	-
Secured Loans	68.69	73.29	93.15	117.40
Unsecured Loans	-	-	-	
Fixed Assets	267.62	268.48	299.08	315.86
Income from Operations	153.68	597.21	570.06	479.34
Total Income	156.72	604.23	576.80	484.39
Total Expenditure	135.60	508.35	478.75	415.56
Profit before Tax	21.12	95.88	98.05	68.83
Profit after Tax	13.67	63.16	63.46	48.81
Cash profit	13.67	63.16	63.46	48.81
EPS	4.98	22.89	24.22	17.65
Book value	419.12	578.35	516.47	453.26

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

For **UFO Moviez India Limited**

S. Chavan

Sameer Chavan
Company Secretary

Annexure - 7(d)

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly Real Image Media Technologies Private Limited)

Registered Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
CIN: U92490TN1986PTC012536 Email ID: preethi@realimage.com

NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty Second Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 24th August 2017 at 11.00 A.M. at the Registered Office of the Company at No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004, to transact the following Business:-

ORDINARY BUSINESS:

ITEM NO.1

To receive, consider and adopt the reports of the Directors and the Auditors and the Audited Statement of Profit and Loss of the Company for the financial year ended 31st March 2017, and the Balance Sheet as at that date.

ITEM NO.2

To receive, consider and adopt the report of the Auditors and the Consolidated Audited Statement of Profit and Loss for the financial year ended 31st March 2017 including that of the Company and its subsidiaries, and the Balance Sheet as at that date.

ITEM NO.3

To appoint of M/s. B S R & Co. LLP, Chartered Accountants, Chennai, as the Auditors of the Company in place of M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai, by passing the following resolution:

"**RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof), M/s. B S R & Co. LLP, Chartered Accountants, Chennai, (Firm Registration No. 101248W / W-100022) be and are hereby appointed as Auditors of the Company [in place of M/s. Deloitte, Haskins & Sells, Chartered Accountants, Chennai, (Firm Registration No. 008072s) who are retiring as Auditors of the Company at the conclusion of this Annual General Meeting], for a period of five years i.e. from the conclusion of the Thirty Second Annual General Meeting till the conclusion of the Thirty Seventh Annual General Meeting of the Company, subject to annual ratification by the Shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company.

FURTHER RESOLVED that the Board of the Directors, Chief Legal Officer and the Company Secretary of the Company, be and are hereby ***severally*** authorized to take on behalf of the Company all necessary steps for giving effect to the resolution including filing of necessary returns in this regard".

By Order of the Board
For **Qube Cinema Technologies Pvt. Ltd.**

N. Preethi

Preethi Nayaganti
Company Secretary

Place: Chennai
Date: 18th May 2017

NOTE:
A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. Proxy must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

CERTIFIED TRUE COPY

For Qube Cinema Technologies Pvt. Ltd.

V. Sen

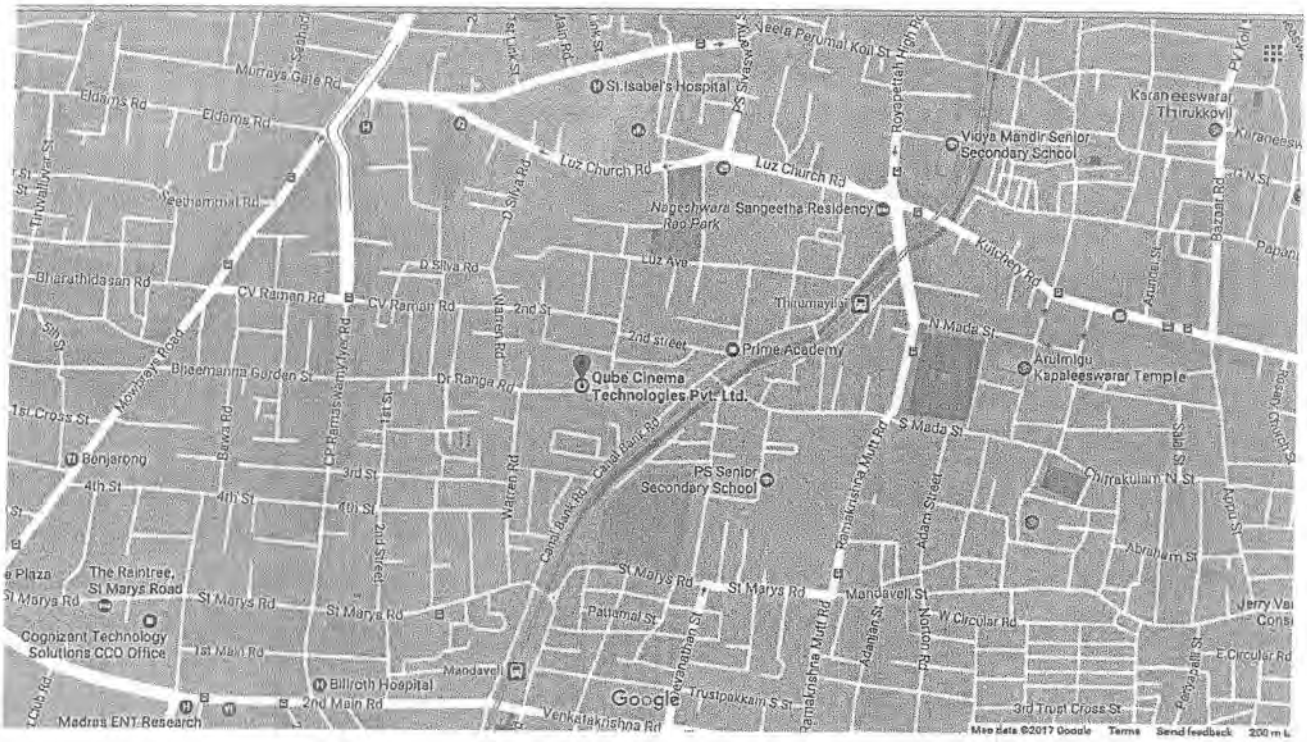
Director

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly Real Image Media Technologies Private Limited)

Registered Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
CIN: U92490TN1986PTC012536 Email ID: preethi@realimage.com

ROUTE MAP



Qube Cinema Technologies Private Limited

Thirty Second Annual Report - 2016-17

Directors' Report

Your Directors have pleasure in presenting to you the Thirty Second Annual Report of the Company for the financial year ended March 31, 2017.

Financial Results

The financial performance of the Company for the financial year ended 31st March 2017 is as under:

(Rs. in Mn)

Year ended March 31	2017	2016
Revenue from Operations	3527	3029
Profit Before Depreciation Interest, Exchange Gain/Loss, Non-recurring items and Tax	912	841
Profit Before Tax and exceptional items	564	502
Add: Exceptional item*	-	(12)
Profit Before Tax and after exceptional items	564	490
Profit After Tax	373	314
Exceptional item represents loss on account of inventory damage during the heavy rains & floods in Chennai in December 2015		

Business during the year

The year under review saw a 16% growth in Operating Revenue and a 15% increase in the operating profit before tax. The growth in revenues was primarily led by equipment sales while the Services segment of Digital Cinema, especially advertising saw a significant fall in growth rate, primarily impacted by demonetization, which was announced in the peak 3rd quarter and the impact of which continued through the rest of the year under review. This resulted in a marginal growth in PBDIT from Rs.841Mn to Rs.912Mn, a growth of 8%.

The Company's financial position continued to be strong with overall net debt of Rs.486 Mn (FY16: 487Mn) and a PBDIT to Net Debt ratio of 1.88 (FY16: 1.73)

ROLLOUT:

Your Company's screen base on the roll-out models stood at 3454 as at March 31, 2017, with 3011 under the Media Model [Previous Year - 2837] and 443 under the Pay Per Use Model [Previous Year - 417]. The Company also contracted non-deployment based and/ or limited media rights for 330 screens.

In addition to maintaining its lead position in the South, your Company expanded its media based deployment screens in the rest of the country too.

The year saw an increase of over 10% in VPF and Mastering, which, notwithstanding the macro pressure, continued to outpace the growth in network size. Continuing the trend of preference for DCI systems, both new installs and conversions to DCI from non-DCI happened in significant measure and your Company was well placed to cater to this.

QCN:

The coverage of QCN at the financial year end under the media model on the theatre front reached 2890 operational theatres out of 3011 signed up theatres.

While revenues grew at 16% over the previous year notwithstanding the macro pressures, the year saw continued strong interest from private advertisers, accounting for 53% of the overall business. Both in terms of customer breadth and depth of engagement of some of the brands, the year saw significant growth.

OTHERS:

The traditional business of Technology Marketing, though it continues to account for a small proportion of the overall revenues, continues to be cash positive and provides a diversified presence, visibility and business linkages & Synergies to your Company in the media technology domain.

The Company recently beta launched Qube Wire, a state of the art web-based, self-service integrated platform for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys. Commercial launch is planned for the second half of FY18.

Among the other new initiatives, your Company is in the process of developing a platform for just-in-time Digital Cinema Package creation (Slydes) and the immediate proposed service offering around this envisages integrating this with scheduling capabilities to offer greeting card functionality for cinemas (Cheers), which are planned for launch in the coming year.

Subsidiaries

1) Qube Cinema Inc., USA - During the year under review, your Company's wholly-owned subsidiary, Qube Cinema Inc., USA, earned revenues of USD 0.78 Mn and incurred a net loss of USD 0.28 Mn. This was reflective of subdued activity in the key target markets of the subsidiary.

2) Justickets Pvt. Ltd.- During the year under review, your Company's subsidiary in India, Justickets Pvt. Ltd. earned a gross revenue of Rs.69.28 Mn and incurred a net loss of Rs.96.03Mn. Justickets has enhanced its footprint to cover 19 states including tie-ups with national cinema chains.

Details of the Subsidiary Companies in form AOC 1 is annexed herewith marked as **Annexure A** and forms part of this report.

Name Change

Your Company has changed its name from Real Image Media Technologies Pvt. Ltd. to Qube Cinema Technologies Pvt. Ltd. effective 12th January 2017. The Office of the Registrar of Companies have issued the revised Certificate of Incorporation in this regard.

Names of Companies which have become or ceased to be its Subsidiary(ies), Joint Ventures or Associate Companies during the year - NIL

Material changes and commitments, if any, affecting the financial position of the Company which has occurred since 31st March 2017 till the date of report

There are no material changes and commitments affecting the financial position of the company which has occurred since 31st March 2017 till the date of this report.

Change in the nature of business if any

There was no change in the nature of the business during the year under review.

Transfer to Reserves – NIL

Dividend - NIL

Deposits

Your Company has not accepted any public deposits during the financial year nor has any outstanding unclaimed or unpaid public deposits as on 31st March 2017.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

(i) ***Directors***

Mr. Anirudh Raj Sarathy was appointed as Nominee Director representing StreetEdge Capital LP in place and stead of Mr. Vasu R. Devan on 25th August 2016. No other change took place in the Board of Directors during the financial year.

(ii) ***Key Managerial Personnel***

Mrs. Preethi Nayaganti was appointed as Company Secretary of the Company in place and stead of Mr. P. Murali Krishna, Chief Legal Officer on 1st December 2016.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act 2013

There are no loans, guarantees or investments exceeding the limits prescribed under Section 186 of the Companies Act 2013. During the year under review, your Company made an investment of Rs. 45.59 Mn in the equity share capital of Justickets Pvt. Ltd. and an amount of Rs. 32.77 Mn in the equity share capital of Qube Cinema Inc. both of them being the subsidiaries of the Company.

Net Worth of the Company

(Amount in Rs.mn)

	As on 31.03.2017	As on 31.03.2016
Net-worth of the Company	2540.33	2164.63

Board Meetings held during the financial year

5 (Five) Board Meetings were held during the financial year on 8th June 2016, 25th August 2016, 1st December 2016, 17th February 2017 and 23rd March 2017.

Attendance details of Directors

Name of Directors	Number of Board Meetings attended during the year
P. Jayendra	5
V. Senthil Kumar	5
Vasu R Devan*	Nil
Willie Long Chi Wong	4
Atsushi Okabe	3
M.G. Parameswaran	2
Anirudh Raj Sarathy*	2

*Mr. Anirudh Raj Sarathy was appointed as Nominee Director of StreetEdge Capital LP in place and stead of Mr. Vasu R Devan on 25th August 2016.

Details of Meetings of Board Committees held during the year

- One Corporate Social Responsibility Committee Meeting (CSR) was held on 23rd March 2017.
  Attendance Details of Directors
  Mr. P. Jayendra
  Mr. V. Senthil Kumar
  Dr. M.G. Parameswaran

- The members of the Compensation Committee Meeting (CC) are as follows **Attendance Details of Directors**
  Mr. Willie Wong
  Dr. M.G. Parameswaran
  Mr. Alok Bajoria (Non-Voting Observer)

There was no meeting of the Compensation Committee held during the year 2016-17.

Details of Policies developed by the Company:

a) **Corporate Social Responsibility Policy**

The Board has, on the recommendation of the CSR Committee, approved the CSR Policy. The Company's CSR Policy is available on the Company's website www.realimage.com. Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith marked as **Annexure B** and forms part of this report.

b) **Risk Management Policy**

Business Risk Evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Management of the Company has framed a Risk Management Policy for the key elements of risk affecting the core business of your Company. In respect of these, the Company has in place a mechanism to identify, assess, monitor and mitigate with a view to achieving key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis and it is towards this end that your Company has obtained ISO / IEC 27001:2013 certification for its processes underlying the core businesses of digital cinema mastering and content licensing. Generally and as part of this framework, the Company has not identified any element of risk which may threaten the existence of the Company.

c) **Vigil Mechanism/Whistle Blower Policy**

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach the Vigilance and Ethics Officer to ensure adequate safeguards against victimization. This policy would help create an environment wherein individuals feel free and secure to raise an alarm, whenever any fraudulent activity takes place or is likely to take place. It will also ensure that complainant(s) are protected from retribution, whether within or outside the organization. The Board has elected Mr. P Murali Krishna, Chief Legal Officer & Company Secretary as the Vigilance and Ethics Officer under the vigil mechanism policy. The details of establishment of the Vigil Mechanism Policy are displayed on the website of the Company www.realimage.com.

In terms of Section 177 (9) of the Companies Act 2013, your Company has established a policy with regard to vigil mechanism for directors and employees to report their genuine concerns in respect to the following areas:-

a. Financial irregularities, including fraud or suspected fraud.
b. Wastage or misappropriation of company money or assets
c. Abuse of authority

d. Misbehavior with stakeholders such as employees, lenders, project members & their family members, etc.
e. Manipulation of company data/records/register
f. Accused or convicted in any criminal offence
g. Non-compliance with / violation of organization rules & regulations or statutory requirements
h. Any other unethical, dishonest or biased happenings

Details pursuant to employee stock options

Issue of employee stock options

Pursuant to Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, following are the details regarding Employees Stock Option Scheme:-

Table A

Options Granted	12,14,158
Options Vested	12,14,158
Options Exercised	9,14,158
Total Number of shares arising as a result of exercise of Options	9,14,158
Options lapsed	NIL
Exercise Price	Rs.10/- per Option
Variation of Terms of Options	NIL
Money realized by exercise of Options	NIL
Total number of Options in force	3,00,000
Employee-wise details of Options granted to -	
i) Key Managerial Personnel	Mr. Arvind Ranganathan, CEO – 180,000 Options
ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during the year	NIL
iii) Identified employees who were granted Option, during any	NIL

	one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	

Table B

Options Granted	50,000
Options Vested	50,000
Options Exercised	-
Total Number of shares arising as a result of exercise of Options	-
Options lapsed	NIL
Exercise Price	Rs.130/- per Option
Variation of Terms of Options	NIL
Money realized by exercise of Options	NIL
Total number of Options in force	50,000
Employee-wise details of Options granted to -	
i) Key Managerial Personnel	NIL
ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Mr. Harsh Rohatgi President (Digital Cinema) - 50,000 options
iii) Identified employees who were granted Option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time	NIL

of grant	

Particulars of Employees

Particulars of employees as required under Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are annexed herewith marked as **Annexure C** and forms part of this report.

Extract of the annual return

An extract of the Annual Return in form MGT 9 as required under the provisions of the Companies Act 2013 is annexed to the report, marked as **Annexure D** and forms part of this Report.

Adequacy of Internal Financial Controls

Your Company has adequate internal financial controls with reference to preparation of financial statements, commensurate with the size of operations of the company.

Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

There were no complaints on sexual harassment during the year under review.

As part of orientation program all the new recruits have been made aware on this subject. Your Company has also conducted programs to all support staff at Chennai, Mumbai and Hyderabad refreshing them the awareness on this subject.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There were no such instances during the financial year.

Particulars of contracts or arrangements with related parties

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto in Form No. AOC-2 is annexed herewith marked as **Annexure E** and forms part of this report.

Auditors

At the Thirty First Annual General Meeting of the Shareholders of the Company held on 25th August 2016, your Company's Auditors, Deloitte Haskins & Sells, Chartered Accountants, Chennai, who

have been appointed as the Auditors of the Company at the Twenty Ninth Annual General Meeting of the Company to hold the office from the conclusion of the said Annual General Meeting until the conclusion of the Thirty Second Annual General Meeting, was ratified in terms of Section 139 of the Companies Act 2013. As your Company is required to comply with the provisions of Section 139 of the Companies Act 2013 regarding rotation of the existing Auditors, Deloitte Haskins & Sells will retire as Auditors at the conclusion of the ensuing Annual General Meeting.

Qualification(s) of Auditors in their Report

There are no adverse remarks or observations in the Auditors' Report which require clarification from the Board.

***Appointment of* B S R & Co. LLP**

Your Directors, subject to the approval of the Shareholders at the ensuing Annual General Meeting, approved appointment of BSR & Co. LLP., Chartered Accountants, having their office at 10, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034, as auditors for a period of 5 years commencing from the conclusion of the ensuing Thirty Second Annual general Meeting until the conclusion of the Thirty Seventh Annual General Meeting. Your Company, pursuant to the provisions of Section 139 of the Companies Act 2013, obtained necessary consent and certificate from the said Auditors in connection with their appointment as Auditors.

The Board takes this opportunity to place on record its appreciation of the valuable guidance provided and contribution made by Deloitte Haskins & Sells during their tenure as auditors.

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

Particulars as required under Section 134(3) (m) of the Companies Act, 2013 are annexed herewith marked as **Annexure F** and forms part of this report.

Directors' Responsibility Statement

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis; and

e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors wish to place on record their sincere thanks and appreciation to its Company Investors, shareholders, suppliers, customers, employees, bankers and also the Central and State governments for their continued co-operation and support.

For and on behalf of the Board of Directors

P. Jayendra
Chairman

18th May 2017

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTORS' REPORT – 2016-17

Annexure A

Form AOC- I
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S.No	Particulars		
1	Name of the subsidiary	Qube Cinema Inc. USA	Justickets Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD/64.8386	INR
4	Share capital	303,120,455	165,183,460
5	Reserves & Surplus	(288,055,077)	(103,298,117)
6	Total Assets	35,607,998	110,684,358
7	Total Liabilities	20,542,619	19,968,058
8	Investments	Nil	Nil
9	Turnover	50,398,784	69,293,257
10	Profit before taxation	(18,418,312)	(96,630,456)
11	Provision for taxation	53,557	NIL
12	Profit after taxation	(18,471,869)	(96,630,456)
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100	39

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - **NIL**
2. Names of subsidiaries which have been liquidated or sold during the year - **NIL**

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)
DIRECTORS' REPORT – 2016-17

Part "B"

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NOT APPLICABLE AS THERE ARE NO ASSOCIATE COMPANIES AND JOINT VENTURES

1. Names of associates or joint ventures which are yet to commence operations. **NIL**
2. Names of associates or joint ventures which have been liquidated or sold during the year. - **NIL**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For & On behalf of the Board

P. Jayendra
Chairman

V. Senthil Kumar
Whole Time Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place: Chennai
Date: 18th May 2017

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT – 2016-17

Annexure B

Corporate Social Responsibility (CSR) Policy

Based on the recommendations of CSR Committee, your Board of Directors has approved a CSR Policy –

To contribute 2% of the average net profits of your Company for the preceding three years (currently in vogue under the provisions of the Companies Act, 2013) -

A. to the institutions/organizations/trust(s) who are engaged in –

i) providing assistance/financial support/relief to the people who are affected by hunger, poverty, ill-health, disablement;
ii) promoting education including special education, employment enhancing vocation skills among children, women, elderly persons;
iii) setting up homes and hostels for women and orphans, old age homes, day care centres for senior citizens;
iv) taking measures for reducing inequalities faced by socially and economically backward groups;

and

B. for such other activities as enshrined in Schedule VII to the Companies Act 2013, as modified/amended from time to time.

Annexure B

Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is also attached herewith as **Annexure C** and forms part of this report.

Your Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company with the following as its Members:-

a) Mr. P. Jayendra
b) Mr. V. Senthil Kumar
c) Dr. M.G. Parameswaran

The CSR Committee has been constituted to carry out a transparent monitoring mechanism for implementation of CSR activities undertaken by the Company, pursuant to the provisions contained under Section 135 of the Companies Act 2013 read with Schedule VII.

The CSR policy is also available in the website of the Company www.realimage.com under the link http://www.realimage.com/corporate/corporate-social-responsibility

The CSR Committee of the Board of Directors hereby confirm that the Company has implemented and monitored the CSR Policy in compliance with the objectives and Policy of the Company.

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT – 2016-17

The average net profits of the Company for last three financial years, details of CSR spent, and amount un-spent, if any, during the year are shown below:

Profit Before Tax for the financial year	(Rs. In Mn)
2013-14	208.46
2014-15	568.95
2015-16	490.45
Total	1,267.86
Less:	
1. Profit arising out to overseas branch	-
2. Dividend received from other companies in India complying with CSR Provisions	-
Total Net Profit for preceding 3 years	1,267.86
Average Net Profit	422.62
Amount to be spent on CSR for 2016-17 @ 2% of average Net Profit	8.45
CSR spent for FY 2016-17	8.45

Amount to be spent during the financial year under review: Rs.8.45 Mn.
Amount spent during the financial year under review: Rs.8.45 Mn.

Details of which are as shown in the following table:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl.No	CSR Project / Activity identified	Sector in which the Project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (Rs.)	Amount spent on the projects/ programs Subheads: 1. Direct expenditure on Projects or programs 2. Overheads (Rs.)	Cumulative expenditure upto the reporting period (Rs.)	Amount spent Direct / through implementing agency
1	Bhoomika Trust	Promoting Education	Towards their Projects for promoting education	10,00,000	10,00,000	10,00,000	Implementing Agency
2	Rajalakshmi Public Charitable Trust	Preventive Health Care	Towards their projects on maintenance of Old Age Homes	6,00,000	6,00,000	16,00,000	Implementing Agency

			and provision of such other facilities				
3	Bhoomika Trust	Preventive Health Care	Towards organizing a Seminar on Aphasia awareness	10,00,000	10,00,000	26,00,000	Implementing Agency
4	BALM Trust (Banyan)	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	8,00,000	8,00,000	34,00,000	Implementing Agency
5	Sri Krishna Sevashram	Preventive Health Care	Towards School Mid-day meal scheme	2,50,000	2,50,000	36,50,000	Implementing Agency
6	CANCARE FOUNDATION	Preventive Health Care	Towards providing health care to the under-privileged	2,50,000	2,50,000	39,00,000	Implementing Agency
7	INCARE	Preventive Health Care	Towards providing veterinary and shelter expenses for Animal Welfare	2,50,000	2,50,000	41,50,000	Implementing Agency
8	TATA Institute of Social Sciences (Banyan)	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	2,00,000	2,00,000	43,50,000	Implementing Agency
9	Single Teacher Schools (a unit of Swami Vivekananda Rural Development Society)	Promoting Education	Towards their Projects for promoting education	15,000	15,000	43,65,000	Implementing Agency
10	Vyakti Vikas Kendra	Preventive Health Care	Towards 'Gift a smile' project for providing sanitation, education etc for under privileged children	1,00,000	1,00,000	44,65,000	Implementing Agency
11	Bhoomika Trust	Preventive Health Care	Towards organizing a Seminar on Aphasia	8,00,000	8,00,000	52,65,000	Implementing Agency

			awareness				
12	Banyan	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	5,00,000	5,00,000	57,65,000	Implementing Agency
13	Jeevan Blood Bank	Promoting Education	Towards their projects on promoting Health Care	7,50,000	7,50,000	65,15,000	Implementing Agency
14	Sri Krishna Sevashram	Promoting Education	Towards School Mid-day meal scheme	2,50,000	2,50,000	67,65,000	Implementing Agency
15	Rajalakshmi Public Charitable Trust	Promoting Education	Towards their Projects on promotion of Education, Health Care and Sanitation	6,00,000	6,00,000	73,65,000	Implementing Agency
16	Altius	Promoting Education	Towards their Projects for supporting the education of rural under privileged children	10,00,000	10,00,000	83,65,000	
17	BALM Trust	Promoting Education	Towards their Projects for supporting the education of rural under privileged children	85,000	85,000	84,50,000	
	TOTAL			84,50,000	84,50,000		

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Pvt. Ltd.)

DIRECTORS' REPORT 2016-17

Annexure C

DETAILS OF EMPLOYEES AND REMUNERATION DETAILS

Details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Details of Employee, who

• if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees

(All amounts in Rs. Lakhs)

1	Name of the Employee	Arvind Ranganathan	P. Jayendra	V. Senthil Kumar	Harsh Rohatgi	Raja Enok	P. Venkatesh	M.S. Rajagopalan
2	Designation of the employee	Chief Executive Officer	Whole Time Director	Whole Time Director	President (Digital Cinema)	Chief Marketing Officer	Chief Financial Officer	President - QCN Marketing
3	Remuneration received	126.00	139.24	139.24	142.50	86.40	60.00	72.00
4	Nature of employment, whether contractual or otherwise	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment
5	Qualification	B.Tech (Chemical Engineering), M.B.A (Marketing & Systems)	B.Sc (Chemistry)	B.E (Computer Science)	B.A (Economics), PGDM (Marketing) - IIM (A)	B.E (Mechanical Engineering)	B.Com(H), ACS, ACMA, M.B.A (Financial Management)	B.Tech, PGDM
6	Experience	25 years	30 years	30 years	16 years	28 years	25 Years	34 years
7	Date of commencement of employment	01.04.2006	28.09.2000	28.09.2000	03.10.2012	01.09.1998	16.10.2010	02.05.2011
8	Age of such employee	53 years	59 years	53 years	42 years	53 years	47 years	58 years
9	Last employment held by such employee before joining the company	Shasun Chemicals & Drugs Limited	Not applicable	Not applicable	Turner General Entertainment Networks	Skyline Communications	Fingrid Business Solutions Pvt. Ltd.	Brand - Comm, Bangalore
10	Percentage of equity shares held by the employee in the company by himself or along with his spouse and dependent children, being not less than two percent of the equity shares of the company	NIL	3.6	5.56	NIL	0.45	0.03	NIL
11	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No	No	No	No	No	No	No

• if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month

1	Name of the Employee	Sanjeev Anil Mehta
2	Designation of the employee	National Sales Head-QPN
3	Remuneration received	42.50
4	Nature of employment, whether contractual or otherwise	Permanent employment
5	Qualification	B.Com
6	Experience	21 Years
7	Date of commencement of employment	01.11.2016
8	Age of such employee	44 years
9	Last employment held by such employee before joining the company	Red FM 93.5, Mumbai
10	Percentage of equity shares held by the employee in the company by himself or along with his spouse and dependent children, being not less than two percent of the equity shares of the company	NIL
11	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No

• if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Annexure D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

of

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Private Limited)

[Pursuant to Section 92(3) *of the Companies Act, 2013 and* rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: U92490TN1986PTC012536

ii) Registration Date: 01/01/1986

iii) Name of the Company: Qube Cinema Technologies Private Limited

(Formerly known as Real Image Media Technologies Private Limited)

iv) Category / Sub-Category of the Company: Company Limited by Shares/Indian Non-Government Company

v) Address of the Registered office and contact details: No. 42, Dr. Ranga Road, Mylapore Chennai - 600 004. Phone: +91 (44) 4204-1505

vi) Whether listed company Yes / No: No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Motion picture, video and television programme post-production activities, providing end to end digital cinema solutions including advertisement services	5912	79
2	Sale of Computer Based Systems etc.	5912	21

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Qube Cinema Inc	NA	Wholly owned subsidiary	100%	
2	Justickets Pvt. Ltd.	U74900TN2013PTC092047	Subsidiary by way of controlling the composition of the Board of Directors	39%	2(87)(i)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual / HUF	-	2,067,400	2,067,400	20.80%	-	2,067,400	2,067,400	20.80%	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	2,462,225	2,462,225	24.77%	-	2,462,225	2,462,225	24.77%	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub –total (A)(1)	-	**4,529,625**	**4,529,625**	**45.57%**	-	**4,529,625**	**4,529,625**	**45.57%**	-
(2) Foreign									
(a) NRI Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub –total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	**4,529,625**	**4,529,625**	**45.57%**	-	**4,529,625**	**4,529,625**	**45.57%**	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	1,240,323	1,240,323	12.48%	-	1,240,323	1,240,323	12.48%	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	628,318	1,598,092	2,226,410	22.40%	6,28,318	1,598,092	2,226,410	22.40%	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub –total (B)(1)	**628,318**	**2,838,415**	**3,466,733**	**34.87%**	**628,318**	**2,838,415**	**3,466,733**	**34.87%**	-
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	-	6,790	6,790	0.07%	-	6,790	6,790	0.07%	-
(ii) Overseas	-	455,766	455,766	4.58%	-	455,766	455,766	4.58%	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	34,172	34,172	0.34%	-	34,172	34,172	0.34%	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	38,820	598,710	637,530	6.41%	38,820	598,710	637,530	6.41%	-
c) Others (specify)									
*(i) RIMT Employees Trust**	-	810,242	810,242	8.15%	-	810,242	810,242	8.15%	-
Sub –total (B)(2)	**38,820**	**1,905,680**	**1,944,500**	**19.56%**	**38,820**	**1,905,680**	**1,944,500**	**19.56%**	-
Total Public Shareholding	**667,138**	**4,744,095**	**5,411,233**	**54.43%**	**667,138**	**4,744,095**	**5,411,233**	**54.43%**	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) = (B)(1)+(B)(2)									
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	667,138	9,273,720	9,940,858	100.00%	667,138	9,273,720	9,940,858	100.00%	-

** RIMT employees Trust is a Non-Promoter, Non-Public Shareholding.*

(ii)Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	*V. Senthil Kumar*	553,100	5.56	NIL	553,100	5.56	NIL	NIL
2	*Meena Veerappan*	503,800	5.07	NIL	503,800	5.07	NIL	NIL
3	*Arun Veerappan*	295,000	2.97	NIL	295,000	2.97	NIL	NIL
4	*P Jayendra*	357,750	3.60	NIL	357,750	3.60	NIL	NIL
5	*P C Sreeram*	357,750	3.60	NIL	357,750	3.60	NIL	NIL
6	*Real Image LLP*	2,462,225	24.77	NIL	2,462,225	24.77	NIL	NIL
	Total	**4,529,625**	**45.57**	-	**4,529,625**	**45.57**	-	

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4,529,625	45.57	4,529,625	45.57
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	4,529,625	45.57	4,529,625	45.57

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5,195,800	52.27	5,195,800	52.27
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year (or on the date of separation, if separated during the year)	5,195,800	52.27	5,195,800	52.27

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
(i)	**Mr. P. Jayendra**				
	At the beginning of the year	357,750	3.60	357,750	3.60
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	357,750	3.60	357,750	3.60
(ii)	**Mr. V. Senthil Kumar**				
	At the beginning of the year	5,53,100	5.56%	5,53,100	5.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	5,53,100	5.56%	5,53,100	5.56%

(iii)	**Mr. P. Venkatesh**				
	At the beginning of the year	3,000	0.03%	3,000	0.03%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	3,000	0.03%	3,000	0.03%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	(INR in Mn)			
Indebtedness at the beginning of the financial year				
i) Principal Amount	*345.98*	*307.16*	-	*653.14*
ii) Interest due but not paid	*3.47*	-	-	*3.47*
iii) Interest accrued but not due	-	*10.68*	-	*10.68*
Total (i+ii+iii)	***349.45***	***317.84***	-	***667.29***
Change in Indebtedness during the financial year				
• Addition	*151.83*	-	-	*151.83*
• Reduction	*159.45*	*117.68*	-	*277.13*
Net Change	***(7.62)***	***(117.68)***	-	***428.96***
Indebtedness at the end of the financial year				
i) Principal Amount	*339.07*	*200.16*	-	*539.23*
ii) Interest due but not paid	*2.76*	-	-	*2.76*
iii) Interest accrued but not due	-	*1.16*	-	*1.16*
Total (i+ii+iii)	***341.83***	***201.32***	-	***543.15***

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

INR (Rs. Lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1.	Gross salary	**V Senthil Kumar**	**P Jayendra**	
	(a) Salary as per provisions			

	contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	139.24	139.24	278.48
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission o as % of profit o others, specify	-	-	-
	Total (A)	**139.24**	**139.24**	**278.48**
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	**M.G. Parameswaran (Independent Director)**	**Rs.2.25 lakhs**
2.	Total (1)		**Rs.2.25 lakhs**
3.	Other Non-executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify		-
4.	Total (2)		**Rs.2.25 lakhs**
5.	Total (B)=(1+2)		**Rs.2.25 lakhs**
6.	Total Managerial Remuneration		
7.	Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		P. Murali Krishna Company Secretary (1st April 2016 – 30th November 2016)	Preethi Nayaganti Company Secretary (1st December 2016 – 31st March 2017)	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	**13.16**	**4.00**	**17.16**

2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify			
5.	Others, please specify			
	Total	13.16	4.00	17.16

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Annexure E – AOC -2

(Pursuant to clause (h) of sub-section 3 of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of Contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso

Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts / arrangements/transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any:	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Nil

Details of material contracts or arrangement or transactions at arm's length basis

S.No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Justickets Pvt. Ltd. [a subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and has Directors in Common]	Providing certain backend support including personnel, administrative, marketing, software development and any other support services		As per the terms contained in the Shared Services Agreement dated 7th January 2015 and Addendum to Share Service Agreement dated 27th March 2017. Value: Rs.4,15,18,586/-	27th November 2014	Nil
2	Qube Cinema Inc., USA [(a wholly-owned subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and a Body Corporate accustomed to act under the Directions of Qube Cinema Technologies Pvt. Ltd.]	Sale of Digital Cinema Equipment	Until Termination	As per the terms contained in the Transfer Pricing Agreement and the subsequent Amendments entered into between the Parties. Value: Rs. 1,26,62,209/-	Not applicable as the Transfer Price Agreement and the subsequent Amendments were entered into prior to the commencement of the Companies Act 2013, and the applicable Rules made thereunder	Nil

3	Qube Cinema Inc., USA [(a wholly-owned subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and a Body Corporate accustomed to act under the Directions of Qube Cinema Technologies Pvt. Ltd.]	Reimbursement of certain marketing and related expenses	NA	Reimbursement of certain marketing and related expenses. Value: Rs. 2,84,87,934/-	Not applicable as the Transfer Price Agreement and the subsequent Amendments were entered into prior to the commencement of the Companies Act 2013, and the applicable Rules made thereunder	Nil
4	P. Jayendra (Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.6,00,000/-	16th February 2012	Nil
5	V. Senthil Kumar (Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.10,80,000/-	13th August 2015	Nil
6	M.G.Parameswaran (Independent Director)	Providing Professional services	NA	Payment of Professional Fees for attending the Board/Committee Meetings of the Company during the Financial Year 2016-17. Value: Rs.2,25,000/-	Approved at the Annual General Meeting held on 14th July 2011	Nil
7	Vee. Vijayalakshmi (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.3,60,000/-	10th March 2016	Nil
8	Arun Veerappan (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Remuneration	NA	Terms and Conditions as per the Employment Agreement. Value: Rs.24,05,739/-	19th September 2008	Nil
9	Meena Veerappan (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Vehicle Lease	5 years	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.7,80,000/-	25th August 2016	Nil
10	Sudha Panchapakesan (Relative of Mr. P. Jayendra, Whole Time Director)	Remuneration	NA	Terms and Conditions as per the Employment Agreement. Value: Rs.34,02,012/-	Approved at the Annual General Meeting held on 4th July 2001	Nil

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT - 2016-17

Annexure F

Conservation of energy, technology absorption, foreign exchange earnings and outgo

(A) Conservation of energy: Not applicable

(B) Technology absorption: Not applicable

(C) Foreign exchange earnings and Outgo

Inflows/Earnings: Rs.150.77 mn.

Expenditure/Outgo: *Rs. 816.44 mn. break up of which is as under:-*

1	Purchase of goods	367.98
2	Purchase of capital goods	388.44
3	Consulting /Legal Fees	8.24
4	Travelling expenses	11.96
5	Freight and Clearing Charges	24.41
6	Interest	15.41
	Total	**816.44**

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Deloitte Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai - 600 017
India

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (Formerly known as Real Image Media Technologies Private Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (formerly known as Real Image Media Technologies Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our 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 of the standalone financial statements 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 standalone financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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i. The Company has disclosed the impact of pending litigations on its standalone financial position in its financial statements – Refer Note 35 to the financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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")

We have audited the internal financial controls over financial reporting of **Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)** ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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". 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.

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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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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, to the best of our information and according to the explanations given to us, the Company has, 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 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"

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date: May 18, 2017

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties of freehold or leasehold land and building as at balance sheet date and hence reporting under clause (i) (C) of the CARO 2016 is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) 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 Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Excise Duty, Value Added Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.



(c) Details of dues of Excise duty, Service tax, Value added tax and Income Tax which have not been deposited as on 31st March 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute	Period to which the Amount Relates	Amount Involved (Rs.) in lakhs	Amount Unpaid (Rs.) in lakhs
Central Excise Act, 1944	Excise Duty	CESTAT, Chennai	2008-09	23,715,784	11,857,892
Finance Act, 1994	Service Tax	CESTAT, Chennai	2008-09 to 2013-14	58,776,065	57,834,878
APVAT Act, 2005	Value Added Tax	Appellate Deputy Commissioner	2009-10, 2010-11	8,330,864	7,289,505
Maharashtra VAT Act, 2002	Value Added Tax	Deputy Commissioner of Sales Tax	2006-07, 2009-10	3,647,936	3,504,936
Tamil Nadu VAT Act, 2006	Value Added Tax	High Court of Madras	2008-09 to 2014-15	5,298,491	5,298,491
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (appeals), Chennai	Financial year 2008-09 to 2013-14	20,589,771	18,136,339

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

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(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934

For **Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration No. 008072S)

Ananthi Amarnath

Partner

Membership No. 209252

Place: Chennai

Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Balance Sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	16,57,42,270	16,57,42,270
(b) Reserves and Surplus	4	2,37,45,90,760	1,99,88,90,063
		2,54,03,33,030	**2,16,46,32,333**
2. Non-Current Liabilities			
(a) Long-Term Borrowings	5	31,15,89,647	39,30,05,403
(b) Deferred Tax Liabilities (Net)	34	13,94,62,005	12,88,95,766
(c) Other Long-Term Liabilities	6	24,55,14,606	17,96,66,198
		69,65,66,258	**70,15,67,367**
3. Current Liabilities			
(a) Short-Term Borrowings	7	27,22,74,361	19,15,01,913
(b) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	8	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		36,26,70,964	34,89,00,477
(c) Other Current Liabilities	9	55,57,56,771	55,94,16,358
(d) Short-Term Provisions	10	3,57,13,180	4,05,15,893
		1,22,64,15,276	**1,14,03,34,641**
TOTAL		**4,46,33,14,564**	**4,00,65,34,341**
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11A	2,35,47,30,986	2,13,11,17,998
(ii) Intangible Assets	11B	2,26,72,557	2,28,02,775
(iii) Capital Work-in-Progress		6,25,00,707	2,04,53,941
(iv) Intangible Assets under Development	11C	10,85,09,141	3,70,14,457
		2,54,84,13,391	**2,21,13,89,171**
(b) Non-Current Investments	12	11,98,12,620	4,14,40,980
(c) Long-Term Loans and Advances	13	7,88,73,640	6,45,52,124
(d) Other Non-Current Assets	14	3,13,08,182	2,23,85,257
		2,77,84,07,833	**2,33,97,67,531**
2. Current Assets			
(a) Inventories	15	34,05,95,971	40,34,13,053
(b) Trade Receivables	16	75,40,99,500	68,77,18,405
(c) Cash and Cash Equivalents	17	32,54,21,436	35,73,70,056
(d) Short-Term Loans and Advances	18	20,45,98,969	13,50,07,135
(e) Other Current Assets	19	6,01,90,855	8,32,58,160
		1,68,49,06,731	**1,66,67,66,809**
TOTAL		**4,46,33,14,564**	**4,00,65,34,341**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date : 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Statement of Profit and Loss for the Year Ended 31 March 2017

Particulars	Note No.	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
I. INCOME			
(a) Revenue from Operations	20	3,52,74,23,227	3,02,92,58,579
(b) Other Income	21	3,22,79,330	2,14,89,358
TOTAL (I)		**3,55,97,02,557**	**3,05,07,47,937**
II. EXPENSES			
(a) Purchases of Traded Goods	22.a	55,88,25,700	42,38,15,843
(b) Changes in Inventories of Stock-in-Trade	22.b	6,28,17,082	5,35,52,947
(c) Employee Benefits Expense	23	62,00,41,246	55,90,09,964
(d) Finance Costs	24	6,74,16,912	8,65,56,007
(e) Depreciation and Amortisation Expense	11	26,73,69,956	23,24,06,896
(f) Other Expenses	25	1,41,91,16,580	1,19,30,57,357
TOTAL (II)		**2,99,55,87,476**	**2,54,83,99,014**
III. PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		**56,41,15,081**	**50,23,48,923**
IV. Exceptional Item (Expense/(Income))		-	1,18,99,134
V. PROFIT BEFORE TAX		**56,41,15,081**	**49,04,49,789**
VI. TAX EXPENSE:			
- Current Tax Expense		18,00,00,000	14,70,00,000
- Deferred Tax	34	1,05,66,239	2,96,49,185
Net Tax Exepense		19,05,66,239	17,66,49,185
VII. PROFIT AFTER TAX		**37,35,48,842**	**31,38,00,604**
Earnings Per Equity Share of Rs. 10 Each (face value)			
- Basic	31	40.91	34.37
- Diluted	31	18.83	15.82

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date : 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Cash Flow Statement for the Year Ended 31 March 2017

Particulars	Year Ended 31 March 2017 Amount in Rs.	Year Ended 31 March 2016 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit Before Tax	56,41,15,081	49,04,49,789
Adjustments for:		
Depreciation and Amortisation Expense	26,73,69,956	23,24,06,896
Finance Costs	6,74,16,912	8,65,56,007
Provision for Doubtful Trade Receivables	1,66,52,250	1,90,09,704
Amortisation of Foreign Currency Monetary Translation Difference Account	21,51,855	38,75,017
Interest Income from Deposits	(2,09,80,455)	(1,69,61,388)
Profit on Sale/Retirement of Fixed Assets (Net)	(72,97,430)	(39,26,421)
Net Exchange loss/(Gain) (Unrealised)	5,50,701	(28,11,298)
Operating Profit before Working Capital Changes	**88,99,78,870**	**80,85,98,306**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	6,28,17,082	8,73,19,590
Trade Receivables	(8,23,45,896)	(21,26,93,929)
Short Term Loans and Advances	(6,95,91,834)	(4,08,70,206)
Long Term Loans and Advances	(10,23,73,630)	(7,42,85,600)
Other Current Assets	2,22,30,608	(5,04,57,610)
Other Non-Current Assets	(89,22,925)	1,86,75,060
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	1,24,22,521	11,29,15,764
Other Current Liabilities	3,72,23,153	12,87,61,706
Other Long Term Liabilities	6,58,48,408	3,98,53,257
Short Term Provisions	52,17,761	24,58,203
Cash Generated from Operations	**83,25,04,118**	**82,02,74,541**
Direct Taxes Paid (Net)	(10,28,68,360)	(8,25,10,900)
Net Cash From Operating Activities (A)	**72,96,35,758**	**73,77,63,641**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(62,22,32,969)	(46,47,24,672)
Proceeds from Sale of Fixed Assets	2,51,36,224	4,19,97,359
Purchase of Long-Term Investments- Subsidiaries	(7,83,71,640)	(1,89,98,600)
Interest received on Deposits	2,18,17,152	1,54,38,535
Lien Marked Deposits, not considered as Cash and cash equivalents	1,21,15,136	(2,14,46,281)
Bank Deposit having Original maturity over 3 Months,not considered as Cash and cash equivalents	66,13,694	(2,28,67,279)
Net Cash Flow Used in Investing Activities (B)	**(63,49,22,403)**	**(47,06,00,938)**

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Cash Flow Statement for the Year Ended 31 March 2017

Particulars	Year Ended 31 March 2017 Amount in Rs.	Year Ended 31 March 2016 Amount in Rs.
C. Cash Flow from Financing Activities		
Proceeds from Long-Term Borrowings	14,81,65,461	8,04,79,176
Repayment of Long-Term Borrowings	(26,20,71,953)	(21,41,18,287)
Short-Term Borrowings (Net)	8,07,72,448	34,02,218
Interest and Finance Charges Paid	(7,49,08,917)	(7,45,78,612)
Net Cash Used In Financing Activities (C)	**(10,80,42,961)**	**(20,48,15,505)**
Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(1,33,29,606)**	**6,23,47,198**
Cash and Cash Equivalents as at the Beginning of the Year	11,33,08,211	5,08,84,909
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	1,09,816	76,104
Cash and Cash Equivalents as at the End of the Year	**10,00,88,421**	**11,33,08,211**
Notes:		
1. The reconciliation to the Cash and Bank Balances as given in Note 17 is as follows:		
Cash and Bank Balances as per Note 17	32,54,21,436	35,73,70,056
Less: Lien Marked/Margin Money Deposits	1,05,79,430	2,26,94,566
Less: Deposits with Original Maturity over a period of 3 months	21,47,53,585	22,13,67,279
Cash and Cash Equivalents at the End of the Year	**10,00,88,421**	**11,33,08,211**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date :18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Notes Forming Part of the Standalone Financial Statements for the Year Ended 31 March 2017

1 CORPORATE INFORMATION

Founded in 1986, Qube Cinema Technologies Private Limited (Formerly Real Image Media Technologies Private Limited) (" the Company") is a leader in the digital cinema enablement and service businesses. It has over 25 years of expertise in digital technology and has significant presence in the AV post production/ broadcast and digital cinema domains. The company is a pioneer across the AV digitization value chain and is the only Indian company owning DCI compliant server technology for digital cinema. The company pioneered digital cinema through its "Qube" suite of end to-end digital cinema solutions. The company is the leading digital cinema roll-out sponsor in India driving the digitization process across the cinema value chain including digital theater roll-out, content mastering, managed services and in-theater advertising. It has a globally compatible inter-operable platform and has successfully rolled out its DCI/ non-DCI systems across conventional as well as 3D cinema screens.
In the Extra-Ordinary General Meeting (EGM) of the Company held on 2 January, 2017, the members have approved the Change of Company's name to Qube Cinema Technologies Private Limited with effect from 12 January, 2017 and a fresh certification of incorporation has been obtained to this effect.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

The Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known /materialize.

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and the time between the acquisition of assets and their realisation in cash and cash equivalents , the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

2.4 Revenue Recognition

Income from Sale of Goods:

Revenue from sale of equipments and spares is recognized when significant risks & rewards of ownership of goods have been transferred to the buyer, which generally coincides with dispatch of goods to customers. Sales exclude sales tax and value added tax.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Income from Services:

a. Qube :
Revenue from Right to use the Qube (Digital Cinema) projection system is recognised in accordance with the Letter of Understanding with the theatres, either on installation of the equipment or based on the usage.

Mastering Revenue & Digital Print Fee is recognised on delivery of content/ on conclusion of content play back.

b. QCN:
Revenue from Advertising is recognised based on the agreements with the customers.

c. DTS License fee is recognised as and when the service agreement is entered.

d. Revenue from Annual Maintenance Contract (service income) is recognised on time proportionate basis over the period of the contract.

e. Commission income is recognized based on confirmation received from the principals.

f. Revenue from Audio Recording Services is recognized based on the studio time utilized.

Other Income :

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.5 Inventories

The inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis and includes freight, taxes and duties net of VAT credit wherever applicable.

2.6 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.7 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.8 Fixed Assets and Depreciation

Tangible Assets

a. Fixed assets are stated at historical cost less accumulated depreciation. Cost comprises inward freight, duties, taxes and other incidental expenses attributable to the acquisition, development and installation of fixed assets.

b. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. All assets costing individually Rs. 5,000 and below are fully depreciated in the year of addition.

c. Depreciation is accelerated on fixed assets, based on their condition, usability etc., as per the estimates of the Management, where necessary.

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets

Software product development cost incurred after establishment of the technological feasibility of the product is capitalized and amortized on a product wise basis over the economic life of the product or over a period of 5 years whichever is lower, on straight line basis.

Intangible assets under development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of internally generated intangible assets are capitalised, in case the technical feasibility has been established. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Expenditure on research and development eligible for capitalisation are carried as Intangible Assets under Development where such assets are not yet ready for their intended use.

2.9 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:
(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.10 Investments

Long term investments are valued at cost and provision for diminution in the value of investments is made if such diminution is other than of temporary in nature.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

2.11 Employee Benefits

a. **Defined Contribution Plan**

The Company's contribution to provident fund are considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

b. **Defined Benefit Plan**

For defined benefit plans in the form of gratuity which is funded, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date by an independant actuary. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c. **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

d. **Long term compensated absences**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.12 Deferred Employee Stock Compensation Cost

Deferred employee stock compensation cost for stock options is recognised as per the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to the employee stock options using the fair value method. The compensation cost, if any, is amortised uniformly over the vesting period of the options.

2.13 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date, are restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year-end restatements of foreign currency monetary items, excluding long term foreign currency monetary items (see below), are dealt with in the Statement of Profit and Loss.

Exchange differences arising on reporting of long term foreign currency monetary items (as defined in the Accounting Standard - 11 notified by the Government of India) relating to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and in other cases are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the Company's Balance Sheet and amortised over the balance period of such long term asset / liability by recognition as income or expense in each of such periods.

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 Taxation

a. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

b. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.16 Research & Development

Fixed Assets purchased for Research and Development are capitalized under appropriate heads and depreciated as per the Company's policy in this regard. Revenue Expenditure incurred on Research and Development activities is charged to Statement of Profit and Loss.

2.17 Borrowing Costs

Borrowing Costs that are attributable to the acquisition of Qualifying Assets are capitalized as part of such assets. All other borrowing costs are charged to Revenue.

2.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.19 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are not recognised in the financial statements.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Notes Forming Part of the Standalone Financial Statements for the Year Ended 31 March 2017

3 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
(a) Authorised				
Equity Shares of Rs.10 Each	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
Compulsorily Convertible Preference Shares of Rs.10 Each	75,00,000	7,50,00,000	75,00,000	7,50,00,000
(b) Issued, Subscribed and Fully Paid-up				
Equity Shares of Rs. 10 Each	99,40,858	9,94,08,580	99,40,858	9,94,08,580
Less: Equity Shares of Rs. 10 each held by the RIMT Employee Trust under ESOP Scheme (Refer Note 3.5)	8,10,242	81,02,420	8,10,242	81,02,420
	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Compulsorily Convertible Preference Shares of Rs. 10 Each	74,43,611	7,44,36,110	74,43,611	7,44,36,110
	1,65,74,227	16,57,42,270	1,65,74,227	16,57,42,270

Note:

Above includes
(i) 2,877,725 (As at 31 March 2016 - 2,877,725) Equity Shares issued for consideration other than cash.
(ii) 770,000 (As at 31 March 2016 - 770,000) Equity Shares issued as fully paid up Bonus Shares by capitalization of profits.

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the Year

a. Equity Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
At the Beginning of the Year	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**91,30,616**	**9,13,06,160**	**91,30,616**	**9,13,06,160**

b. Compulsorily Convertible Preference Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
At the Beginning of the Year	74,43,611	7,44,36,110	74,43,611	7,44,36,110
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**74,43,611**	**7,44,36,110**	**74,43,611**	**7,44,36,110**

3.2 Details of Shareholders holding more than 5% shares in the Company

a. Equity Shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Real Image LLP (Formerly known as Real Image Pvt Ltd.)	24,62,225	26.97%	24,62,225	26.97%
Street Edge Capital L.P.USA	15,97,302	17.49%	15,97,302	17.49%
Nomura Asia Investment (MB) Pte Ltd	6,25,747	6.85%	6,25,747	6.85%
V. Senthil Kumar	5,53,100	6.06%	5,53,100	6.06%
Canara Bank	5,31,567	5.82%	5,31,567	5.82%
Meena Veerappan	5,03,800	5.52%	5,03,800	5.52%

b. Compulsorily Convertible Preference Shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Nomura Asia Investment (MB) Pte Ltd	30,95,160	41.58%	30,95,160	41.58%
Intel (Capital) Mauritius Limited - Series A and Series C	27,68,569	37.20%	27,68,569	37.20%
CSI BD (Mauritius) -Series B	7,89,941	10.61%	7,89,941	10.61%
Payone Enterprises Pvt. Ltd	7,89,941	10.61%	7,89,941	10.61%

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

3.3 Disclosure of Rights

a. Equity Shares

The Company has only one class of equity shares having a par value of Rs.10. Each holder is entitled to vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

b. Compulsorily Convertible Preference Shares

The Company has only one class of Compulsorily Convertible Preference Shares having a par value of Rs.10. The Compulsorily Convertible Preference Shares were convertible based on the terms and conditions contained in the Shareholders Agreement dated 18 July 2008, at any time after the Initial Investment Closing Date (as defined in the Agreement) but before 31 March 2013. As per the Amendment Agreement between the Shareholders dated 16 January 2013, the Compulsorily Convertible Preference Shares are convertible at any time after the Initial Investment Closing Date but before 31 March 2016. During the previous year, at the Board Meeting held on 10 March 2016, the Board of Directors have decided to extend the date of conversion by 2 years, i.e., 31 March 2018.

3.4 Shares Reserved for Issuance

Refer Note 3.1.b with respect to Compulsorily Convertible Preference Shares and Note 3.5 with respect to Employee Stock Option Plan.

3.5 Employee Stock Option Plan

ESOP Scheme - 2006

On 6 May 2006, the Company adopted the Employee Stock Option Plan ("the Plan") that provides for the issuance of options to eligible employees in full time service of the Company and its subsidiary. On 31 May 2006, approval was granted by the shareholders of the Company for issue of up to 1,162,928 options under the Plan.

Pursuant to the scheme, the Company has issued and alloted 80,140 equity shares to the employees of the Company and 810,242 equity shares to the RIMT Employees Trust as at 31 March 2016. The Trust holds these shares for the benefit of the employees as defined under the Plan and transfers the shares to them based on the recommendation of the Compensation Committee.

As at 31 March 2017, 810,242 (As at 31 March 2016 810,242) Equity Shares are being held by RIMT employee trust. Equity Shares held by RIMT Employee Trust has been shown as deduction from share capital and the same is in accordance with Guidance Note on Accounting for Employee Share Based Payments issued by Institute of Chartered Accountants of India, ICAI.

Out of the 1,162,928 Options approved by the shareholders, Options of 300,000 shares were reserved for allotment to Senior Management personnel of the Company/ subsidiary. The Compensation Committee during their deliberations held on 2 April 2012, decided to make a grant of 300,000 Options under ESOP Scheme 2006 at an exercise price of Rs.10/- per Option to such Senior Management Personnel.

The Company has determined the fair value of the Equity Shares on the date of grant using the black scholes model. The difference between the said fair value and the value at which each of the options are exercisable is being expensed over the vesting period. The fair value of the option granted to employees is Rs. 50 per share.

	99000 options	99000 options	102000 options
Grant Date	1 April 2012	1 April 2012	1 April 2012
Risk Free Interest Rate	8.51%	8.53%	8.55%
Expected Life	2.50 years	3.50 years	4.50 years
Expected Volatility (%)	19%	29%	29%
Expected Dividend Yield	0%	0%	0%

Movement in employee stock option outstanding is as follows:

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	3,00,000	3,00,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	3,00,000	3,00,000
Of the above:		
- Vested	3,00,000	3,00,000
- Balance to be Vested	-	-

ESOP Scheme - 2012

On 19 July 2012, the Company had adopted Employee Stock Option Scheme "ESOP Scheme - 2012" for issuance of fresh options to the extent of 300,000 Options at a exercise price of Rs.130/- per Option, which was approved by the shareholders of the Company on 25 October 2012 . Out of the above, 50,000 Options has been granted as at 31 March 2016.

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	50,000	50,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	50,000	50,000
Of the above:		
- Vested	50,000	50,000
- Balance to be Vested	-	-

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4 Reserves and Surplus

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Capital Redemption Reserve	**1,31,19,040**	**1,31,19,040**
(b) Securities Premium Account		
Opening balance	79,94,89,455	79,94,89,455
Add : Premium on shares issued during the year	-	-
Closing balance	79,94,89,455	79,94,89,455
Less: Premium on Shares held by Trustees of RIMT Employees Trust under ESOP Scheme (Refer Note 3.5)	1,62,04,840	1,62,04,840
	78,32,84,615	**78,32,84,615**
(c) Share Options Outstanding Account (Refer Note 3.5)		
Opening balance	1,27,57,861	1,27,57,861
Add : Amounts recorded during the year	-	-
Less : Transferred to Securities Premium Account	-	-
Closing Balance	**1,27,57,861**	**1,27,57,861**
(d) General Reserve	**14,90,154**	**14,90,154**
(e) Surplus in Statement of Profit and Loss		
Opening balance	1,19,46,93,959	88,08,93,355
Add: Profit for the year	37,35,48,842	31,38,00,604
Closing balance	**1,56,82,42,801**	**1,19,46,93,959**
(f) Foreign Currency Monetary Translation Difference Account		
Opening balance	(64,55,566)	(31,95,972)
Add: Effect of foreign exchange rate variations during the year	-	(71,34,611)
Less: Amortisation for the year	21,51,855	38,75,017
Closing balance	**(43,03,711)**	**(64,55,566)**
Total	**2,37,45,90,760**	**1,99,88,90,063**

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5 Long-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Term loans		
From Banks - Secured (Refer Note 5.1)	21,15,08,674	18,82,25,958
From other parties - Unsecured (Refer Note 5.2)	10,00,80,973	20,47,79,445
	31,15,89,647	**39,30,05,403**

5.1 Details of Term Loans from Banks - Secured

a. The loans are secured by hypothecation of Plant & Equipment acquired out of the loan, inventories, in addition to first charge over the other fixed assets of the Company. The company has given an additional collateral security of Rs.12,500,000 as fixed Deposit.

b. The details of interest rate , tenor and repayment terms of the Term Loans from Banks are as follows:

Tenor	Interest Rate (Refer Note (c) below)	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
48 months	11.40%	2	48 Monthly Instalments	1,49,99,999	10,49,99,991
48 months	11.40%	20	48 Monthly Instalments	7,12,50,000	11,40,00,000
48 months	11.40%	36	48 Monthly Instalments	7,50,00,000	10,00,00,000
48 months	11.40%	30	48 Monthly Instalments	9,43,09,878	2,69,75,960
48 months	11.10%	44	48 Monthly Instalments	8,35,10,092	-
Total				**33,90,69,969**	**34,59,75,951**
Less : Current Maturities of Long Term Borrowings from banks (Refer Note 9)				12,75,61,295	15,77,49,993
Long Term Borrowings from Banks				**21,15,08,674**	**18,82,25,958**

c. Interest rates are on floating rate basis. The interest rates disclosed above represents the rate of interest as at 31 March 2017

d. The Company has not defaulted in the repayment of dues to banks.

5.2 Details of Term Loans from Other Parties - Unsecured

a. The Company has entered into an agreement with one of its suppliers for purchase of D-Cinema Projectors. The supplier has extended a Supplier's Credit Facility in foreign currency through Belfius Bank, Belgium.

b. The details of interest rate, tenor and repayment terms of the Term Loans from are as follows:

Tenor	Interest Rate	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
5 years	1.98%	4	10 Semi Annual Instalments	9,58,96,289	14,71,59,539
3 years	2.48%	4	6 Semi Annual Instalments. Repayment of interest and principal will commence after 24 months	10,42,65,656	16,00,02,914
Total				**20,01,61,945**	**30,71,62,453**
Less : Current Maturities of Long Term Borrowings from other parties (Refer Note 9)				10,00,80,972	10,23,83,008
Long Term Borrowings from Other Parties				**10,00,80,973**	**20,47,79,445**

c. The Company has not defaulted in the repayment of dues to Other Parties.

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6 Other Long-Term Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits Received	24,55,14,606	17,96,66,198
	24,55,14,606	17,96,66,198

7 Short-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Loans Repayable on Demand		
(a) Cash Credit from Banks - Secured (Refer Note (i) below)	27,22,74,361	19,15,01,913
	27,22,74,361	19,15,01,913

Notes:
(i) Details of secured Short-Term Borrowings:
The loans are secured by hypothecation of 25% of inventories and receivables not exceeding 90 days. The interest rate prevailing at the date of Balance Sheet for CC limit is 11.3% and WCDL is 10.8%

8 Disclosures required under Micro, Small and Medium Enteprise Development Act, 2006

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(i) Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) The amount of Interest by the Buyer along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Companies Act, 2013	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Based on and to the extent of information available with the management, there are no transactions with Micro and Small Enterprises.

9 Other Current Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Current Maturities of Long-Term Debt		
- Term Loans from Banks - Secured	12,75,61,295	15,77,49,993
- Term Loans from Others Parties - Unsecured	10,00,80,972	10,23,83,008
(b) Advances from Customers	27,79,14,402	23,79,17,933
(c) Interest accrued but not due on Borrowings	57,55,390	1,41,47,395
(d) Statutory Remittances	2,09,08,347	2,02,86,709
(e) Income received in advance	2,06,60,356	2,69,31,320
(f) Gratuity Payable (Refer Note 26.2)	28,76,009	-
	55,57,56,771	55,94,16,358

10 Short-Term Provisions

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Provision for Compensated Absences	1,89,76,355	1,37,58,594
(b) Provision for Taxation (Net of Advance Tax Rs. 536,713,175 (As at 31 March 2016 - Rs. 345,792,701))	1,67,36,825	2,67,57,299
	3,57,13,180	4,05,15,893

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11 Fixed Assets

Amount in Rs.

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net Block	
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	For the year	Eliminated on disposal of assets	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
11A Tangible Assets										
Buildings	-	-	-	-	-	-	-	-	-	-
	(2,31,58,194)	-	(2,31,58,194)	-	(2,31,58,194)	-	(2,31,58,194)	-	-	-
Plant & Equipment	2,86,79,75,371	46,94,22,714	3,34,90,004	3,30,39,08,081	85,34,46,958	23,68,98,835	1,60,76,611	1,07,42,69,182	2,22,96,38,899	2,01,45,28,413
(Refer Note 30(i))	(2,56,11,80,641)	(36,67,82,177)	(5,99,87,447)	(2,86,79,75,371)	(66,83,83,742)	(20,94,50,768)	(2,43,87,552)	(85,34,46,958)	(2,01,45,28,413)	(1,89,27,96,899)
Computers	7,74,67,414	1,63,91,687	26,93,051	9,11,66,050	6,47,12,890	71,02,138	26,02,293	6,92,12,735	2,19,53,315	1,27,54,524
	(7,31,12,580)	(45,23,084)	(1,68,250)	(7,74,67,414)	(5,71,49,761)	(76,49,733)	(86,603)	(6,47,12,890)	(1,27,54,524)	(1,59,62,819)
Office Equipment	4,24,03,352	58,75,624	-	4,82,78,976	2,06,16,119	63,67,084	68	2,69,83,135	2,12,95,841	2,17,87,233
	(2,80,61,451)	(1,54,15,915)	(10,74,014)	(4,24,03,352)	(1,52,65,394)	(56,38,720)	(2,87,995)	(2,06,16,119)	(2,17,87,233)	(1,27,96,057)
Furniture and Fixtures	8,56,49,197	66,42,797	2,28,608	9,20,63,386	1,00,89,731	85,58,563	1,58,512	1,84,89,782	7,35,73,604	7,55,59,466
	(2,95,04,186)	(6,27,10,535)	(65,65,524)	(8,56,49,197)	(1,17,10,916)	(36,60,213)	(52,81,398)	(1,00,89,731)	(7,55,59,466)	(1,77,93,270)
Vehicles	1,08,97,002	36,51,125	16,42,755	1,29,05,372	44,08,640	16,05,545	13,78,140	46,36,045	82,69,327	64,88,362
	(1,01,78,618)	(19,21,622)	(12,03,238)	(1,08,97,002)	(37,77,719)	(15,14,907)	(8,83,987)	(44,08,640)	(64,88,362)	(64,00,899)
Total (A)	**3,08,43,92,336**	**50,19,83,947**	**3,80,54,418**	**3,54,83,21,865**	**95,32,74,338**	**26,05,32,165**	**2,02,15,624**	**1,19,35,90,879**	**2,35,47,30,986**	**2,13,11,17,998**
	(2,72,51,95,670)	**(45,13,53,333)**	**(9,21,56,667)**	**(3,08,43,92,336)**	**(77,94,45,726)**	**(22,79,14,341)**	**(5,40,85,729)**	**(95,32,74,338)**	**(2,13,11,17,998)**	**(1,94,57,49,944)**
11B Intangible Assets										
Computer Software (Refer Notes (iii) below)	5,77,88,084	67,07,573	-	6,44,95,657	3,49,85,309	68,37,791	-	4,18,23,100	2,26,72,557	2,28,02,775
	(3,35,87,071)	(2,42,01,013)	-	(5,77,88,084)	(3,04,92,753)	(44,92,555)	-	(3,49,85,309)	(2,28,02,775)	(30,94,318)
Total (B)	**5,77,88,084**	**67,07,573**	-	**6,44,95,657**	**3,49,85,309**	**68,37,791**	-	**4,18,23,100**	**2,26,72,557**	**2,28,02,775**
	(3,35,87,071)	**(2,42,01,013)**	-	**(5,77,88,084)**	**(3,04,92,753)**	**(44,92,555)**	-	**(3,49,85,309)**	**(2,28,02,775)**	**(30,94,318)**
Grand Total (A) + (B)	**3,14,21,80,420**	**50,86,91,520**	**3,80,54,418**	**3,61,28,17,522**	**98,82,59,647**	**26,73,69,956**	**2,02,15,624**	**1,23,54,13,979**	**2,37,74,03,543**	**2,15,39,20,773**
	(2,75,87,82,741)	**(47,55,54,346)**	**(9,21,56,667)**	**(3,14,21,80,420)**	**(80,99,38,479)**	**(23,24,06,896)**	**(5,40,85,729)**	**(98,82,59,647)**	**(2,15,39,20,773)**	**(1,94,88,44,262)**

Notes:

(i) In the Previous year, disposal in buildings represents retirement of fully depreciated Leasehold building.

(ii) In the previous year, disposals under Plant & Equipment and computers with Gross block of Rs.31,523,375 and accumulated depreciation of Rs.10,912,619 damaged during the floods in December 2015, in respect of the which the Company has subsequent received a sum of Rs.19,626,874 towards insurance claim settlement and the balance loss of Rs.983,838 has been provided for and included under exceptional item (Also Refer Note 29)

(iii) The Gross Block of Computer Software comprises :
- Cost of Acquired Software - Rs.26,388,544 (As at 31 March 2016: Rs. 26,388,544)
- Cost of Internally Generated Software - Rs. 38,107,113 (As at 31 March 2016: Rs.31,399,540)

(iv) Amounts in brackets represent previous year figures.

11C The Company is in the process of developing a state of the art web-based, self-service integrated platform along with the underlying software for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys and towards this it has incurred cumulative cost upto 31 March 2017 amounting to Rs. 107,297,642 (upto 31 March 2016 Rs. 37,014,457), including Rs. 70,283,186 (Previous year Rs. 21,784,027) incurred during the year in the nature of direct employee costs and services received from vendors. These costs have been considered Intangible Assets under Development as at 31 March 2017.

The company is in the process of developing a software to be deployed and underlying services marketed under the names Slydes and Cheers. The software provides just-in-time Digital Cinema Package creation and scheduling capabilities as well as on-screen greeting card functionality for cinemas amounting to Rs. 1,211,499 (Previous year- Rs. Nil)

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12 Non-Current Investments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Investment in Equity Shares - Subsidiaries (Trade & Unquoted) - at Cost (Unless stated otherwise)		
41,750,000 (As at 31 March 2016 - 41,750,000) Equity Shares of $ 0.1 each fully paid up in Qube Cinema Inc.	18,47,75,044	18,47,75,044
Less: Diminution in Value of Investments	18,46,75,044	18,46,75,044
	1,00,000	1,00,000
5,000,000 Equity shares of $ 0.1 each fully paid up in Qube Cinema Inc. (Refer Note (i) Below)	3,27,75,000	-
	3,28,75,000	1,00,000
4,133,498 (As at 31 March 2016 - 4,133,498) Equity Shares of Rs.10 each fully paid up in Justickets Pvt. Ltd. (Refer Note Below)	4,13,34,980	4,13,34,980
2,279,832 Equity Shares of Rs 20 each fully paid up in Justickets Pvt. Ltd. (Refer Note (ii) Below)	4,55,96,640	-
	11,98,06,620	4,14,34,980
Other Non-Current Investments - at Cost		
National Saving Certificate (Lodged with Sales tax authorities)	6,000	6,000
	11,98,12,620	**4,14,40,980**

Notes:
(i) During the current year, In the board meeting held on 1 December, 2016, the directors have approved the additional investment of Rs. 32,775,000 (Previous year- Rs. Nil), in Qube Cinema Inc. towards 5,000,000 Equity shares of $ 0.1 each

(ii) During the current year, the Company has made additional investment in Justickets Pvt. Ltd. (JTPL) by paying a consideration of Rs. 45,596,640 (Previous Year - Rs.18,998,600) by way of subscription towards its Rights entitlement in respect of the 39% equity stake held by it in JTPL, on the basis of a Joint Venture Agreement entered into between the Company, Justinfo Tickets Private Limited (formerly known as SPI Informatics Private Limited) and ITPIL Software Solutions Private Limited. As per the terms of the Joint Venture Agreement, the Company has the power to appoint majority of the Board of Directors, hence JTPL is considered as a subsidiary of the Company which is in accordance with Accounting Standard 21.
Despite erosion in the networth of JTPL by more than 50% as at 31 March, 2017, considering the future business projections and long term nature of this investment, the diminution in the value of investments is not considered as other than temporary in nature.

13 Long-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	3,34,88,969	1,55,00,000
(b) Loans and Advances to Related Parties (Refer Note 28.2)	18,00,000	24,00,000
(Includes amount due from directors of Rs. 800,000, Previous year- Rs. 1,600,000)		
(c) Loans to Employees	2,32,787	40,338
(d) Advance Income Tax (Net of Provisions Rs. 137,504,148 (As at 31 March 2016 - Rs. 137,504,148)	3,60,12,780	3,60,12,780
(e) Balances with Government Authorities - VAT and Service Tax Paid under Protest	54,60,743	19,82,546
(f) Advance to Suppliers	18,78,361	86,16,460
	7,88,73,640	**6,45,52,124**

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14 Other Non-Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Long Term Trade Receivables		
- Unsecured, considered good	3,13,08,182	2,23,85,257
	3,13,08,182	**2,23,85,257**

15 Inventories

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Stock-in-Trade	34,05,95,971	40,34,13,053
	34,05,95,971	**40,34,13,053**

16 Trade Receivables

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	21,71,59,122	13,02,26,104
- Unsecured, considered doubtful	3,80,34,723	3,47,81,256
	25,51,93,845	16,50,07,360
Less: Provision for doubtful trade receivables	(3,80,34,723)	(3,47,81,256)
	21,71,59,122	13,02,26,104
Other Trade Receivables		
Unsecured, considered good (Refer Notes below)	53,69,40,378	55,74,92,301
	75,40,99,500	**68,77,18,405**

Notes:
Trade receivables includes receivables from following related parties which are considered good and recoverable

1. Rs.31,667,950 (As at 31 March 2016 Rs.36,388,783) receivable from Qube Cinema Inc, wholly owned subsidiary of the Company.
2. Rs. 17,363,513 (As at 31 March 2016 - Rs. 14,757,759) receivable from Justickets Pvt. Ltd, a subsidiary of the Company.

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17 Cash and Cash Equivalents

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Cash on Hand	2,15,152	1,90,107
(b) Balances with Banks		
-In Current Accounts	9,62,91,960	5,49,41,026
-In EEFC Accounts	35,81,309	5,81,77,078
-In Deposits Accounts - Under Lien	1,05,79,430	2,26,94,566
-In Deposits Accounts - Free of Lien	21,47,53,585	22,13,67,279
	32,54,21,436	**35,73,70,056**
Notes:		
1. Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	10,00,88,421	11,33,08,211
2. Deposits Accounts under Lien includes Fixed Deposit given as collateral security for CC Facility, Margin Money, Security against borrowings, guarantees and other commitments which have a maturity of more than 12 months from the Balance Sheet date.	1,05,79,430	2,26,94,566

17 a) Specified Bank Notes Disclosure (SBN's)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing Cash on hand as on 8 Nov 16	26,92,500	1,30,853	28,23,353
(+) Permitted Receipts	-	83,28,980	83,28,980
(-) Permitted Payments	-	12,14,512	12,14,512
(-) Amount deposited in banks	26,92,500	68,53,062	95,45,562
Closing Cash on hand as on 30 Dec 16	-	3,92,259	3,92,259

18 Short-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	1,02,12,786	2,33,80,084
(b) Loans and Advances to Employees	8,41,444	7,89,650
(c) Prepaid Expenses	11,57,08,425	3,50,02,859
(d) Service Tax Input Credit Receivable	3,85,25,878	3,26,80,307
(e) Advances to Suppliers	3,83,10,436	4,27,54,235
(f) Loans and Advances to Related Parties (Refer Note 28.2)	10,00,000	4,00,000
(Includes amount due from directors of Rs. 8,00,000, Previous year- Rs. NIL)		
	20,45,98,969	**13,50,07,135**

19 Other Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Unbilled Revenue	5,42,47,510	3,86,83,585
(b) Interest Accrued on Deposits	18,38,711	26,75,408
(c) Gratuity (Refer Note 26.2)	-	8,07,547
(d) Insurance claims recoverable (net of Rs. 14,000,000 claims received upto 31 March, 2016)	-	4,10,91,620
(e) Contractually reimbursable expenses	41,04,634	-
	6,01,90,855	**8,32,58,160**

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20 Revenue from Operations

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Sale of goods (Refer Note (a) below)	73,60,90,860	55,57,30,783
(b) Sale of services (Refer Note (b) below)	2,79,13,32,367	2,47,35,27,796
	3,52,74,23,227	**3,02,92,58,579**

Notes :

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
a. Sale of goods Comprises:		
Traded Goods		
Computer based Systems, Accessories, UPS, projectors and Lamps	73,60,90,860	55,57,30,783
Total - Sale of Traded Goods	**73,60,90,860**	**55,57,30,783**
b. Sale of Services Comprises :		
Mastering & Virtual Print Fee	1,35,13,73,031	1,23,27,77,278
Advertisement Fee	1,09,57,72,351	95,64,58,570
Right to Use Fees and Pay Per Show	13,80,04,078	12,62,25,837
Service Income	18,07,46,634	10,77,70,572
License Fees	1,50,000	2,80,000
Commission Received	2,52,86,273	4,82,37,959
Studio Recording & Hire Charges	-	17,77,580
Total - Sale of Services	**2,79,13,32,367**	**2,47,35,27,796**

21 Other Income

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Income from Bank Deposits	2,09,80,455	1,69,61,388
(b) Insurance Claim Received	40,01,445	6,01,549
(c) Profit on Sale/Retirement of Fixed Assets (Net)	72,97,430	39,26,421
	3,22,79,330	**2,14,89,358**

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22.a Purchase of traded goods

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Purchase of Traded Goods	55,88,25,700	42,38,15,843
	55,88,25,700	**42,38,15,843**
Note:		
Purchase of Traded Goods comprises:		
Projectors	3,48,77,918	10,30,06,512
Qube Servers	10,96,78,531	6,73,94,807
3D Equipments & Accessories	1,15,19,137	98,53,467
Lamps	14,02,98,132	11,32,71,229
VSAT ,Tech. Marketing Systems & Accessories	22,45,25,109	7,03,07,889
Others	3,79,26,873	5,99,81,939
TOTAL	**55,88,25,700**	**42,38,15,843**

22.b Changes in Inventories of Stock in Trade

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Inventories at the end of the year:		
Stock in Trade	34,05,95,971	40,34,13,053
Inventories at the beginning of the year:		
Stock in Trade	40,34,13,053	49,07,32,642
Less: Loss of inventory due to floods (Refer Note 29)	-	(3,37,66,642)
Net decrease	**6,28,17,082**	**5,35,52,947**

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23 Employee Benefits Expense

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Salaries and Bonus	53,62,22,523	48,75,62,037
(b) Contributions to Provident and Other Funds	2,98,18,617	2,30,45,612
(c) Staff welfare expenses	5,40,00,106	4,84,02,315
	62,00,41,246	**55,90,09,964**

24 Finance Costs

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Expense on:		
(i) Borrowings	6,34,34,608	8,22,68,864
(ii) Others - Interest on delayed payment of income tax	9,00,000	22,50,000
(b) Other Borrowing Costs	30,82,304	20,37,143
	6,74,16,912	**8,65,56,007**

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25 Other Expenses

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Licence Fee - DTS	1,51,000	1,51,200
(b) Freight, Clearing & Forwarding and Cargo Handling Charges	5,28,04,693	4,99,32,492
(c) Digitising, Censor, Theatre Advertisement and VSAT Charges	3,98,39,438	5,94,79,227
(d) Packing Materials and Consumables	3,56,27,330	2,79,30,829
(e) Service Charges - Avid Assurance	38,67,772	1,28,33,232
(f) Share of Revenue - Advertisement	45,16,99,006	35,99,12,425
(g) Share of Revenue - Virtual Print Fee	33,41,80,782	28,32,12,092
(h) Power and Fuel	2,03,65,588	2,06,08,070
(i) Rent including Lease Rentals (Refer Note 30)	6,05,08,992	4,26,25,418
(j) Repairs and Maintenance - Buildings	12,98,119	11,09,034
(k) Repairs and Maintenance - Plant and Machinery	8,34,89,681	6,29,59,996
(l) Repairs and Maintenance - Others	4,55,37,650	2,87,78,974
(m) Insurance	1,13,78,336	59,62,124
(n) Rates and Taxes	81,49,599	39,63,246
(o) Communication	2,88,85,263	2,53,78,662
(p) Travelling and Conveyance	5,73,66,608	4,75,93,045
(q) Printing and Stationery	69,90,727	35,19,698
(r) Software Expenses	52,59,226	28,00,776
(s) Sales Discount and Commission	3,46,91,899	2,52,59,498
(t) Advertisement and Business Promotion	3,04,55,348	2,63,36,917
(u) Expenditure on Corporate Social Responsibility (Refer Note below)	84,50,000	75,97,000
(v) Legal and Professional	6,03,03,825	4,87,15,759
(w) Auditors' Remuneration (Net of service tax input credit)		
- Statutory Audit	16,00,000	16,00,000
- Other Services	-	-
- Out of Pocket Expenses	20,979	-
(x) Bad Debts Written Off	1,33,98,783	1,52,97,262
Less: Release of Provision for Doubtful Trade Receivables	(1,33,98,783)	(1,52,97,262)
(y) Provision for Doubtful Trade Receivables	1,66,52,250	1,90,09,704
(z) Bank Charges	48,68,393	1,77,67,808
(aa) Exchange Loss (Net)	85,91,246	24,14,526
(ab) Miscellaneous Expenses	60,82,830	56,05,605
	1,41,91,16,580	1,19,30,57,357

Note :
Expenditure on Corporate Social Responsibility

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Gross amount required to be spent by the company during the year	84,52,394	65,96,104
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	84,50,000	75,97,000

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26 Employee Benefits

26.1 Defined Contribution Plan

The Company makes Provident fund contributions and Employee state Insurance Scheme contributions to defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 21,145,430 (Previous year Rs. 18,272,256) towards Provident Fund contributions and Rs. 2,454,181 (Previous year Rs. 2,151,848) towards Employee State Insurance scheme contribution in the Statement of Profit and Loss. The contributions payable to the fund by the Company is at rates specified in the rules of the scheme.

26.2 Defined Benefit Plans

The details of actuarial valuation as provided by the Independent Actuary is as follows:

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Change in defined benefit obligations during the Year		
Projected Benefit Obligations as at the Beginning of the Year	3,20,92,262	2,59,48,758
Current Service Cost	41,02,763	39,46,044
Interest cost	24,44,642	20,19,938
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial (Gain) /Losses	50,48,781	15,76,579
Present value of Defined Benefit Obligation at End of the Year	**4,25,91,463**	**3,20,92,262**
Change in Fair Value of Assets during the Year		
Plan Assets at Beginning of the Year	3,28,99,809	2,71,12,076
Expected Return on Plan Assets	30,49,037	25,04,367
Employer's Contribution	49,89,631	44,17,585
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial Gains /(Losses)	(1,26,037)	2,64,838
Plan Assets at End of the Year	**3,97,15,455**	**3,28,99,809**
Liability Recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation as at the End of the Year	4,25,91,463	3,20,92,262
Fair Value of Plan Assets as at the End of the Year	3,97,15,455	3,28,99,809
Net (Asset)/Liability Recognised in the Balance Sheet	**28,76,008**	**(8,07,547)**
Cost of Defined Benefit Plan for the Year		
Current Service cost	41,02,763	39,46,044
Interest Cost	24,44,642	20,19,938
Expected Return on Plan Assets	(30,49,037)	(25,04,367)
Net Actuarial (Gains)/Losses	51,74,818	13,11,741
Net Cost Recognized in the Statement of Profit and Loss	**86,73,186**	**47,73,356**
Actual Return on Plan Assets		
Assumptions		
Discount Rate	7.25%	7.75%
Future Salary Increase	5.00%	5.00%
Expected Rate of Return on Plan Assets	8.75%	8.75%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes:

a. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

b. The expected return on plan assets is as provided by an independent actuary appointed by the Company.

c. The entire Plan Assets are managed by LIC. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

d. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

e. Expected contribution to the Fund during 2017-2018 is Rs. 9,000,000

f. Experience Adjustments:

Particulars	FY 2016-17 Amount in Rs.	FY 2015-16 Amount in Rs.	FY 2014-15 Amount in Rs.	FY 2013-14 Amount in Rs.
Projected Benefit Obligation	4,25,91,463	3,20,92,262	2,59,48,758	2,00,71,793
Fair Value of Plan Assets	3,97,15,455	3,28,99,809	2,71,12,076	2,15,61,265
(Surplus)/Deficit	28,76,008	(8,07,547)	(11,63,318)	(14,89,472)
Experience Adjustments on Plan Liabilities - Gain/(Loss)	50,48,781	(15,76,579)	3,91,840	14,78,646
Experience Adjustments on Plan Assets - Gain	(1,26,037)	2,64,838	(24,34,993)	73,125

The details of the experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are disclosed to the extent of information available in the actuarial valuation report.

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26.3 Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation done by an Independent Actuary are as given below:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Assumptions		
Discount Rate	7.25%	7.75%
Expected return on assets	0.00%	0.00%
Future Salary Increase	5.00%	5.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

27 Segment Reporting

The primary reporting of the Company has been made on the basis of business segments. The Company has only one business segment as defined in Accounting Standard (AS) 17 on Segment Reporting, which is the "Media & Entertainment Industry". Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

The details in respect of the geographical segments which is considered as secondary segment as defined in the said Standard are given below:

a. Revenue by Geographical Market

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
India	3,39,68,20,584	2,88,71,82,179
Outside India	13,06,02,643	14,20,76,400
Total	**3,52,74,23,227**	**3,02,92,58,579**

b. Segment Assets by Geographic Market

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	4,23,48,67,580	3,84,81,28,265
Outside India	7,26,21,584	8,09,52,316
Unallocated	15,58,25,400	7,74,53,760
Total	**4,46,33,14,564**	**4,00,65,34,341**

c. All the fixed assets are located in India.

28 Related Party Transactions

28.1 Names of Related Parties and Nature of Relationship

Description of Relationship	As at 31 March 2017	As at 31 March 2016
Subsidiary Company	Qube Cinema Inc, USA	Qube Cinema Inc, USA
	Justickets Pvt. Ltd. (by virtue of control over composition of Board of Directors)	Justickets Pvt. Ltd. (by virtue of control over composition of Board of Directors)
Enterprises having Significant Influence	M/s. StreetEdge Capital L.P.USA	M/s. StreetEdge Capital L.P.USA
	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)
Key Management Personnel	Mr. V. Senthil Kumar	Mr. V. Senthil Kumar
	Mr. P.Jayendra	Mr. P.Jayendra
	Mr. Arvind Ranganathan	Mr. Arvind Ranganathan
	Mr. P Venkatesh	Mr. P Venkatesh
Relative of Key Management Personnel	Mr.Arun Veerappan	Mr.Arun Veerappan
	Mrs. Vee. Vijayalakshmi	Mrs. Vee. Vijayalakshmi
	Mr. V. Sivakumar	Mr. V. Sivakumar
	Mrs. Meena Veerappan	Mrs. Meena Veerappan
	Mrs. Sudha Panchapakesan	Mrs. Sudha Panchapakesan
	Mrs. Sujatha Arvind	Mrs. Sujatha Arvind
Entities in which Relatives of KMP can exercise significant influence	Digital Film Technologies Pvt. Ltd., in which Mrs. Sudha Panchapakesan wife of Director Mr. P.Jayendra & Mrs. Vandana Gopikumar wife of Director Mr.V. Senthil Kumar	Not applicable

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28.2 Transactions with the Related Parties

Transaction	Related Party	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Income			
Sale of Traded Goods	Qube Cinema Inc, USA	1,26,62,209	1,13,20,153
Sale of Services	Justickets Pvt. Ltd.	4,15,18,586	2,45,68,715
	Digital Film Technologies Pvt Ltd	14,72,671	-
Expenses			
Reimbursement of Expenses	Qube Cinema Inc, USA	2,84,87,934	2,45,53,352
Vehicle Hire Charges	V Senthil Kumar	10,80,000	8,95,484
	P. Jayendra	6,00,000	6,00,000
	Vee. Vijayalakshmi	3,60,000	3,60,000
	Meena Veerappan	7,00,968	4,80,000
	Sujatha Arvind	6,00,000	6,00,000
Lease Rent for Land / Premises	V Senthil Kumar	-	23,60,769
	V Sivakumar	-	12,84,500
	Vee. Vijayalakshmi	-	30,38,877
Remuneration	V Senthil Kumar	1,39,24,400	1,39,24,400
	Arun Veerappan	24,05,739	23,53,322
	P. Jayendra	1,39,24,400	1,39,24,400
	Arvind Ranganathan	1,26,00,000	1,26,00,000
	Sudha Panchapakesan	34,02,012	34,02,012
	P. Venkatesh	60,00,000	53,25,000
Others			
Investments during the year	Qube Cinema Inc, USA	3,27,75,000	-
	Justickets Pvt. Ltd.	4,55,96,640	1,89,98,600
Balance as at Year End		**As at 31 March 2017 Amount in Rs.**	**As at 31 March 2016 Amount in Rs.**
Payables	Qube Cinema Inc, USA	62,22,770	22,66,079
	V Senthil Kumar	45,85,000	45,85,000
	P. Jayendra	45,85,000	45,85,000
	Arvind Ranganathan	41,99,587	42,06,671
Advance from customer	Qube Cinema Inc, USA	1,08,11,261	-
Contractually reimbursable expenses	Justickets Pvt. Ltd.	41,04,644	-
Receivables	Qube Cinema Inc, USA	3,16,67,950	3,63,88,783
	Justickets Pvt. Ltd.	1,73,63,513	1,47,57,759
	Digital Film Technologies Pvt Ltd	16,86,208	-
Non-Current Investments (net of provision)	Qube Cinema Inc, USA	3,28,75,000	1,00,000
	Justickets Pvt. Ltd.	8,69,31,620	4,13,34,980
Long Term Loans and Advances	V Senthil Kumar	8,00,000	8,00,000
	Arun Veerappan	2,00,000	2,00,000
	P. Jayendra	8,00,000	8,00,000
	Meena Veerappan	2,00,000	2,00,000
	Sujatha Arvind	8,00,000	8,00,000

Notes:
1 The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such Related Parties. The Related Parties have confirmed to the Management that as at 31 March 2017 and 31 March 2016 there are no further amounts payable to / receivable from them, other than as disclosed above.

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29 Exceptional Items

(a) During the previous year, the company had a net loss of Rs. 11,899,134 arising from damage to Inventories and certain Fixed Assets, net of insurance claims. Such damage had happened on account of unusually heavy rains during December 2015 and resulting inundation in the Company's warehouse at Chennai.

30 Lease Rentals

(i) As Lessor

The Company has leased out Digital Cinema Equipment to theaters on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.
Lease income recognised from the above lease arrangement (included under "Right to Use Fees and Pay per Show" under Note 20 (b)) - Rs. 129,606,573 (PY- Rs. 117,381,487)

(ii) As Lessee

The Company is obligated under some cancelable operating leases for office premises which are renewable on a periodical basis.

The Lease payments under cancelable operating leases for the year ended 31 March 2017 amounts to Rs. 7,184,012 (Previous year- Rs. 44,894,124) and the Lease payments under non-cancelable operating lease for the year ended 31 March 2017 amounts to Rs. 44,068,351 (Previous year- Rs. 4,042,500).

Future minimum lease payments relating to Non-Cancelable Operating lease are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Not later than one year	4,77,98,095	1,61,70,000
Later than one year and not later than five years	9,72,05,889	8,65,49,925
Later than five years	6,82,83,889	7,53,27,945

31 Earnings Per Share

Basic

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	37,35,48,842	31,38,00,604
Weighted Average Number of Equity Shares	91,30,616	91,30,616
Earnings Per Share (Basic) - in Rs.	40.91	34.37
Face Value Per Share - in Rs.	10	10

Diluted

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	37,35,48,842	31,38,00,604
Weighted Average Number of Equity Shares for Basic EPS	91,30,616	91,30,616
Add: Effect of Compulsorily Convertible Preference Shares and ESOPs which are Dilutive	1,07,06,649	1,07,06,649
Weighted Average Number of Equity Shares for Dilutive EPS	1,98,37,265	1,98,37,265
Earnings Per Share (Diluted) - in Rs.	18.83	15.82
Face Value Per Share - in Rs.	10	10

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32 Earnings in Foreign exchange& Expenditure in Foreign Currency

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Earnings in Foreign exchange		
FOB value of Exports	10,43,42,883	7,10,93,410
Commission & Others	4,64,24,654	7,09,82,989
CIF Value of Imports		
Traded goods	36,79,79,590	1,14,35,23,283
Capital goods	38,84,42,918	23,34,69,879
Expenditure in Foreign Currency		
Consulting/Legal Fees	37,99,207	41,48,895
Service Charges	44,38,100	1,21,75,031
Travelling Expenses	1,19,63,816	79,47,554
Interest	1,54,11,525	85,85,736
Freight, Clearing and Maintenance	2,44,12,955	1,25,09,002

33 Foreign Currency Exposure

As at 31 March 2017 and 31 March 2016, the Company does not have any outstanding position in respect of any of the derivative products.

The un-hedged foreign currency exposure is as given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.
Trade Payables	USD	11,84,237	7,67,84,241	14,03,276	9,30,83,356
	EURO	480	33,239	-	-
Term Loans from Other Parties	USD	30,87,080	20,01,61,945	46,30,620	30,71,62,453
Trade Receivables	USD	9,02,884	5,85,41,763	5,25,786	3,48,76,896
	EURO	-	-	-	-

34 Deferred Tax

Break up of deferred tax assets / liabilities and reconciliation of current year deferred tax charge is as follows:

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Deferred Tax Liability		
On difference between book balance and tax balance of fixed assets	16,08,98,759	14,56,95,408
Total	**16,08,98,759**	**14,56,95,408**
Deferred Tax Asset		
Provision for Doubtful Trade Receivables	1,48,69,038	1,20,37,793
Provision for Employee Benefits	65,67,716	47,61,849
Total	**2,14,36,754**	**1,67,99,642**
Net Deferred Tax Liability	**13,94,62,005**	**12,88,95,766**

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Notes Forming Part of the Standalone Financial Statements for the Year Ended 31 March 2017

35 International Transactions

The Company has entered into international transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

36 Contingent liabilities and commitments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Contingent liabilities:		
Counter Guarantees Issued to Banks	47,93,656	47,93,656
Other matters for which the company is contingently liable		
Disputed Central Excise Demand (Rs. 11,857,892 Paid Under Protest)	2,37,15,784	2,37,15,784
Service Tax Demand (Rs 941,187 paid under protest)	5,87,76,065	5,87,76,065
AP Value Added Tax Demand (Rs.1,041,359 Paid Under Protest)	83,30,864	83,45,570
Kerala Value Added Tax Demand	-	41,35,746
Maharashtra Value Added Tax Demand	36,47,936	36,47,936
TN VAT	52,98,491	-
Income Tax	2,05,89,771	1,83,48,373
Bonus provision FY 14-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High Court of Madras	93,81,235	93,81,235

The Company expects a favourable decision with respect to all the above disputes demands / claims based on professional advice.

37 Merger with Real Image LLP
At the Board meeting held on 8th June 2016, the Board has proposed to merge the Real Image LLP with Real Image Media Technologies Private Limited (Now Qube Cinema Technologies Private Limited). The effective date of merger would be 1st April 2016 subject to necessary approval from the Hon'ble High Court of Madras

38 Previous Year Figures
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai - 600 017
India

Tel: +91 (044) 6688 5000
Fax: +91 (044) 6688 5050

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)**(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated 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 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 financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. 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 the assets of the Group 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our 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 financial statements are free from material misstatement.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 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 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 other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 the other auditors on separate financial statements of subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated 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 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.146,292,356 as at 31st March, 2017, total revenues of Rs. 121,357,431 and net cash inflows amounting to Rs. 5,418,062 for the year ended on that date, as considered in the consolidated financial statements. 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 our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the 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 matter with respect to our reliance on the work done and the reports of other auditors.

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 the report of the other auditors on separate financial statements of subsidiaries referred in the Other Matters paragraph above 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, and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on 31st March, 2017 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company's and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal controls over financial reporting of the Holding company/Subsidiary Company incorporated in India.

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of the pending litigations on the consolidated financial position of the group. Refer Note 36 of the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India.



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iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Holding Company and the Subsidiary Company incorporated in India, as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)

Place: Chennai
Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (formerly known as Real Image Media Technologies Private Limited** (hereinafter referred to as "the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Holding company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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 (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Holding company and its Subsidiary company, which is a company incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 of the subsidiary company, which is a Company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the holding company and its subsidiary company, which is a company incorporated in India.

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 to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India have, 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 31 March, 2017, based on "the internal control over financial reporting 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".



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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072s)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date : May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Consolidated Balance Sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	4	16,57,42,270	16,57,42,270
(b) Reserves and Surplus	5	2,29,81,85,487	1,97,50,30,828
		2,46,39,27,757	**2,14,07,73,098**
2. Minority Interest		**3,35,47,147**	**2,86,13,665**
3. Non-Current Liabilities			
(a) Long-Term Borrowings	6	31,15,89,646	39,30,05,403
(b) Deferred Tax Liabilities (Net)	34	13,94,62,005	12,88,95,766
(c) Other Long-Term Liabilities	7	24,55,14,606	17,96,66,198
		69,65,66,257	**70,15,67,367**
4. Current Liabilities			
(a) Short-Term Borrowings	8	27,22,74,361	19,15,01,913
(b) Trade Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	9	-	-
(i) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		38,39,93,650	36,28,75,817
(c) Other Current Liabilities	10	55,03,96,943	56,41,88,551
(d) Short -Term Provisions	11	3,57,13,180	4,05,15,893
		1,24,23,78,134	**1,15,90,82,174**
TOTAL		**4,43,64,19,295**	**4,03,00,36,304**
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12A	2,37,46,29,981	2,14,46,40,879
(ii) Intangible Assets	12B	5,03,02,894	6,04,37,665
(iii) Capital Work in Progress		6,93,69,305	2,04,53,941
(iv) Intangible Assets under Development	11C	10,85,09,141	3,70,14,457
		2,60,28,11,321	**2,26,25,46,942**
(b) Non-Current Investments	13	6,000	6,000
(c) Long-Term Loans and Advances	14	7,98,31,458	6,54,25,324
(d) Other Non-Current Assets	15	3,13,08,182	2,23,85,257
		2,71,39,56,961	**2,35,03,63,523**
2. Current Assets			
(a) Inventories	16	35,80,46,421	42,49,51,460
(b) Trade Receivables	17	72,86,01,346	64,63,76,381
(c) Cash and Cash Equivalents	18	34,89,04,886	37,55,72,440
(d) Short-Term Loans and Advances	19	23,10,43,520	14,95,14,339
(e) Other Current Assets	20	5,58,66,161	8,32,58,161
		1,72,24,62,334	**1,67,96,72,781**
TOTAL		**4,43,64,19,295**	**4,03,00,36,304**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Consolidated Statement of Profit and Loss for the Year Ended 31 March 2017

Particulars	Note No.	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
I. INCOME			
(a) Revenue from Operations	21	3,59,45,99,878	3,09,95,01,753
(b) Other Income	22	3,23,63,555	2,15,26,684
TOTAL (I)		**3,62,69,63,433**	**3,12,10,28,437**
II. EXPENSES			
(a) Purchases of Traded Goods	23.a	58,37,96,636	45,31,47,242
(b) Changes in Inventories of Stock-in-Trade	23.b	6,69,05,039	4,88,65,860
(c) Employee Benefits Expense	24	62,69,47,439	56,62,02,922
(d) Finance Costs	25	6,74,16,912	8,65,56,007
(e) Depreciation and Amortisation Expense	11	28,31,99,073	24,61,25,433
(f) Other Expenses	26	1,55,03,26,831	1,26,74,17,046
TOTAL (II)		**3,17,85,91,930**	**2,66,83,14,510**
III. PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		**44,83,71,503**	**45,27,13,927**
IV. Exceptional Item - Expense	30	-	1,18,99,134
V. PROFIT BEFORE TAX		**44,83,71,503**	**44,08,14,793**
VI. TAX EXPENSE:			
- Current Tax		18,00,00,000	14,70,75,542
- Deferred Tax	34	1,05,66,239	2,96,49,185
		19,05,66,239	17,67,24,727
VII. PROFIT AFTER TAX BEFORE MINORITY INTEREST		**25,78,05,264**	**26,40,90,066**
Add: Share of Loss Attributable to Minority Interest		6,31,59,186	2,55,56,313
VIII. PROFIT FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY		**32,09,64,450**	**28,96,46,379**
Earnings Per Equity Share of Rs. 10 Each (face value)			
- Basic	32.1	35.15	31.72
- Diluted	32.2	13.00	13.31

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Cash Flow Statement for the Year Ended 31 March 2017

Particulars	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit Before Tax	44,83,71,503	44,08,14,793
Adjustments for:		
Depreciation and Amortisation expense	28,31,99,074	24,61,25,433
Finance Costs	6,74,16,912	8,65,56,007
Provision for Doubtful Trade Receivables	1,92,82,194	2,83,47,675
Amortisation of Foreign Currency Monetary Translation Difference Account	21,51,855	38,75,017
Interest Income from Deposits	(2,10,53,734)	(1,69,78,613)
Profit on Sale / Retirement of Fixed Assets (Net)	(72,97,430)	(39,26,421)
Net Exchange Loss/(Gain) (Unrealised)	6,29,586	(30,08,980)
Operating Profit before Working Capital Changes	**79,26,99,960**	**78,18,04,911**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	6,69,05,039	8,26,32,502
Trade Receivables	(10,08,19,710)	(20,48,14,765)
Short Term Loans and Advances	(8,15,29,181)	(6,02,77,766)
Long Term Loans and Advances	(10,24,58,248)	(6,16,06,818)
Other Current Assets	2,65,77,869	(5,04,57,610)
Other Non-Current Assets	(89,22,925)	1,86,75,060
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	1,97,69,867	13,82,05,678
Other Current Liabilities	2,70,91,130	13,26,94,475
Other Long Term Liabilities	6,58,48,408	3,98,53,257
Short Term Provisions	52,17,761	24,58,203
Cash Generated from Operations	**71,03,79,970**	**81,91,67,127**
Direct Taxes Paid (Net)	(10,28,68,360)	(8,25,10,900)
Net Cash From Operating Activities (C)	**60,75,11,610**	**73,66,56,227**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(64,13,43,201)	(49,11,32,074)
Proceeds from Sale of Fixed Assets	2,51,36,645	2,13,86,647
Purchase of Shares From Minority Shareholders	6,80,92,668	3,63,69,043
Interest on Deposits	2,18,67,865	1,54,55,760
Lien Marked Deposits, not considered as cash and cash equivalents	1,21,15,136	(2,14,46,281)
Bank Deposit having Original maturity over 3 Months, not considered as cash and cash equivalents	65,72,032	(2,28,84,504)
Net Cash Flow (Used in) Investing Activities (B)	**(50,75,58,855)**	**(46,22,51,409)**

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Cash Flow Statement for the Year Ended 31 March 2017

Particulars	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	14,81,65,463	8,04,79,176
Repayment of Long Term Borrowings	(26,20,71,953)	(21,41,18,287)
Short Term Borrowings (Net)	8,07,72,448	34,02,218
Interest and Finance Charges Paid	(7,49,08,917)	(7,90,78,612)
Net Cash From (Used In) Financing Activities (C)	**(10,80,42,959)**	**(20,93,15,505)**
Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(80,90,204)**	**6,50,89,313**
Cash and Cash Equivalents as at the Beginning of the Year	13,09,68,356	6,58,02,939
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	1,09,816	76,104
Cash and Cash Equivalents as at the End of the Year	**12,29,87,968**	**13,09,68,356**
Notes:		
1. The reconciliation to the Cash and Bank Balances as given in Note 18 is as follows:		
Cash and Bank Balances as per Note 18	34,89,04,886	37,55,72,440
Less: Lien Marked/Margin Money Deposits	(1,05,79,430)	(2,26,94,566)
Less: Deposits with Original Maturity over a period of 3 months	(21,53,37,488)	(22,19,09,519)
Cash and Cash Equivalents at the End of the Year	**12,29,87,968**	**13,09,68,356**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

1 CORPORATE INFORMATION

Founded in 1986, Qube Cinema Technolgies private Limited (Formerly Real Image Media Technolgies Private Limited) (" the Company") is a leader in the digital cinema enablement and service businesses. It has over 25 years of expertise in digital technology and has significant presence in the AV post production/ broadcast and digital cinema domains. The company is a pioneer across the AV digitization value chain and is the only Indian company owning DCI compliant server technology for digital cinema. The company pioneered digital cinema through its "Qube" suite of end-to-end digital cinema solutions. The company is the leading digital cinema roll-out sponsor in India driving the digitization process across the cinema value chain including digital theater roll-out, content mastering, managed services and in-theater advertising. It has a globally compatible inter-operable platform and has successfully rolled out its DCI/ non-DCI systems across conventional as well as 3D cinema screens.
In the Extra-Ordinary General Meeting (EGM) of the Company held on 2 January, 2017, the members have approved the Change of Company's name to Qube Cinema Technologies Private Limited with effect from 12 January, 2017 and a fresh certification of incorporation has been obtained to this effect.

2 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Financial Statements of Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited) (the Company) and its subsidiaries Qube Cinema Inc. and Justickets Pvt Ltd (JTPL) (hereinafter collectively referred as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits and losses as per Accounting Standard 21 – Consolidated Financial Statements.

In respect of foreign subsidiary, Qube Cinema Inc., which is classified as non-integral foreign operations, the Financial Statements are translated into Indian currency as per Accounting Standard 11 (revised) and the exchange gains / (losses) arising on conversion are accumulated under "Foreign Currency Translation Reserve".

Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit /(loss) for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

The Financial Statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March 2017.

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, on the Financial Statements audited by other auditors of the entities.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Particulars	% Holding as at 31 March 2017	Relationship
Qube Cinema Inc.	100%	Wholly Owned Subsidiary
Justickets Private Limited	38.83%	Subsidiary by way of control*

During the previous year, the Company had made investments in Justickets Pvt. Ltd. on the basis of a Joint Venture Agreement entered into between the Company, SPI Cinemas Private Limited and ITPIL Software Solutions Private Limited. As per the terms of the Joint Venture Agreement, the Company has the power to appoint majority of the Board of Directors, hence it is considered as a subsidiary of the Company in accordance with Accounting Standard 21.

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Qube Cinema Technologies Private Limited
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Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of Consolidated Financial Statements

The Consolidated Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

There are no material adjustments required to be made in to the financial statements of Qube Cinema Inc. to bring them in line with the Indian GAAP.

3.2 Use of Estimates

The preparation of Consolidated financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known /materialize.

3.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and the time between the acquisition of assets and their realisation in cash and cash equivalents , the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.



3.4 Revenue Recognition

Income from Sale of Goods:

Revenue from sale of equipments and spares is recognized when significant risks & rewards of ownership of goods have been transferred to the buyer, which generally coincides with dispatch of goods to customers. Sales exclude sales tax and value added tax.

Income from Services:

a. Qube :

Revenue from Right to use the Qube (Digital Cinema) projection system is recognised in accordance with the Letter of Understanding with the theatres, either on installation of the equipment or based on the usage.

Mastering Revenue & Digital Print Fee is recognised on delivery of content/ on conclusion of content play back.

b. QMedia Revenue:
Revenue from Advertising is recognised based on the agreements with the customers.

c. DTS License fee is recognised as and when the service agreement is entered.

d. Revenue from Annual Maintenance Contract (service income) is recognised on time proportionate basis over the period of the contract.

e. Commission income is recognized based on confirmation received from the principals.

f. Revenue from Audio Recording Services is recognized based on the studio time utilized.

g. Income from Online ticketing is recognized on rendering of service to the customer.

h. Deferred revenue of the Company and its subsidiaries are recorded when invoices are raised upon underlying maintenance agreement for post contract support. Such service revenue are recognised on a straight line basis over the term of contract , which is generally 12 months.

Other Income :

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.5 Inventories

The inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis and includes freight, taxes and duties net of VAT credit wherever applicable.

3.6 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.7 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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3.8 Fixed Assets and Depreciation

Tangible Assets

a. Fixed assets are stated at historical cost less accumulated depreciation. Cost comprises inward freight, duties, taxes and other incidental expenses attributable to the acquisition, development and installation of fixed assets.

b. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. All assets costing individually Rs. 5,000 and below are fully depreciated in the year of addition. Refer Note 30 with regard to change in the method of depreciation of fixed assets effected during the previous year.

c. Depreciation is accelerated on fixed assets, based on their condition, usability etc., as per the estimates of the Management, where necessary.

d. In respect of the Plant & equipment of Qube Cinema Inc., depreciation is computed using straight line method over the estimated useful lives of the related assets , which is five years. Small tools and equipments purchased under $1000 are expensed as incurred.

e. Since it is not practically possible to use uniform accounting policy, the fixed assets of a subsidiary have been depreciated in accordance with the respective accounting policy followed by the subsidiary. The proportion of such fixed assets is less than 1% of the consolidated value of fixed assets.

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets

Software product development cost incurred after establishment of the technological feasibility of the product is capitalized and amortized on a product wise basis over the economic life of the product or over a period of 5 years whichever is lower, on straight line basis.

Intangible assets under development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of internally generated intangible assets are capitalised, in case the technical feasibility has been established. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Expenditure on research and development eligible for capitalisation are carried as Intangible Assets under Development where such assets are not yet ready for their intended use.

3.9 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

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When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

3.10 Investments

Long term investments are valued at cost and provision for diminution in the value of investments is made if such diminution is other than of temporary in nature.

3.11 Employee Benefits

a. **Defined Contribution Plan**

The Company's contribution to provident fund are considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made.

b. **Defined Benefit Plan**

For defined benefit plans in the form of gratuity which is funded, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date by an independant actuary. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c. **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

d. **Long term compensated absences**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

3.12 Deferred Employee Stock Compensation Cost

Deferred employee stock compensation cost for stock options is recognised as per the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to the employee stock options using the fair value method. The compensation cost, if any, is amortised uniformly over the vesting period of the options.

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3.13 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date, are restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year-end restatements of foreign currency monetary items, excluding long term foreign currency monetary items (see below), are dealt with in the Statement of Profit and Loss.

Exchange differences arising on reporting of long term foreign currency monetary items (as defined in the Accounting Standard - 11 notified by the Government of India) relating to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and in other cases are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the Company's Balance Sheet and amortised over the balance period of such long term asset / liability by recognition as income or expense in each of such periods.

Foreing currency transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. All assets and liabilities of non-integral foreign operations are translated at the year-end rates.

3.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.15 Taxation

a. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

b. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.



3.16 Research & Development

Fixed Assets purchased for Research and Development are capitalized under appropriate heads and depreciated as per the Company's policy in this regard. Revenue Expenditure incurred on Research and Development activities is charged to Statement of Profit and Loss.

3.17 Borrowing Costs

Borrowing Costs that are attributable to the acquisition of Qualifying Assets are capitalized as part of such assets. All other borrowing costs are charged to Revenue.

3.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.19 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are not recognised in the financial statements.

3.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

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4 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised				
Equity Shares of Rs.10 Each	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
Compulsorily Convertible Preference Shares of Rs.10 Each	75,00,000	7,50,00,000	75,00,000	7,50,00,000
(b) Issued, Subscribed and Fully Paid-up				
Equity Shares of Rs. 10 Each	99,40,858	9,94,08,580	99,40,858	9,94,08,580
Less: Equity Shares of Rs. 10 each held by the RIMT Employee Trust under ESOP Scheme (Refer Note 4.5)	8,10,242	81,02,420	8,10,242	81,02,420
	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Compulsorily Convertible Preference Shares of Rs. 10 Each	74,43,611	7,44,36,110	74,43,611	7,44,36,110
	1,65,74,227	**16,57,42,270**	**1,65,74,227**	**16,57,42,270**

Note:

Above includes

(i) 2,877,725 (As at 31 March 2016 - 2,877,725) Equity Shares issued for consideration other than cash.
(ii) 770,000 (As at 31 March 2016 - 770,000) Equity Shares issued as fully paid up Bonus Shares by capitalization of profits.

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the Year

a. **Equity Shares**

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
At the Beginning of the Year	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**91,30,616**	**9,13,06,160**	**91,30,616**	**9,13,06,160**

b. **Compulsorily Convertible Preference Shares**

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
At the Beginning of the Year	74,43,611	7,44,36,110	74,43,611	7,44,36,110
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**74,43,611**	**7,44,36,110**	**74,43,611**	**7,44,36,110**

4.2 Details of Shareholders holding more than 5% shares in the Company

a. **Equity Shares**

Name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Real Image LLP (Formerly known as Real Image Pvt Ltd.)	24,62,225	26.97%	24,62,225	26.97%
Street Edge Capital L.P.USA	15,97,302	17.49%	15,97,302	17.49%
Nomura Asia Investment (MB) Pte Ltd	6,25,747	6.85%	6,25,747	6.85%
V. Senthil Kumar	5,53,100	6.06%	5,53,100	6.06%
Canara Bank	5,31,567	5.82%	5,31,567	5.82%
Meena Veerappan	5,03,800	5.52%	5,03,800	5.52%

b. **Compulsorily Convertible Preference Shares**

Name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Nomura Asia Investment (MB) Pte Ltd	30,95,160	41.58%	30,95,160	41.58%
Intel (Capital) Mauritius Limited - Series A and Series C	27,68,569	37.20%	27,68,569	37.20%
CSI BD (Mauritius) -Series B	7,89,941	10.61%	7,89,941	10.61%
Payone Enterprises Pvt. Ltd	7,89,941	10.61%	7,89,941	10.61%

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4.3 Disclosure of Rights

a. Equity Shares

The Company has only one class of equity shares having a par value of Rs.10. Each holder is entitled to vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

b. Compulsorily Convertible Preference Shares

The Company has only one class of Compulsorily Convertible Preference Shares having a par value of Rs.10. The Compulsorily Convertible Preference Shares were convertible based on the terms and conditions contained in the Shareholders Agreement dated 18 July 2008, at any time after the Initial Investment Closing Date (as defined in the Agreement) but before 31 March 2013. As per the Amendment Agreement between the Shareholders dated 16 January 2013, the Compulsorily Convertible Preference Shares are convertible at any time after the Initial Investment Closing Date but before 31 March 2016. During the year, at the Meeting held on 10 March 2016, the Board of Directors have decided to extend the date of conversion by 2 years, i.e., 31 March 2018.

4.4 Shares Reserved for Issuance

Refer Note 4.1.b with respect to Compulsorily Convertible Preference Shares and Note 4.5 with respect to Employee Stock Option Plan.

4.5 Employee Stock Option Plan

ESOP Scheme - 2006

On 6 May 2006, the Company adopted the Employee Stock Option Plan ("the Plan") that provides for the issuance of options to eligible employees in full time service of the Company and its subsidiary. On 31 May 2006, approval was granted by the shareholders of the Company for issue of up to 1,162,928 options under the Plan.

Pursuant to the scheme, the Company has issued and alloted 80,140 equity shares to the employees of the Company and 810,242 equity shares to the RIMT Employees Trust as at 31 March 2016.The Trust holds these shares for the benefit of the employees as defined under the Plan and transfers the shares to them based on the recommendation of the Compensation Committee.

As at 31 March 2016, 810,242 (As at 31 March 2015 810,242) Equity Shares are being held by RIMT employee trust. Equity Shares held by RIMT Employee Trust has been shown as deduction from share capital and the same is in accordance with Guidance Note on Accounting for Employee Share Based Payments issued by Institute of Chartered Accountants of India, ICAI.

Out of the 1,162,928 Options approved by the shareholders, Options of 300,000 shares were reserved for allotment to Senior Management personnel of the Company/ subsidiary. The Compensation Committee during their deliberations held on 2 April 2012, decided to make a grant of 300,000 Options under ESOP Scheme 2006 at an exercise price of Rs.10/- per Option to such Senior Management Personnel.

The Company has determined the fair value of the Equity Shares on the date of grant using the black scholes model. The difference between the said fair value and the value at which each of the options are exercisable is being expensed over the vesting period. The fair value of the option granted to employees is Rs. 50 per share

	99000 options	99000 options	102000 options
Grant Date	1 April 2012	1 April 2012	1 April 2012
Risk Free Interest Rate	8.51%	8.53%	8.55%
Expected Life	2.50 years	3.50 years	4.50 years
Expected Volatility (%)	19%	29%	29%
Expected Dividend Yield	0%	0%	0%

Movement in employee stock option outstanding is as follows:

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	3,00,000	3,00,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	3,00,000	3,00,000
Of the above:		
- Vested	3,00,000	3,00,000
- Balance to be Vested	-	-

ESOP Scheme - 2012

On 19 July 2012, the Company had adopted Employee Stock Option Scheme "ESOP Scheme - 2012" for issuance of fresh options to the extent of 300,000 Options at a exercise price of Rs.130/- per Option, which was approved by the shareholders of the Company on 25 October 2012 . Out of the above, 50,000 Options has been granted as at 31 March 2016.

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	50,000	50,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	50,000	50,000
Of the above:		
- Vested	50,000	50,000
- Balance to be Vested	-	-

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5 Reserves and Surplus

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Capital Redemption Reserve	**13,119,040**	**13,119,040**
(b) Securities Premium Account		
Opening balance	799,489,455	799,489,455
Add : Premium on shares issued during the year	-	-
Closing balance	799,489,455	799,489,455
Less: Premium on Shares held by Trustees of RIMT Employees Trust under ESOP Scheme (Refer Note 4.5)	16,204,840	16,204,840
	783,284,615	**783,284,615**
(c) Share Options Outstanding Account (Refer Note 4.5)		
Opening balance	12,757,861	11,291,100
Add : Amounts recorded during the year	-	1,466,761
Less : Transferred to Securities Premium Account	-	-
Closing Balance	**12,757,861**	**12,757,861**
(d) General Reserve	**1,490,154**	**1,490,154**
(e) Surplus in Statement of Profit and Loss		
Opening balance	1,150,860,470	861,214,091
Add: Profit for the year	320,964,450	289,646,379
Closing balance	**1,471,824,920**	**1,150,860,470**
(f) Foreign Currency Monetary Translation Difference		
Opening balance	(6,455,566)	(3,195,972)
Add: Effect of foreign exchange rate variations during the year		(7,134,611)
Less: Amortisation for the year	2,151,855	3,875,017
Closing balance	**(4,303,711)**	**(6,455,566)**
(g) Foreign Currency Translation Reserve		
Opening balance	19,974,254	20,439,387
Add: Additions during the year	38,354	-
Less: Deletions during the year	-	465,133
Closing balance	**20,012,608**	**19,974,254**
Total	**2,298,185,487**	**1,975,030,828**

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6 Long-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Term loans		
From Banks - Secured (Refer Note 6.1)	21,15,08,673	18,82,25,958
From other parties - Unsecured (Refer Note 6.2)	10,00,80,973	20,47,79,445
	31,15,89,646	**39,30,05,403**

6.1 Details of Term Loans from Banks - Secured

a. The loans are secured by hypothecation of Plant & Equipment acquired out of the loan, inventories, in addition to first charge over the other fixed assets of the Company. The company has given an additional collateral security of Rs.12,500,000 as fixed Deposit.

b. The details of interest rate , tenor and repayment terms of the Term Loans from Banks are as follows:

Tenor	Interest Rate (Refer Note (c) below)	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
48 months	11.40%	2	48 Monthly Instalments	1,49,99,999	10,49,99,991
48 months	11.40%	20	48 Monthly Instalments	7,12,50,000	11,40,00,000
48 months	11.40%	36	48 Monthly Instalments	7,50,00,000	10,00,00,000
48 months	11.40%	30	48 Monthly Instalments	9,43,09,878	2,69,75,960
48 months	11.10%	44	48 Monthly Instalments	8,35,10,092	-
Total				**33,90,69,969**	**34,59,75,951**
Less : Current Maturities of Long Term Borrowings from banks (Refer Note 9)				12,75,61,296	15,77,49,993
Long Term Borrowings from Banks				**21,15,08,673**	**18,82,25,958**

c. Interest rates are on floating rate basis. The interest rates disclosed above represents the rate of interest as at 31 March 2017.

d. The Company has not defaulted in the repayment of dues to banks.

6.2 Details of Term Loans from Other Parties - Unsecured

a. The Company has entered into an agreement with one of its suppliers for purchase of D-Cinema Projectors. The supplier has extended a Supplier's Credit Facility in foreign currency through Belfius Bank, Belgium.

b. The details of interest rate, tenor and repayment terms of the Term Loans from are as follows:

Tenor	Interest Rate	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
5 years	1.98%	4	10 Semi Annual Instalments	9,58,96,289	14,71,59,539
3 years	2.48%	4	6 Semi Annual Instalments. Repayment of interest and principal will commence after 24 months	10,42,65,656	16,00,02,914
Total				**20,01,61,945**	**30,71,62,453**
Less : Current Maturities of Long Term Borrowings from other parties (Refer Note 9)				10,00,80,972	10,23,83,008
Long Term Borrowings from Other Parties				**10,00,80,973**	**20,47,79,445**

c. The Company has not defaulted in the repayment of dues to Other Parties.

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7 Other Long -Term Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits Received	24,55,14,606	17,96,66,198
	24,55,14,606	17,96,66,198

8 Short -Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Loans Repayable on Demand		
(a) Cash Credit from Banks		
- Secured (Refer Note (i) below)	27,22,74,361	19,15,01,913
	27,22,74,361	19,15,01,913

Notes:

(i) Details of secured Short Term Borrowings:
The loans are secured by hypothecation of 25% of inventories and receivables not exceeding 90 days. The interest rate prevailing at the date of Balance Sheet for CC limit is 11.3% and WCDL is 10.8%

9 Disclosures required under Companies Act, 2013

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(i) Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) The amount of interest by the Buyer along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Companies Act, 2013	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Based on and to the extent of information available with the management, there are no transactions with Micro and Small Enterprises.

10 Other Current Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Current Maturities of Long Term Debt		
- Term Loans from Banks - Secured	12,75,61,296	15,77,49,993
- Term Loans from Others Parties - Unsecured	10,00,80,972	10,23,83,008
(b) Advances from Customers	27,13,35,117	24,08,29,931
(c) Interest accrued but not due on Borrowings	57,55,390	1,41,47,395
(d) Statutory Remittances	2,21,27,803	2,09,58,030
(e) Income received in advance	2,06,60,356	2,81,20,194
(f) Gratuity Payable	28,76,009	-
	55,03,96,943	56,41,88,551

11 Short-Term Provisions

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Provision for Compensated Absences	1,89,76,355	1,37,58,594
(b) Provision for Taxation (Net of Advance Tax Rs. 536,713,175 (As at 31 March 2016 - Rs. 345,792,701))	1,67,36,825	2,67,57,299
	3,57,13,180	4,05,15,893

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12 Fixed Assets

Amount in Rs.

Particulars	Gross Block					Accumulated Depreciation/Amortisation					Net Block	
	Balance as at 1 April 2016	Additions	Disposals	Adjustments	Balance as at 31 March 2017	Balance as at 1 April 2016	For the year	Eliminated on disposal of assets	Adjustments	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
12A Tangible Assets												
Buildings	-	-	-		-	-	-	-		-	-	-
	(2,31,58,194)	-	(2,31,58,194)		-	(2,31,58,194)	-	(2,31,58,194)		-	-	-
Plant & Equipment	2,89,20,70,405	46,95,31,207	3,34,90,004	5,28,007	3,32,75,83,601	87,14,74,444	23,79,29,129	1,60,76,811	3,97,412	1,09,29,29,550	2,23,46,54,051	2,02,05,95,961
(Refer Note 31(i))	(2,58,17,56,409)	(36,91,10,272)	(5,99,87,447)	(11,91,171)	(2,89,20,70,405)	(68,35,08,025)	(21,14,74,236)	(2,43,87,552)	(8,79,735)	(87,14,74,444)	(2,02,05,95,961)	(1,89,82,48,384)
Computers	8,82,42,262	2,85,44,666	26,93,051		11,40,93,877	6,76,88,102	1,18,95,684	26,02,293		7,71,81,493	3,69,12,384	2,03,54,160
	(7,77,65,715)	(1,06,44,797)	(1,68,250)		(8,82,42,262)	(5,78,75,955)	(1,00,96,751)	(86,603)		(6,78,88,103)	(2,03,54,159)	(1,98,89,760)
Office Equipment	4,24,60,052	58,75,624	-		4,83,35,676	2,06,33,090	63,77,857	68		2,70,10,879	2,13,24,797	2,18,26,962
	(2,81,18,151)	(1,54,15,915)	(10,74,014)		(4,24,60,052)	(1,52,71,592)	(56,49,492)	(2,87,995)		(2,06,33,090)	(2,18,26,962)	(1,28,46,559)
Furniture and Fixtures	8,57,17,294	67,32,865	2,26,608	16,326	9,22,05,225	1,03,41,860	85,67,553	1,58,512	15,098	1,87,35,603	7,34,69,622	7,53,75,434
	(2,95,31,390)	(6,27,10,535)	(65,65,524)	(40,893)	(8,57,17,293)	(1,18,25,490)	(37,65,998)	(52,81,398)	(31,770)	(1,03,41,860)	(7,53,75,434)	(1,77,05,900)
Vehicles	1,08,97,002	36,51,125	16,42,755		1,29,05,372	44,08,640	16,05,545	13,78,140		46,36,045	82,69,327	64,88,362
	(1,01,78,618)	(19,21,622)	(12,03,238)		(1,08,97,002)	(37,77,719)	(15,14,908)	(8,83,987)		(44,08,640)	(64,88,362)	(64,00,899)
Total (A)	**3,11,93,87,015**	**51,43,35,487**	**3,80,54,418**	**5,44,333**	**3,59,51,23,751**	**97,47,46,136**	**26,63,75,768**	**2,02,15,624**	**4,13,510**	**1,22,04,93,770**	**2,37,46,29,981**	**2,14,46,40,879**
	(2,75,05,08,477)	**(45,98,03,141)**	**(9,21,56,667)**	**(12,32,064)**	**(3,11,93,87,015)**	**(79,54,16,975)**	**(23,25,03,386)**	**(5,40,85,729)**	**(9,11,505)**	**(97,47,46,136)**	**(2,14,46,40,879)**	**(1,95,50,91,502)**
12B Intangible Assets												
Computer Software (Refer Notes (iii) below)	5,96,71,753	67,07,573	-	40,181	6,63,39,145	3,59,49,482	71,47,087	-	21,143	4,30,75,427	2,32,63,718	2,37,22,271
	(3,53,70,095)	(2,42,01,013)	-	(1,00,645)	(5,96,71,753)	(3,08,60,734)	(50,67,582)	-	(21,166)	(3,59,49,482)	(2,37,22,271)	(45,09,361)
Online ticketing portal (Refer Note below)	5,07,40,650	-	-	-	5,07,40,650	1,40,25,256	96,76,218	-	-	2,37,01,474	2,70,39,176	3,67,15,394
	(3,29,24,089)	(1,78,16,561)	-	-	(5,07,40,650)	(54,70,790)	(85,54,466)	-	-	(1,40,25,256)	(3,67,15,394)	(2,74,53,299)
Total (B)	**11,04,12,403**	**67,07,573**	**-**	**40,181**	**11,70,79,795**	**4,99,74,738**	**1,68,23,305**	**-**	**21,143**	**6,67,76,901**	**5,03,02,894**	**6,04,37,665**
	(6,82,94,184)	**(4,20,17,574)**	**-**	**(1,00,645)**	**(11,04,12,403)**	**(3,63,31,524)**	**(1,36,22,048)**	**-**	**(21,166)**	**(4,99,74,738)**	**(6,04,37,665)**	**(3,19,62,660)**
Grand Total (A) + (B)	**3,22,97,99,418**	**52,10,43,060**	**3,80,54,418**	**5,84,514**	**3,71,22,03,546**	**1,02,47,20,874**	**28,31,99,073**	**2,02,15,624**	**4,33,653**	**1,28,72,70,671**	**2,42,49,32,875**	**2,20,50,78,544**
	(2,81,88,02,661)	**(50,18,20,715)**	**(9,21,56,667)**	**(13,32,709)**	**(3,22,97,99,418)**	**(83,17,48,499)**	**(24,61,25,434)**	**(5,40,85,729)**	**(9,32,671)**	**(1,02,47,20,874)**	**(2,20,50,78,544)**	**(1,98,70,54,162)**
							28,31,99,074					
							1.06					

Notes:

(i) In the Previous year, disposal in buildings represents retirement of fully depreciated Leasehold building.

(ii) In the previous year, disposals under Plant & Equipment and computers with Gross block of Rs.31,523,375 and accumulated depreciation of Rs.10,912,619 damaged during the floods in December 2015, in respect of the which the Company has subsequent received a sum of Rs.19,626,874 towards insurance claim settlement and the balance loss of Rs.983,838 has been provided for and included under exceptional item (Also Refer Note 29)

(iii) The Gross Block of Computer Software comprises :
- Cost of Acquired Software - Rs.26,388,544 (As at 31 March 2016: Rs. 26,388,544)
- Cost of Internally Generated Software - Rs. 40,030,963 (As at 31 March 2016: Rs.31,399,540)

(iv) Amounts in brackets represent previous year figures.

12C The Company is in the process of developing a state of the art web-based, self-service integrated platform along with the underlying software for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys and towards this it has incurred cumulative cost upto 31 March 2017 amounting to Rs. 107,297,642 (upto 31 March 2016 Rs. 37,014,457), including Rs. 70,283,186 (Previous year Rs. 21,784,027) incurred during the year in the nature of direct employee costs and services received from vendors. These costs have been considered Intangible Assets under Development as at 31 March 2017.

The company is in the process of developing a software to be deployed and underlying services marketed under the names Slydes and Cheers. The software provides just-in-time Digital Cinema Package creation and scheduling capabilities as well as on-screen greeting card functionality for cinemas amounting to Rs. 1,211,499 (Previous year- Rs. Nil)

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13 Non-Current Investments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Other Non-Current Investments - at Cost		
National Saving Certificate (Lodged with Sales tax authorities)	6,000	6,000
	6,000	**6,000**

14 Long-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	3,34,88,969	1,55,00,000
(b) Loans and Advances to Related Parties (Refer Note 29.2)	18,00,000	24,00,000
(Includes amount due from directors of Rs. 800,000, Previous year- Rs. 1,600,000)		
(c) Loans to Employees	2,32,787	40,338
(d) Advance Income Tax (Net of Provisions Rs. 137,504,148 (As at 31 March 2016 - Rs. 137,504,148))	3,69,70,598	3,68,85,980
(e) Balances with Government Authorities - VAT and Service Tax Paid under Protest	54,60,743	19,82,546
(f) Advance to suppliers	18,78,361	86,16,460
	7,98,31,458	**6,54,25,324**

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15 Other Non-Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Long Term Trade Receivables		
- Unsecured, considered good	3,13,08,182	2,23,85,257
	3,13,08,182	**2,23,85,257**

16 Inventories

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Stock-in-Trade	35,80,46,421	42,49,51,460
	35,80,46,421	**42,49,51,460**

17 Trade Receivables

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	19,13,62,897	12,40,91,432
- Unsecured, considered doubtful	3,80,34,723	4,08,59,584
	22,93,97,620	16,49,51,016
Less: Provision for doubtful trade receivables	3,80,34,723	4,08,59,584
	19,13,62,897	12,40,91,432
Other Trade Receivables		
Unsecured, considered good	53,72,38,449	52,22,84,949
	72,86,01,346	**64,63,76,381**

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18 Cash and Cash Equivalents

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Cash on Hand	225,312	200,299
(b) Balances with Banks		
-In Current Accounts	119,181,347	72,590,978
-In EEFC Accounts	3,581,309	58,177,078
-In Deposits Accounts - Under Lien	10,579,430	22,694,566
-In Deposits Accounts - Free of Lien	215,337,488	221,909,519
	348,904,886	**375,572,440**
Notes:		
1. Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	122,987,968	130,968,355
2. Deposits Accounts under Lien includes Fixed Deposit given as collateral security for CC Facility, Margin Money, Security against borrowings, guarantees and other commitments which have a maturity of more than 12 months from the Balance Sheet date.	10,579,430	22,694,566

18 a) Specified Bank Notes Disclosure (SBN's)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing Cash on hand as on 8 Nov 16	2,692,500	150,025	2,842,525
(+) Permitted Receipts	-	8,328,980	8,328,980
(-) Permitted Payments		1,220,811	1,220,811
(-) Amount deposited in banks	2,692,500	6,853,062	9,545,562
Closing Cash on hand as on 30 Dec 16	-	405,132	405,132

19 Short-Term Loans and Advances - Unsecured , Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	26,245,661	27,976,244
(b) Loans and Advances to Employees	841,444	789,650
(c) Prepaid Expenses	117,025,442	35,657,159
(d) Service Tax Input Credit Receivable	44,498,753	36,033,696
(e) Advances to Suppliers	41,432,220	48,657,590
(f) Loans and Advances to Related Parties (Refer Note 29.2) (Includes amount due from directors of Rs. 8,00,000/- Previous year- Rs. NIL)	1,000,000	400,000
	231,043,520	**149,514,339**

20 Other Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Unbilled Revenue	54,004,884	38,683,586
(b) Interest Accrued on Deposits	1,861,277	2,675,408
(c) Gratuity (Refer Note 26.2)	-	807,547
(d) Insurance claims recoverable (net of Rs.14,000,000 claims received upto March 31, 2016)	-	41,091,620
	55,866,161	**83,258,161**

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21 Revenue from Operations

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Sale of goods (Refer Note (a) below)	74,73,03,618	56,80,14,247
(b) Sale of services (Refer Note (b) below)	2,84,72,96,260	2,53,14,87,506
	3,59,45,99,878	**3,09,95,01,753**

Notes :

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
a. Sale of goods Comprises:		
Traded Goods		
Computer based Systems, Accessories, UPS, projectors and Lamps	74,73,03,618	56,80,14,247
Total - Sale of Traded Goods	**74,73,03,618**	**56,80,14,247**
b. Sale of Services Comprises :		
Mastering & Virtual Print Fee	1,37,96,46,478	1,27,97,03,358
Advertisement Fee	1,07,96,25,635	94,98,21,742
Right to Use Fees and Pay Per Show	13,80,04,078	12,62,25,837
Service Income	15,53,74,765	8,98,38,685
License Fees	1,50,000	2,80,000
Commission Received	2,52,86,273	4,82,37,959
Studio Recording & Hire Charges	-	17,77,580
Online Ticket Sales	6,92,09,031	3,56,02,345
Total - Sale of Services	**2,84,72,96,260**	**2,53,14,87,506**

22 Other Income

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Income from Bank Deposits	2,10,53,733	1,69,78,613
(b) Insurance Claim Received	40,01,445	6,01,549
(c) Miscellaneous Income	10,947	20,101
(d) Profit on Sale/Retirement of Fixed Assets (Net)	72,97,430	39,26,421
	3,23,63,555	**2,15,26,684**

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23.a Purchase of traded goods

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Purchase of Traded Goods	58,37,96,636	45,31,47,242
	58,37,96,636	**45,31,47,242**

23.b Changes in Inventories of Stock in Trade

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Inventories at the end of the year:		
Stock in Trade	35,80,46,421	42,49,51,460
Inventories at the beginning of the year:		
Stock in Trade	42,49,51,460	50,75,83,962
	6,69,05,039	**8,26,32,502**
Less: Loss of Inventory due to floods (Refer Note 30)	-	**(3,37,66,642)**
Net decrease	**6,69,05,039**	**4,88,65,860**

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24 Employee Benefits Expense

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Salaries and Bonus	54,27,60,079	49,41,37,691
(b) Contributions to Provident and Other Funds	3,00,55,724	2,32,55,654
(c) Staff welfare expenses	5,41,31,636	4,88,09,577
	62,69,47,439	**56,62,02,922**

25 Finance Costs

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Expense on:		
(i) Borrowings	6,34,34,608	8,22,68,864
(ii) Others - Interest on delayed payment of income tax	9,00,000	22,50,000
(b) Other Borrowing Costs	30,82,304	20,37,143
	6,74,16,912	**8,65,56,007**

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26 Other Expenses

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Licence Fee - DTS	1,51,000	1,51,200
(b) Freight, Clearing & Forwarding and Cargo Handling Charges	5,44,84,711	4,99,57,110
(c) Telecine, Digitising, Censor, Theatre Advertisement Charges and VSAT	4,18,89,983	5,94,79,227
(d) Packing Materials and Consumables	3,61,22,936	2,79,30,829
(e) Service Charges - Avid Assurance	38,67,772	1,28,33,232
(f) Share of Revenue - Advertisement	45,16,99,006	35,99,12,425
(g) Share of Revenue - Virtual Print Fee	33,41,80,782	28,32,12,092
(h) Share of Revenue - Online ticketing	3,54,69,047	1,49,51,776
(i) Payment gateway charges- Online ticketing	58,84,429	28,49,872
(j) Power and Fuel	2,03,65,588	2,06,70,216
(k) Rent including Lease Rentals (Refer Note 29)	6,40,61,573	4,89,36,624
(l) Repairs and Maintenance - Buildings	12,98,119	11,09,034
(m) Repairs and Maintenance - Plant and Machinery	8,42,42,215	6,34,35,122
(n) Repairs and Maintenance - Others	4,58,63,916	3,11,54,320
(o) Insurance	1,14,88,142	63,15,978
(p) Rates and Taxes	85,14,483	63,76,162
(q) Communication	3,31,40,193	2,98,98,245
(r) Travelling and Conveyance	5,84,79,694	4,83,57,363
(s) Printing and Stationery	71,05,412	36,38,657
(t) Software Expenses	52,59,226	28,00,776
(u) Sales Discount and Commission	3,46,91,899	2,55,40,494
(v) Advertisement and Business Promotion	7,29,64,813	3,06,94,342
(w) Expenditure on Corporate Social Responsibility (Refer Note below)	84,50,000	75,97,000
(x) Legal and Professional	7,16,08,816	6,31,76,890
(y) Loss on Sale/Retirement of Fixed Asset (Net)	-	-
(z) Auditors' Remuneration (Net of service tax input credit)		
- Statutory Audit	18,00,000	18,00,000
- Other Services	-	-
- Out of Pocket Expenses	20,979	-
(aa) Bad Debts Written Off	1,60,28,727	1,87,99,376
Less: Release of Provision for Doubtful Trade Receivables	(1,60,28,727)	(1,87,99,376)
(ab) Provision for Doubtful Trade Receivables	1,92,82,194	2,83,47,675
(ac) Bank Charges	55,42,914	1,84,15,027
(ad) Exchange Loss (Net)	86,70,195	30,75,214
(ae) Web Hosting Charges	67,67,372	59,52,121
(af) Miscellaneous Expenses	1,69,59,422	88,48,023
	1,55,03,26,831	1,26,74,17,046

Note :
Expenditure on Corporate Social Responsibility

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Gross amount required to be spent by the company during the year	84,52,394	65,96,104
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	84,50,000	75,97,000

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

27 Employee Benefits

27.1 Defined Contribution Plan

The Company makes Provident fund contributions and Employee state Insurance Scheme contributions to defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 21,244,977 (Previous year Rs. 18,341,233) towards Provident Fund contributions and Rs. 2,543,516 (Previous year Rs. 2,260,961) towards Employee State Insurance scheme contribution in the Statement of Profit and Loss. The contributions payable to the fund by the Company is at rates specified in the rules of the scheme.

27.2 Defined Benefit Plans

The details of actuarial valuation as provided by the Independent Actuary is as follows:

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Change in defined benefit obligations during the Year		
Projected Benefit Obligations as at the Beginning of the Year	3,20,92,262	2,59,48,758
Current Service Cost	41,02,763	39,46,044
Interest cost	24,44,642	20,19,938
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial (Gain) /Losses	50,48,781	15,76,579
Present value of Defined Benefit Obligation at End of the Year	**4,25,91,463**	**3,20,92,262**
Change in Fair Value of Assets during the Year		
Plan Assets at Beginning of the Year	3,28,99,809	2,71,12,076
Expected Return on Plan Assets	30,49,037	25,04,367
Employer's Contribution	49,89,631	44,17,585
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial Gains /(Losses)	(1,26,037)	2,64,838
Plan Assets at End of the Year	**3,97,15,455**	**3,28,99,809**
Liability Recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation as at the End of the Year	4,25,91,463	3,20,92,262
Fair Value of Plan Assets as at the End of the Year	3,97,15,455	3,28,99,809
Net (Asset)/Liability Recognised in the Balance Sheet	**28,76,008**	**(8,07,547)**
Cost of Defined Benefit Plan for the Year		
Current Service Cost	41,02,763	39,46,044
Interest Cost	24,44,642	20,19,938
Expected Return on Plan Assets	(30,49,037)	(25,04,367)
Net Actuarial (Gains)/Losses	51,74,818	13,11,741
Net Cost Recognized in the Statement of Profit and Loss	**86,73,186**	**47,73,356**
Actual Return on Plan Assets		
Assumptions		
Discount Rate	7.25%	7.75%
Future Salary Increase	5.00%	5.00%
Expected Rate of Return on Plan Assets	8.75%	8.75%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes:

a. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

b. The expected return on plan assets is as provided by an independent actuary appointed by the Company.

c. The entire Plan Assets are managed by LIC. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

d. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

e. Expected Company Contribution to the Fund during the year 2016-2017 is Rs 9,000,000

f. Experience Adjustments:

Particulars	FY 2016-17 Amount in Rs.	FY 2015-16 Amount in Rs.	FY 2014-15 Amount in Rs.	FY 2013-14 Amount in Rs.
Projected Benefit Obligation	4,25,91,463	3,20,92,262	2,59,48,758	2,00,71,793
Fair Value of Plan Assets	3,97,15,455	3,28,99,809	2,71,12,076	2,15,61,265
(Surplus)/Deficit	28,76,008	(8,07,547)	(11,63,318)	(14,89,472)
Experience Adjustments on Plan Liabilities - Gain/(Loss)	50,48,781	(15,76,579)	3,91,840	14,78,646
Experience Adjustments on Plan Assets - Gain	(1,26,037)	2,64,838	(24,34,993)	73,125

The details of the experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are disclosed to the extent of information available in the actuarial valuation report.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

27.3 Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation done by an Independent Actuary are as given below:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Assumptions		
Discount Rate	7.25%	7.75%
Expected return on assets	0.00%	0.00%
Future Salary Increase	5.00%	5.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

28 Segment Reporting

The primary reporting of the Company has been made on the basis of business segments. The Company has only one business segment as defined in Accounting Standard (AS) 17 on Segment Reporting, which is the "Media & Entertainment Industry". Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

The details in respect of the geographical segments which is considered as secondary segment as defined in the said Standard are given below:

a. Revenue by Geographical Market

Particulars	2016-2017 Amount in Rs.	2015-2016 Amount in Rs.
India	3,41,99,57,374	2,88,34,12,399
Outside India	17,46,42,504	21,26,06,098
Total	**3,59,45,99,878**	**3,09,60,18,497**

b. Segment Assets by Geographic Market

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	4,31,02,14,091	3,90,06,90,233
Outside India	8,92,28,606	9,24,54,092
Unallocated	3,69,76,598	3,68,91,980
Total	**4,43,64,19,295**	**4,03,00,36,305**

c. Additions to fixed Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	52,08,44,499	49,94,92,620
Outside india	1,98,561	23,28,095
Total	**52,10,43,060**	**50,18,20,715**

29 Related Party Transactions

29.1 Names of Related Parties and Nature of Relationship

Description of Relationship	As at 31 March 2017	As at 31 March 2016
Enterprises having Significant Influence	M/s. StreetEdge Capital L.P.USA	M/s. StreetEdge Capital L.P.USA
	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)
Key Management Personnel	Mr. V. Senthil Kumar	Mr. V. Senthil Kumar
	Mr. P.Jayendra	Mr. P.Jayendra
	Mr. Arvind Ranganathan	Mr. Arvind Ranganathan
	Mr. P. Venkatesh	Mr. P.Venkatesh
Relative of Key Management Personnel	Mr.Arun Veerappan	Mr.Arun Veerappan
	Mrs. Vee. Vijayalakshmi	Mrs. Vee. Vijayalakshmi
	Mr. V. Sivakumar	Mr. V. Sivakumar
	Mrs. Meena Veerappan	Mrs. Meena Veerappan
	Mrs. Sudha Panchapakesan	Mrs. Sudha Panchapakesan
	Mrs. Sujatha Arvind	Mrs. Sujatha Arvind
Entities in which Relatives of KMP can exercise significant influence	Digital Film Technologies Pvt. Ltd., in which Mrs. Sudha Panchapakesan wife of Director Mr. P.Jayendra & Mrs. Vandana Gopikumar wife of Director Mr.V. Senthil Kumar	Not applicable

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

29.2 Transactions with the Related Parties

Transaction	Related Party	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Income			
Sale of Services	Digital Film Technologies Pvt Ltd	14,72,671	-
Expenses			
Vehicle Hire Charges	V Senthil Kumar	10,80,000	8,95,484
	P. Jayendra	6,00,000	6,00,000
	Vee. Vijayalakshmi	3,60,000	3,60,000
	Meena Veerappan	7,00,968	4,80,000
	Sujatha Arvind	6,00,000	6,00,000
Lease Rent for Land / Premises	V Senthil Kumar	-	23,60,769
	V Sivakumar	-	12,84,500
	Vee. Vijayalakshmi	-	30,38,877
Remuneration	V Senthil Kumar	1,39,24,400	1,39,24,400
	Arun Veerappan	24,05,739	23,53,322
	P. Jayendra	1,39,24,400	1,39,24,400
	Arvind Ranganathan	1,26,00,000	1,26,00,000
	Sudha Panchapakesan	34,02,012	34,02,012
	P. Venkatesh	60,00,000	53,25,000
Others			
Balance as at Year End		**As at 31 March 2017 Amount in Rs.**	**As at 31 March 2016 Amount in Rs.**
Payables	V Senthil Kumar	45,85,000	45,85,000
	P. Jayendra	45,85,000	45,85,000
	Arvind Ranganathan	41,99,587	42,06,671
Trade Receivables	Digital Film Technologies Pvt Ltd	16,86,208	-
Long Term Loans and Advances	V Senthil Kumar	8,00,000	8,00,000
	Arun Veerappan	2,00,000	2,00,000
	P. Jayendra	8,00,000	8,00,000
	Meena Veerappan	2,00,000	2,00,000
	Sujatha Arvind	8,00,000	8,00,000



Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

30 Exceptional Items

During the previous year the company had a net loss of Rs. 11,899,134 arising from damage to Inventories and certain Fixed Assets, net of insurance claims. Such damage had happened on account of unusually heavy rains during December 2015 and resulting inundation in the Company's warehouse at Chennai.

31 Lease Rentals

(i) As Lessor

The Company has leased out Digital Cinema Equipment to theaters on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.

Lease income recognised from the above lease arrangement (included under "Right to Use Fees and Pay per Show" under Note 20 (b)) - Rs. 129,606,573 (PY- Rs. 117,381,487)

(ii) As Lessee

The Company is obligated under some cancelable operating leases for office premises which are renewable on a periodical basis.
The Lease payments under cancelable operating leases for the year ended 31 March 2017 amounts to Rs. 7,184,012 (Previous year- Rs. 44,894,124) and the Lease payments under non-cancelable operating lease for the year ended 31 March 2017 amounts to Rs. 44,068,351 (Previous year- Rs. 4,042,500).

Future minimum lease payments relating to Non-Cancelable Operating lease are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Not later than one year	4,77,98,095	1,61,70,000
Later than one year and not later than five years	9,72,05,889	8,65,49,925
Later than five years	6,82,83,889	7,53,27,945

32 Earnings Per Share

32.1 Basic

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	32,09,64,450	28,96,46,379
Weighted Average Number of Equity Shares	91,30,616	91,30,616
Earnings Per Share (Basic) - in Rs.	35.15	31.72
Face Value Per Share - in Rs.	10	10

32.2 Diluted

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	25,78,05,264	26,40,90,066
Weighted Average Number of Equity Shares for Basic EPS	91,30,616	91,30,616
Add: Effect of Compulsorily Convertible Preference Shares and ESOPs which are Dilutive	1,07,06,649	1,07,02,498
Weighted Average Number of Equity Shares for Dilutive EPS	1,98,37,265	1,98,37,265
Earnings Per Share (Diluted) - in Rs.	13.00	13.31
Face Value Per Share - in Rs.	10	10

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

33 Foreign Currency Exposure

As at 31 March 2017 and 31 March 2016, the Company does not have any outstanding position in respect of any of the derivative products.

The un-hedged foreign currency exposure is as given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		Foreign	Rs.	Foreign Currency	Rs.
Trade Payables	USD	11,84,237	7,67,84,241	14,03,276	9,30,83,356
	EURO	480	33,239	-	-
Term Loans from Other Parties	USD	30,87,080	20,01,61,945	46,30,620	30,71,62,453
Trade Receivables	USD	9,02,884	5,85,41,763	5,25,786	3,48,76,896
	EURO	-	-	-	-

34 Deferred Tax

Break up of deferred tax assets / liabilities and reconciliation of current year deferred tax charge is as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred Tax Liability		
Difference between depreciation as per Books of Account and Income Tax Act, 1961	16,08,98,759	14,56,95,408
Total	**16,08,98,759**	**14,56,95,408**
Deferred Tax Asset		
Provision for Doubtful Trade Receivables	1,48,69,038	1,20,37,793
Provision for Employee Benefits	65,67,716	47,61,849
Total	**2,14,36,754**	**1,67,99,642**
Net Deferred Tax Liability	**13,94,62,005**	**12,88,95,766**

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

35 International Transactions

The Company has entered into international transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

36 Contingent liabilities and commitments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Contingent liabilities:		
Counter Guarantees Issued to Banks	47,93,656	47,93,656
Other matters for which the company is contingently liable		
Disputed Central Excise Demand (Rs. 11,857,892 Paid Under Protest)	2,37,15,784	2,37,15,784
Service Tax Demand	5,87,76,065	6,92,37,793
AP Value Added Tax Demand (Rs.1,041,359 Paid Under Protest)	83,30,864	83,45,570
Kerala Value Added Tax Demand	-	41,35,746
Maharashtra Value Added Tax Demand	36,47,936	36,47,936
TN VAT	52,98,491	-
Income Tax	2,05,89,771	18,34,837
Bonus provision FY 14-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High Court of Madras	93,81,235	93,81,235

The Company expects a favourable decision with respect to all the above disputes demands / claims based on professional advice.

37 Additional information as per Schedule III to the Companies Act, 2013

Particulars	Net assets, i.e., total assets		Share of profit or loss	
	As % of consolidated net assets	Amount in Rs.	As % of consolidated profit or loss	Amount in Rs.
Parent : Qube Cinema Technologies Private Limited	101.71%	2,54,03,34,375	116.38%	37,35,50,186
Subsidiaries				
Indian				
Justickets Pvt. Ltd.	2.48%	6,18,85,343	(30.11%)	(9,66,30,456)
Foreign				
Qube Cinema Inc, USA	0.60%	1,50,65,378	(5.95%)	(1,91,13,128)
Minority Interests in all subsidiaries	1.00%	3,35,47,147	(19.68%)	(6,31,59,186)

38 Merger with Real Image LLP

At the Board meeting held on 8th June 2016, the Board has proposed to merge the Real Image LLP with Real Image Media Technologies Private Limited (Now Qube Cinema Technologies Private Limited). The effective date of merger would be 1st April 2016 subject to necessary approval from the Hon'ble High Court of Madras

39 Previous Year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Annexure - 7 (e)

MOVIEBUFF PRIVATE LIMITED

(Formerly known as South Beach Software Private Limited)

CIN: U22300TN1996PTC036847
Registered Office: No.42, Dr. Ranga Road, Mylapore,
Chennai – 600 004
E-mail: muralip@realimage.com

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Twenty First Annual General Meeting of the Shareholders will be held at the Registered Office of the Company at No.42, Dr. Ranga Road, Mylapore, Chennai – 600 004 on Monday 25th day of September, 2017 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2017, including the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss Account for the year ended as at that date and the Reports of the Board of Directors and the Auditors thereon.

2. To approve the re-appointment of retiring Auditors and fix their remuneration.

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

   "RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the retiring Auditors, **M/s. CNGSN & Associates, LLP, Chennai,** bearing Registration No. 04915S/S200036 be and are hereby re-appointed as the auditors of the Company to hold office till the conclusion of Twenty Sixth Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting by means of an Ordinary Resolution to be held after this Annual General Meeting) and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration."

By Order of the Board
For **MOVIEBUFF PRIVATE LIMITED**

Place: Chennai
Date: 24.08.2017

V. SENTHIL KUMAR
DIRECTOR

NOTE:

1. *A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such a proxy need not to be a member of the Company. Proxy forms complete in all respects must reach the Registered Office of the Company at least 48 hours before the commencement of the Meeting.*

CERTIFIED TRUE COPY

For MOVIEBUFF PRIVATE LIMITED

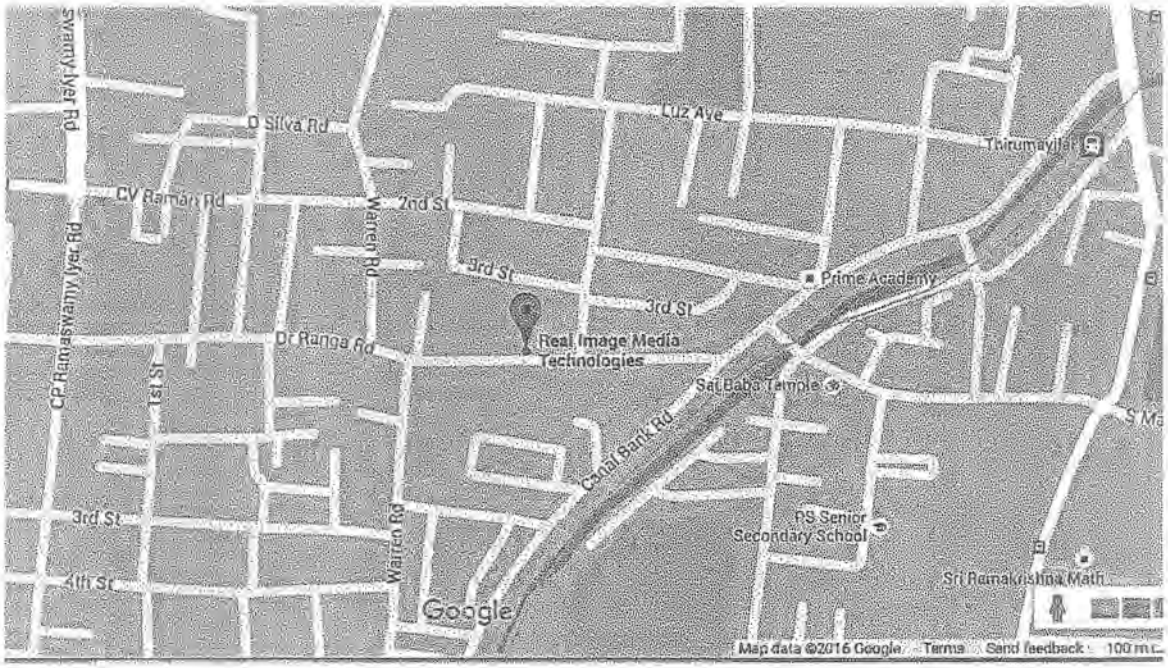
Director

MOVIEBUFF PRIVATE LIMITED

(Formerly known as South Beach Software Private Limited)

CIN: U22300TN1996PTC036847
Registered Office: No.42, Dr. Ranga Road, Mylapore,
Chennai – 600 004
E-mail: muralip@realimage.com

ROUTE MAP



Moviebuff Private Limited (formerly known as South Beach Software Private Limited)
Twenty First Annual Report – 2016-17

Your Directors have pleasure in presenting to you their Twenty First Annual Report of the Company for the financial year ended March 31, 2017.

Material changes and commitments, if any, affecting the financial position of the Company which has occurred since 31st March 2017 till the date of report

There are no material changes and commitments affecting the financial position of the company which has occurred since 31st March 2017 till the date of this report.

Change in the nature of business if any
There was no change in the nature of the business during the year under review.

Transfer to Reserves

NIL

Deposits

Your Company has not accepted any public deposits during the financial year nor has any outstanding unclaimed or unpaid public deposits as on 31st March 2017.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

NIL

Loans from Directors

During the year under review, your Company has not availed any unsecured Loan from the Directors.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act 2013

NIL

Names of Companies which have become or ceased to be its subsidiary(ies), Joint Ventures or Associate Companies during the year

NIL

Net Worth of the Company

(Amount in Rs.)

	As on 31.03.2017	As on 31.03.2016
Net-worth of the company	(1,05,808)	(87,918)

Board Meetings held during the financial year

4 Board Meetings were held during the financial year on 8th June, 2016, 2nd September, 2016, 1st December, 2016 and 1st March, 2017

Attendance details of Directors

Name of Directors	Number of Board Meetings attended during the year
V Senthil Kumar	4
P Jayendra	4

Corporate Social Responsibility Policy

Not applicable

Risk Management Policy:

Not applicable

Particulars of Employees

Particulars of employees as required under Section 197of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 - **NIL**

Extract of the annual return

The extract of the annual return in form MGT 9 as required under the provisions of the Companies Act 2013 is annexed to the report, as **Annexure A** and forms part of this Report.

Adequacy of Internal Financial Controls

Your Company has adequate internal financial controls with reference to preparation of financial statements, commensurate with the size of operations of the company.

Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

The Company does not have any employees, and consequently, the Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013, do not apply.

Particulars of contracts or arrangements with related parties

Not applicable

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

Particulars as required under Section 134(3)(m) of the Companies Act, 2013 – Not applicable

Directors' Responsibility Statement

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

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

(v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

Your Company's Auditors, CNGSN & Associates, LLP, Chennai, are retiring at the forthcoming Annual General Meeting and are eligible for reappointment.

For and on behalf of the Board of Directors

V. Senthil Kumar
Director

P. Jayendra
Director

24th August, 2017

Form No. MGT-9 Annexure-A

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

of

MOVIEBUFF PVT LTD
(formerly known as South Beach Software Private Limited)

[Pursuant to Section 92(3) *of the Companies Act, 2013 and* rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: U22300TN1996PTC036847

ii) Registration Date: 04/11/1996

iii) Name of the Company: MOVIEBUFF PRIVATE LIMITED

iv) Category / Sub-Category of the Company: Company Limited by Shares/Indian Non-Government Company

v) Address of the Registered office and contact details: No.42, Dr. Ranga Road, Mylapore, Chennai – 600 004

vi) E-mail address: divya.venkat@qubecinema.com

vii) Contact Number: 044 - 4204 1505

viii) Whether listed company Yes / No: No

ix) Name, Address and Contact details of Registrar and Transfer Agent, if any: NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture , assemble, acquire , produce , design , research and develop , purchase , let on hire , import and export hardware, software and software systems of all kinds , particularly in the field of audio, video , film and other electronic media.	5192	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	----------	-------	----	-----	------

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual / HUF		10200	10200	100		10200	10200	100	-
(b) Central Govt.									
(c) State Govt.									
(d) Bodies Corp.									
(e) Banks/FI									
(f) Any other									
Sub –total (A)(1)		10200	10200	100		10200	10200	100	-
(2) Foreign									
(a) Individual / HUF									
(b) Central Govt.									
(c) State Govt.									
(d) Bodies Corp.									
(e) Banks/FI									
(f) Any other									
Sub –total (A)(2)		0	0	0		0	0	0	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		10200	10200	100		10200	10200	100	-
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds									
*b) **Banks/ FI***									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Companies									
*g) **FIIs***									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub –total (B)(1)									
2. Non-Institutions									
a) Bodies Corp.									

i) Indian *ii) Overseas* *b) Individuals* *i) **Individual shareholders holding nominal share capital upto Rs. 1 lakh*** *ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh* *c) Others (specify)* **Sub-total (B)(2):-** **Total Public Shareholding (B)=(B)(1)+ (B)(2)**									
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
GRAND TOTAL (A+B+C)			**10200**	**100**			**10200**	**100**	

(ii)Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				
Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				

	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

NIL

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	P Jayendra	5100	50	5100	50
	V Senthil Kumar	5100	50	5100	50
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year				
	P Jayendra	5100	50	5100	50
	V Senthil Kumar	5100	50	5100	50

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	(INR in Rs)			
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	*1,00500*	*NIL*	*1,00,500*
Total (i+ii+iii)				
Change in Indebtedness during the financial year • Addition • Reduction	*NIL*	-	*NIL*	-
Net Change		-		-
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	*NIL*	*1,00,500*	*NIL*	*1,00,500*
Total (i+ii+iii)		*1,00,500*		*1,00,500*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: NIL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL				
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors: NIL

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
2.	Total (1)					
3.	Other Non-executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
4.	Total (2)					
5.	Total (B)=(1+2)					
6.	Total Managerial Remuneration					
7.	Overall Ceiling as per the Act					

C. remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

V. Senthil Kumar
Director

P Jayendra
Director

24th August, 2017

CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

Swathi Court, Flat No. C & D, No. 43, (Old No. 22)
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R. THIRUMALMARUGAN
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B.Com., FCA

B. RAMAKRISHNAN
B.Com., Grad. CWA, FCA

NYAPATHY SRILATHA
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V. VIVEK ANAND
B.Com., FCA

E.K. SRIVATSAN
B.Com., FCA

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s. MOVIEBUFF PRIVATE LIMITED
Chennai

Report on the Financial statements

We have audited the accompanying financial statements of Moviebuff Private Limited (formerly known as South Beach Software Private Limited) (herein after referred to "the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, for the period then ended, and a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 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, 2017 and its Loss for the period ended on that date.



Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India, in terms of sub – section (11) of section 143 of the Act is not 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, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) The adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, does not arise.

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, and in our opinion and to our best of our information and according to the explanations given to us :

   i. The Company has no pending litigations which will have impact on its financial position in its financial statements.



ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the financial statements;

iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes duri ng the period from 8 November, 2016 to 30 December,2016 and these are in accordance with the books of accounts maintained by the Company. (Refer Note. 6 in the financial statements).

for M/s. CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration Number.04915S/S200036

CNGSN & ASSOCIATES LLP * CHENNAI * CHARTERED ACCOUNTANTS

K. PARTHASARATHY
PARTNER
Membership No. 018394

Place: Chennai
Date: 24/08/2017

Moviebuff Private Limited
(Formerly known as South Beach Software Private Limited)
Note .1: Significant Accounting Policies.

For The Year Ended 31st March 2017

1. Basis of preparation of Financial Statements

The Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the accounting principles generally accepted in India and comply with mandatory accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known / materialized.

3. Accounting Conventions:

The financial statements have been prepared under the historical cost convention and following the accrual method of accounting in accordance with the applicable mandatory accounting standards in India and provisions of Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

4. Revenue Recognition

Revenue is recognized on completion of service rendered to the customer.

5. Inventories

As the activities confines to services there has been no inventories during the year under review.

6. Fixed Assets

As the company has no fixed assets, policy regarding depreciation has not been discussed in this report.

7. Income Tax:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between taxable income and accounting income which are capable of reversal in subsequent periods and are measured using the tax rates and tax laws that have been enacted or substantively enacted on the balance sheet date. However, the deferred tax liability had not been recognized in the accounts in view of loss during the year as well as that of last year and also taking into account the uncertainties of the profit in the near future.



8. **Employee Benefits:**

As there being no employees policies regarding statutory requirements such as PF, Gratuity and the likes are not applicable to this company.

9. **Provisions**

A provision is recognized when the Company has a present obligation as a result of past events 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 the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the Balance Sheet date and adjusted to reflect the current best estimates.

10. Previous figures have been regrouped wherever necessary.



MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	As at 31-03-2017		As at 31-03-2016	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	1,02,000		1,02,000	
(b) Reserves and Surplus	3	(2,07,808)		(1,89,918)	
(c) Money Received against Share warrants		-	(1,05,808)	-	(87,918)
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long Term Borrowings		-		-	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	-	-	-
(4) Current liabilities:					
(a) Loan from Director- V. Senthil Kumar		1,00,500		1,00,500	
(b) Trade payables	4	46,112		28,222	
(c) Other current liabilities		-		-	
(d) Short-term provisions		-	1,46,612	-	1,28,722
Total			40,804		40,804
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets		-		-	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under developemnt		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets		-	-	-	-
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	5	40,804		40,804	
(e) Short-term loans and advances		-		-	
(f) Other current assets - Work in Progress			40,804		40,804
Total			40,804		40,804

See accompanying notes forming part of the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FIRM REG.NO. 04915S/S200036

K.Parthasarathy
Partner
M.No. 018394
Place : Chennai
Date : 24-08-2017

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

For Moviebuff Private Limited

Director

Director

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2017

Particulars	Note	For the Year ended 31-03-2017	For the Year ended 31-03-2016
REVENUE			
I. **Revenue from Operations**			
Income from Advertisement		-	-
Other operating revenues		-	-
Less: Excise Duty		-	-
		-	-
II. **Other income**		-	-
III. **Total Revenue (I + II)**		-	-
EXPENSES			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade (Import Purchases)		-	-
Stock Transfers from Other Branches		-	-
Changes in inventores of finished goods, work-in-progress and stock-in-		-	-
Employee benefits expenses		-	-
Finance costs	8	-	81
Management Fees Control A/c		-	-
Depreciation and Amortization		-	-
Other expenses	9	17,890	30,450
Work in Progress			
IV. **Total expenses**		17,890	30,531
V. **Profit before exceptional and extraordinary items and tax (III - IV)**		(17,890)	(30,531)
VI. Exceptional items		-	-
VII. **Profit before extraordinary items and Interest tax (V - VI)**		(17,890)	(30,531)
VIII. Extraordinary items		-	-
IX. **Profit before tax (VII - VIII)**		(17,890)	(30,531)
X. **Tax expenses**			
(1) Current tax - Provision		-	-
(2) Deferred tax		-	-
(3) Excess Provision Written Back			
XI. **Profit / (loss) for the period from continuing operations (IX -X - XIV)**		(17,890)	(30,531)
XII. Profit / (loss) from discontinuing operations		-	-
XIII. Tax expenses of discontining operations		-	-
XIV. Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. **Profit / (loss) for the period (XI + XIV)**		(17,890)	(30,531)
XVI. **Earnings per share:**			
(1) Basic		(1.75)	(2.99)
(2) Diluted		(1.75)	(2.99)

See accompanying notes forming part of the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FIRM REG. NO. 049155/S200036

K.Parthasarathy
Partner
M.No. 018394
Place : Chennai
Date : 24-08-2017

For Moviebuff Private Limited

Director

Director

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2017

Particulars	As at 31st March 2017	As at 31 March 2016
2. SHARE CAPITAL		
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
8,50,000/- Equity Shares of Rs. 10/- each	85,00,000	85,00,000
Issued, Subscribed and Paid Up		
10,200 Equity Shares of Rs. 10/- each (Previous year 10,200 equity shares of Rs. 10/- each)	1,02,000	1,02,000
	1,02,000	**1,02,000**
Paid-up Share Capital		
10,200 Equity Shares of Rs. 10/- each (Previous year 10,200 equity shares of Rs. 10/- each)	1,02,000	1,02,000
	1,02,000	**1,02,000**
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
Number of equity shares outstanding as at the beginning of the year	NIL	NIL
Add: Number of Shares allotted during the year	-	-
Less: Number of Shares bought back	-	-
	-	-
Number of equity shares outstanding as at the end of the year	NIL	NIL
(C) Rights, preferences and restrictions attaching		
(D) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates		
(E) Shares in the company held by each shareholder holding more than 5%:		

Name of Sharholders	No. of Shares	% of holding	% of holding
P Jayendra	5,100	50.00%	50.00%
V Senthil Kumar	5,100	50.00%	50.00%

(F) Shares reserved for issue under options and contracts (G) Commitments for sale of shares/ disvestment (H) Details of allotment of shares for consideration other than for cash (I) Details of securities convertible into equity / preference shares		

CNGSN & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * CHENNAI

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2017

Particulars	As at 31st March 2017	As at 31 March 2016
3. RESERVES AND SURPLUS		
Surplus (P&L a/c) as under:	(2,07,808)	(1,89,918)
	(2,07,808)	**(1,59,387)**
Surplus (P&L a/c):		
Opening Balance	(1,89,918)	(1,59,387)
Profit / (Loss) for the period -	(17,890)	(30,531)
	(2,07,808)	(1,89,918)
Less: Proposed dividends	-	-
Tax on distributed profits	-	-
Balance of Profit / Loss	(2,07,808)	(1,89,918)
Less: Transfer to General Reserve	-	-
	(2,07,808)	**(1,89,918)**
4. TRADE PAYABLES		
(I) Audit Fees Payable	34,122	28,222
(ii)Creditors for Services - Others	11,990	-
	46,112	**28,222**
5. CASH AND CASH EQUIVALENTS		
(A) Balance with banks		
(I) Earnmarked Bank balances	-	-
(II) Bank balances held as margin money or as security against		
(i) Gurantees	-	-
(ii) Letters of Credit	-	-
(III) Other bank balances		
(i) Bank Deposits with more than 12 months maturity	-	-
(ii) Others- Indian Overseas Bank	40,804	40,804
	40,804	**40,804**

6. Specified Bank Notes Disclosure (SBN's)

During the year, the company had no specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, and hence the question of denomination wise SBNs and other notes as per the notification does not arise.

7.CONTINGENT LIABILITIES AND COMMITMENTS:

Particulars	As at 31-03-2017	As at 31-03-2016
Contingent Liabilities	-	-
Total	-	-

CRGSR & ASSOCIATES LLP CHENNAI

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Amount in ₹

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
8. FINANCE COSTS		
Bank Charges and Commission	-	81
	-	81
9. OTHER EXPENSES		
Payment to statutory auditors as auditors for Statutory audit	5,900	5,750
Filing Fees	1,500	4,000
Professional Fees	10,490	20,700
	17,890	30,450



Annexure 7(f)

ANNUAL REPORT 2016-17

HIGH IMPACT ADVERTISING



digital cinema

UFO MOVIEZ INDIA LIMITED

Certified True Copy
For UFO Moviez India Limited

S.S.Chore

Company Secretary

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COMPANY OVERVIEW

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UFO MOVIEZ AT A GLANCE

UFO Moviez India Limited is India's largest satellite-based digital cinema distribution network and in-cinema advertising platform. UFO delivers movie content through satellite-based cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. As on March 31, 2017, UFO's network consisted of 6,579 screens worldwide, including 5,105 screens across India and 1,474 screens across the Middle East, Israel, Mexico and USA.

OUR VISION

To be the leader in big screen entertainment by enhancing value for all stakeholders & bringing joy to people's lives, through innovation.

UFO MOVIEZ INDIA LIMITED

UFO
digital cinema

OVERVIEW

Resilience in a Tough Microenvironment

Revenue ₹ 5,989 Mn

consolidated revenue grew 4.7%

₹ 1,845 Mn
EBITDA
compared to ₹ 1,848 Mn in FY2016

₹ 632 Mn
PAT
compared to ₹ 635 Mn in FY2016

₹ 10
DIVIDEND PER SHARE
compared to ₹ 8, higher by 25% over FY2016. Reflecting a payout (including dividend distribution tax) of 53% compared to 42% in FY2016 of consolidated profits

Steady Theatrical Performance

5,105 **SCREENS**

strengthening theatrical network

2,321
DISTRIBUTORS
delivered movies on UFO's digital cinema network

1,790
MOVIES
were delivered during FY2017 compared to 1,738 movies in FY2016

Healthy Advertising Performance is Evident from Growing Screen Strength and Advertisement Revenues

3,745 **IN-CINEMA ADVERTISING SCREENS**

1,027 Multiplex screens & 2,718 Single screens across India
In-cinema advertisement revenue grew by 13.4% to ₹ 1,790 Mn in FY2017

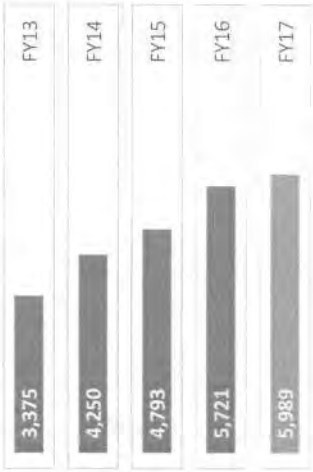
2,824
ADVERTISERS
grew from 2,556 advertisers in FY2016

4.34
ADVERTISEMENT MINUTES/SCREEN/SHOW
compared to 4.15 minutes/screen/show in FY2016

UFO MOVIEZ INDIA LIMITED

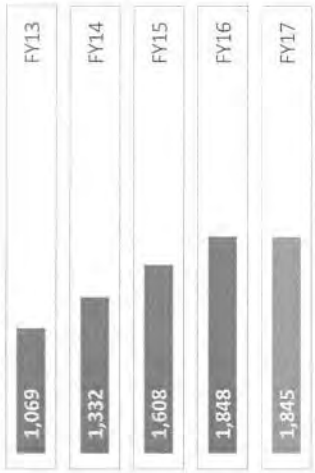
CONSOLIDATED FINANCIAL HIGHLIGHTS

Revenue (₹ Mn)



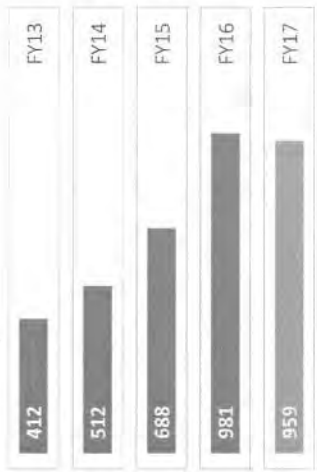
15% CAGR

EBITDA (₹ Mn)



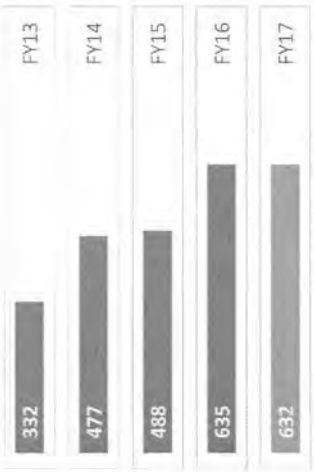
15% CAGR

PBT (₹ Mn)



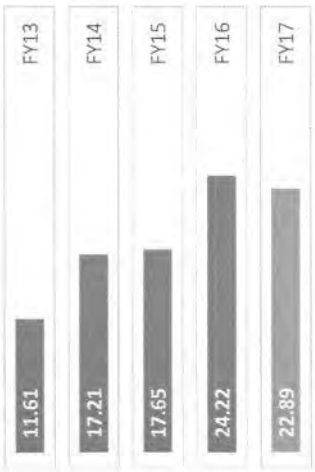
24% CAGR

PAT (₹ Mn)



17% CAGR

Basic EPS (₹)



18% CAGR

FY16		FY17
13.09%	←RoE→	11.54%
17.63%	←RoCE→	15.44%

FY16		FY17
24	←Net Debt (₹ Mn)→	-718
0.01x	←Net Debt/EBITDA→	-0.39x

UFO MOVIEZ INDIA LIMITED

UFO
digital cinema

LETTER TO SHAREHOLDERS



Dear Shareholders,

Fiscal 2017 was another eventful year. The Government's decision to demonetize high currency notes had a transient impact on business performance, however we know that the fundamental mission of this move was to support long term economic growth of India. Also, the passage of the Goods and Services Tax bill and its recent implementation on July 1, 2017 are expected to positively contribute to India's long term goals despite short term challenges. We believe that the growing economic activity will present more prospects, and we are well placed to embrace emerging opportunities to continue growing.

During the year, we made significant progress towards achieving our long term goals. We delivered healthy operating cash flows and also declared 100% dividend for the fiscal year 2017, representing our second consecutive annual dividend with an increased payout since listing in May 2015.

Our advertising business maintained healthy momentum despite the impact of demonetization in the second half of fiscal 2017. Advertisement revenues grew 13.4% during the year driven by both increase in advertisement inventory utilization and average realization. Going forward, the advertisement inventory utilization has enormous head room for delivering growth from the current level of 4.34 minutes per screen per show. Our sales team continued to grow the new client base while focusing on strengthening engagements with existing clients. The hyperlocal advertising solution - UFO Framez also gained healthy traction during the year, and while UFO Framez' contribution remained small, it is expected to be one of the drivers which will propel the in-cinema advertising growth in the foreseeable future.

"With over 4,000 in-cinema advertisement screens, UFO Moviez is a prominent media Company that operates India's largest in-cinema advertising network of screens."

UFO MOVIEZ INDIA LIMITED

Our advertising business is getting stronger, the advertising network has grown from 3,713 screens as on March 31, 2016 to 3,745 screens as on March 31, 2017. Recently we also entered into a strategic tie up with United Media Works under which we have acquired exclusive long term advertising rights of over 300 screens increasing UFO's screen strength to over 4,000 screens in fiscal 2018.

Fiscal 2017 was a tough year for Caravan Talkies, demonetization adversely impacted this business. Despite the major setback, we were able to contain operating losses during the year led by cost optimization initiatives. With the impact of demonetization behind us, and increased economic activity in rural India, Caravan Talkies has started witnessing healthy traction and is expected to deliver strong operating performance going forward.

Our asset light franchisee theater business NOVA Cinemaz saw the launch of our first NOVA Cinemaz branded theater in Punjab during the year. Subsequently, we also launched the second theater in Maharashtra. The objective of NOVA Cinemaz is to drive organic screen growth in the Country in the long term which would serve as a captive customer base for UFO's core business offering.

As fiscal 2018 begins, we certainly think that in-cinema advertising industry stands at an inflection point where it is starting to take off. In-cinema advertising is identified as an impact advertising platform and an increasing trend towards impact advertising is emerging. With over 4,000 in-cinema advertisement screens, UFO Moviez is a prominent media Company that operates India's largest in-cinema advertising network of screens. UFO's extensive reach with high flexibility over the advertising process positions us well to lead, capitalize on opportunities and drive long term growth of the Company.

In conclusion, UFO over the last decade has made a significant impact and has become more relevant to all stakeholders. Looking to the future, we have every confidence that we will deliver on our commitments to our shareholders, clients, employees and stakeholders. We want to thank our shareholders for their unconditional support. We would also like to thank the employees and the senior leadership team for their sincere efforts and valued contribution and for showing remarkable capabilities, discipline, determination and skills.

Thank you all for your continued support and best wishes.

Warm Regards,

Sanjay Gaikwad
Founder & Managing Director

Kapil Agarwal
Joint Managing Director

UFO MOVIEZ INDIA LIMITED

UFO digital cinema

CORPORATE INFORMATION

Board of Directors

Sanjeev Aga	Chairman & Independent Director
Ameya Hete	Non-Executive Director
Kapil Agarwal	Joint Managing Director
Lynn de Souza	Independent Director
Raaja Kanwar	Non-Executive Director
S. Madhavan	Independent Director
Sanjay Gaikwad	Managing Director
Varun Laul	Non-Executive Director

Chief Financial Officer

Ashish Malushte

Company Secretary

Sameer Chavan

Auditors

S.R. Batliboi & Associates LLP, Chartered Accountants

Bankers

HDFC Bank Limited
Yes Bank Limited

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Financial District
Nanakramguda, Gachibowli, Hyderabad – 500 032
Tel No.: 040 6716 2222; Fax No.: 040 2300 1153
Toll Free No.: 1800 345 4001
Email: einward.ris@karvy.com

Registered and Corporate Office

Valuable Techno Park, Plot No.53/1, Road No.07,
Marol MIDC, Andheri (East),
Mumbai- 400 093
Tel: 022 4030 5060
Email: investors@ufomoviez.com
Website: www.ufomoviez.com

Corporate Identity Number

L22120MH2004PLC285453

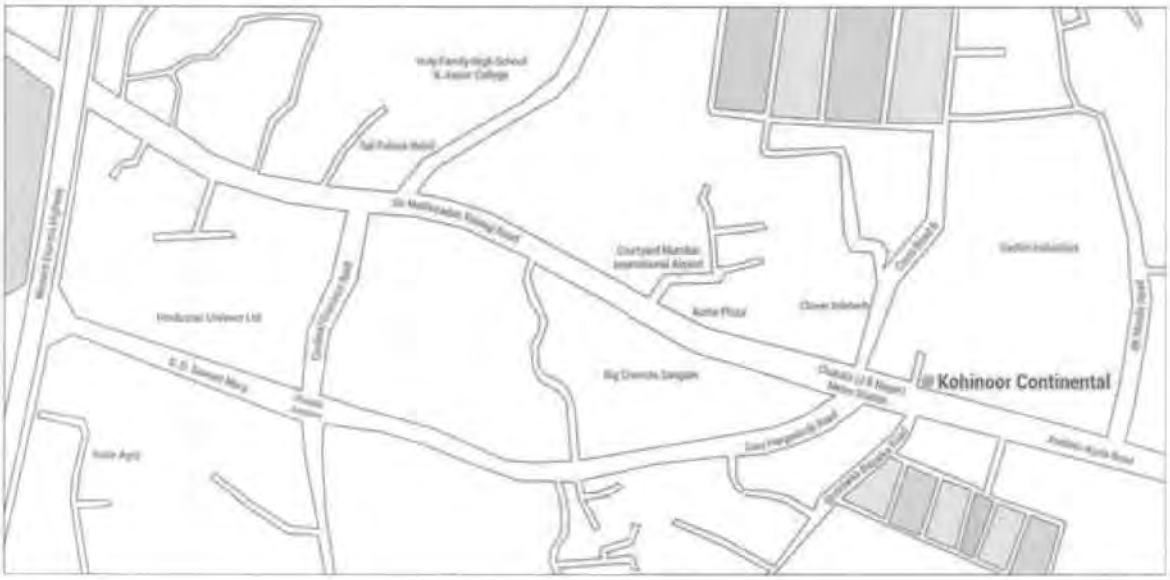
ANNUAL GENERAL MEETING

Date : Tuesday, September 26, 2017

Time : 11:00 a.m.

Venue : Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059

ANNUAL GENERAL MEETING VENUE - ROUTE MAP



UFO MOVIEZ INDIA LIMITED

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of UFO Moviez India Limited ("the Company") will be held on Tuesday, the 26th day of September 2017 at 11:00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 to transact the following business(es):

Ordinary Business

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of ₹ 10 per equity share.
3. To appoint a Director in place of Mr. Ameya Hete (DIN No. 01645102), who retires by rotation, and being eligible, offers himself for re-appointment.
4. Ratification of appointment of Statutory Auditors:

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), S.R. Batliboi & Associates LLP, Chartered Accountants, having ICAI Firm Registration No.101049W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year ending March 31, 2018, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to the applicable taxes and reimbursement of actual out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or the duly appointed company secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Special Business:

5. **Re-appointment of Mr. Sanjeev Aga (DIN: 00022065) as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sanjeev Aga, (DIN: 00022065) Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

   RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Mr. Sanjeev Aga for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

   RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

6. **Re-appointment of Ms. Lynn de Souza (DIN: 01419138) as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Lynn de Souza (DIN: 01419138), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

   RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Ms. Lynn de Souza for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the

Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

7. **Re-appointment of Mr. S. Madhavan (DIN: 06451889) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. S. Madhavan (DIN: 06451889), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Mr. S. Madhavan for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

8. **Approval of the fees for delivery of documents through specific mode of delivery on request of the member(s).**

To consider and, if thought fit, to pass the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the member.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

By order of the Board of Directors

Sameer Chavan
Company Secretary
M. No. F7211

Date : July 11, 2017
Place : Mumbai

Notes:

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses under Item Nos. 5 to 8 of the accompanying Notice is annexed hereto. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard – 2 issued by Institute of Company Secretaries of India as notified by the Central Government on General Meetings in respect of Directors seeking appointment or re-appointment at the Annual General Meeting is furnished as Annexure to the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. A form of proxy is enclosed to this Notice. No instrument of proxy shall be valid unless:

   (i) it is signed by the Member or by his/her attorney duly authorised in writing or, in the case of joint

holders, it is signed by the Member first named in the Register of Members or his/her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any Member, who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank.

(ii) it is duly filled, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.

5. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

6. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Computershare Private Limited having their office premises at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Andhra Pradesh, India.

7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 01.00 p.m. except Saturday, Sunday and public holidays, up to the date of the Annual General Meeting.

8. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, September 19, 2017 to Tuesday, September 26, 2017 (both days inclusive).

9. Dividend, if declared, will be paid after Wednesday, September 27, 2017 to those members whose names will appear on the Register of Members of the Company and, in respect of those members who hold shares in the electronic form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) or to their mandate as of the close of business on Monday, September 18, 2017.

10. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules thereon. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH -13 duly filled in to Karvy Computershare Private Limited at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Karvy Computershare Private Limited / the Company immediately.

11. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2016-17 are being sent by e-mail to those members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/her Depository Participant / the Company's Registrar & Share Transfer Agents, M/s. Karvy Computershare Private Limited, as the case may be.

12. Members are requested to: a) intimate to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited at the abovementioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form; b) intimate to the respective Depository Participants, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form; c) quote their folio numbers / DP ID Client ID in all correspondence; d) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

13. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her query to the Company at least between seven working days prior to the meeting, so that the required information can be made available at the meeting.

14. Pursuant to the provision of the Companies Act, 2013,the amount of unpaid / unclaimed dividends for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (hereinafter referred to as 'IEPF') established by the Central Government.

    In accordance with provisions of the said Section, no claim shall lie against the Company or the fund in respect of individual amounts of dividend remaining unclaimed for a period of seven years from the dates they became first due for payment and no payment shall be made in respect of any such claims. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company http://www.ufomoviez.com/ and on the website of the Ministry of Corporate Affairs.

15. The due date of transferring unclaimed and unpaid dividend declared by the Company to IEPF:

Equity dividend for FY	Date of declaration of dividend	Date by which unclaimed dividend can be claimed	Proposed period for transfer of unclaimed equity dividend to IEPF
2015-16 (Interim)	March 11, 2016	April 9, 2023	From 10 April, 2023 to May 9, 2023
2015-16 (Final)	September 14, 2016	October 13, 2023	From October 14, 2023 to November 12, 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid dividend are requested to make their claim to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited well in advance to the above due date.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited. Non-Resident Indian members are requested to inform Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited, immediately of: (i) Change in their residential status on return to India for permanent settlement; (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

17. Payment of Dividends through electronic mode: In terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, listed companies shall mandatorily make all payments to investors including dividend to shareholders, by using any the Reserve Bank of India approved electronic mode of payment viz, electronic clearance services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. We, therefore, request you to do the following: (i) In case of holding of shares in demat form, update your bank account details with your Depository Participants (DP) immediately. (ii) In case of physical shareholding, submit bank details along with photocopy of the cancelled cheque of your account to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited at its office at Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032.

    This will facilitate the remittance of the dividend account amount as directed by SEBI in the Bank Account electronically.

18. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(a) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

i. Launch internet browser by typing the URL:https://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #,$, etc.,).The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with

attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at dmz@dmzaveri.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format **"Corporate name_event no."**

(b) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

(i) E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.

(ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

19. **Voting at Annual General Meeting (AGM) Venue:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through ballot shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however, those Members are not entitled to cast their vote again in the Meeting.

20. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

21. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. B Srinivas (Unit: UFO Moviez India Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at einward.ris@karvy.com or phone no. 040 – 6716 2222 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

22. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

23. The remote e-voting period commences on Thursday, September 21, 2017 (09.00 am) and ends on Monday, September 25, 2017 (05.00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 19, 2017 may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

24. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 19, 2017.

25. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting i.e., Tuesday, September 19, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:

(i) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

(ii) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(iii) Member may call Karvy's toll free number 1800-3454-001.

(iv) Member may send an e-mail request to einward.ris@karvy.com. However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.

26. Mr. Dharmesh Zaveri, Practicing Company Secretary (FCS: 5418 CP: 4363), has been appointed as Scrutinizer to scrutinize the voting process in a fair and transparent manner.

27. The Scrutinizer after scrutinizing the votes cast at the Meeting through ballot or polling paper and through remote e-voting, shall within 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

28. The results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company (www.ufomoviez.com) and on the website of the Karvy (https://evoting.karvy.com). The results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited.

29. The resolutions shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, September 26, 2017 subject to receipt of the requisite number of votes in favour of the resolutions.

30. The route map showing directions to reach the venue of the Annual General Meeting is annexed.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

For Item no. 5 to 7

The Members of the Company, at the Extra-Ordinary General Meeting held on November 20, 2014 had approved the appointment of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company, whose term is due to expire on November 19, 2017.

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The brief profile of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan is given below:

Mr. Sanjeev Aga – Mr. Sanjeev Aga is the Chairman and Independent Director of the Company. He did his B.Sc. (Honours) Physics from St. Stephen's College, Delhi University, and P.G.D.M. from the Indian Institute of Management, Calcutta. In his work career he has been the Managing Director of BlowPlast Ltd, of Aditya Birla Nuvo Ltd, and of Idea Cellular Ltd. He now serves on the boards of reputed companies in a non-executive capacity.

Ms. Lynn de Souza – Ms. Lynn de Souza is an Independent Director of the Company. She has a bachelor's degree in economics from the University of Mumbai and a master's degree in management studies, specialising in marketing from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She is also a certified veterinary nurse from TAFE, Brisbane Australia. Prior to joining the Company, she was associated with Lintas India Private Limited, as Chairman and CEO of Lintas Media Group.

Mr. S. Madhavan – Mr. S. Madhavan is an Independent Director of the Company. He has a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and is a certified Chartered Accountant. He has worked with Hindustan Unilever earlier and before joining the Company Board, he was a senior partner with PricewaterhouseCoopers.

In the opinion of the Board, Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan fulfill the conditions and criteria specified in the Act for their appointment as independent directors of the company. As on March 31, 2017 except Mr. S. Madhavan who was holding 1,500 equity shares of the Company (as on date 2,500 equity shares), none of the Independent Directors of the Company was holding any equity shares of the Company as on March 31, 2017 or as on date.

The Company has received notice under Section 160 of the Act from members of the Company along with requisite deposit proposing candidature of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company.

In line with the aforesaid provisions of the Act and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan, it is proposed to re-appoint them for the second term as Independent Directors on the Board of the Company for a period of five years upto November 19, 2022. Accordingly, the Board recommends passing of the Resolution at Item No. 5, 6 and 7 of the Notice respectively as a Special Resolution.

Copy of the draft letter for appointment of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on all working days between 11.00 a.m. to 01.00 p.m. except Saturday, Sunday and public holidays, up to the date of the Annual General Meeting.

Except Mr. Sanjeev Aga, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Except Ms. Lynn de Souza, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Except Mr. S. Madhavan, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

For Item no. 8

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the Special Resolution at Item No. 8 of the accompanying Notice for members approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

Details of the Director seeking re-appointment in the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2.

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
Date of Birth and Age	November 28, 1975 41 years	February 1, 1952 65 years	October 26, 1960 56 years	October 27, 1956 60 years
Date of Initial Appointment	October 17, 2008	November 20, 2014.	November 20, 2014.	November 20, 2014.
Qualification	Holds a bachelor's degree in industrial engineering from the University of Nagpur and a master's degree in industrial engineering from the Binghamton University, New York, United States of America.	B.Sc.(Honours) Physics,St. Stephen's College, Delhi University. P.G.D.M., Indian Institute of Management, Calcutta.	Holds a bachelor's degree in economics from the University of Mumbai and a master's degree in management studies, specialising in marketing from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She is also a certified veterinary nurse from TAFE, Brisbane Australia.	Holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and is a certified Chartered Accountant.
Experience and Expertise in specific functional areas	More than 18 years of experience in the field of engineering and general corporate management.	Over 44 years in general management in top leadership positions.	Over 25 years in marketing through media planning, buying, research and management, with some stopovers into integrated communications, knowledge management, training and healthcare, and a permanent passion for serving animals in distress. Now serving the social sector through communications.	More than 37 years of experience in the field of finance, taxation, accounts, strategy, and general Corporate Management
No. of meetings of the Board attended during the financial year 2016-17.	6 out of 7	6 out of 7	6 out of 7	6 out of 7
List of Directorship of Board as on March 31, 2017.	1. Valuable Reserves (India) Private Limited 2. Avista Multiventures Private Limited 3. Ve-comm Software Private Limited 4. Valuable Infra-Tech Private Limited 5. Valuable Media Limited 6. Valuable Infrastructure Private Limited 7. Valuable Innovations Private Limited 8. Valuable Edutainment Private Limited	1. Idea Cellular Limited 2. Pidilite Industries Limited 3. Mahindra Holidays & Resorts India Limited 4. Mahindra Logistics Limited 5. UFO Moviez India Limited 6. Manjushree Technopack Limited 7. Larsen and Toubro Limited 8. Larsen & Toubro Infotech Limited	1. Social Access Communications Private Limited 2. Goa Society for Prevention of Cruelty to Animals 3. The Navy Blue Foundation 4. Federation of Indian Animal Protection Organisation 5. UFO Moviez India Limited 6. Scrabble Entertainment Limited 7. Southern Digital Screenz India Private Limited 8. Infiniti Retail Limited	1. HCL Technologies Limited 2. Shopkhoj Content Private Limited 3. UFO Moviez India Limited 4. Scrabble Entertainment Limited 5. Southern Digital Screenz India Private Limited 6. CBIX Technology Solutions Pvt. Ltd. 7. Multiples LLP (Partner)

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
	9. Impact Media Exchange Limited 10. M5 Media Investments Private Limited 11. Sky N Land Video Networks Private Limited 12. Valuable Technologies Limited 13. Spadeworx Software Services Private Limited 14. Titbit Interactive Systems Private Limited 15. Goldencrest Financial Services Private Limited 16. Qwik Entertainment India Limited 17. Asiastar City Holdings Private Limited 18. UFO Moviez India Limited 19. Valuable Technologies Inc, USA 20. Titbit Global Pte Ltd 21. Bluebird Entertainment Pte Ltd. 22. AH Technologies LLC. (Partner) 23. Titbit Inc. 24. Valuable Infocom Ltd., Hong Kong.			
List of Membership / Chairmanship of as on March 31, 2017.	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Nomination and Remuneration Committee-Member 2. Finance Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Chairman 2. Nomination and Remuneration Committee-Member 3. Compensation Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Member 2. Corporate Social Responsibility Committee -Member 3. Compensation Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Member 2. Nomination and Remuneration Committee-Chairman 3. Compensation Committee-Chairman

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
		Pidilite Industries Limited 1. Stakeholders Relationship Committee-Chairman 2. CSR Committee-Chairman Idea Cellular Limited 1. Finance Committee-Member 2. Shareholders Grievance Committee-Member 3. Securities Allotment Committee-Member Mahindra Holidays & Resorts India Limited 1. Audit Committee-Member 2. Strategy & Review Committee-Member 3. Investment Committee-Member Mahindra Logistics Limited 1. Audit Committee-Member 2. Remuneration Committee-Member 3. MLL Key Exec Stock Option Scheme-2013-Member Larsen and Toubro Limited 1. Audit Committee-Member	Scrabble Entertainment Limited 1. Audit Committee-Member 2. Nomination and Remuneration Committee-Member 3. Corporate Social Responsibility Committee -Member Southern Digital Screenz India Private Limited 1. Audit Committee-Member 2. Nomination and Remuneration Committee-Member Infiniti Retail Limited 1. Audit and Risk Management Committee -Member 2. Corporate Social Responsibility Committee-Member 3. Committee of the Board - Member	Scrabble Entertainment Limited 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Chairman Southern Digital Screenz India Private Limited 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Chairman HCL Technologies Limited 3. Stakeholders Relationship Committee-Chairman 4. Audit Committee-Member 5. Risk Management Committee-Member 6. Finance Committee-Chairman 7. Corporate Social Responsibility Committee-Member
Shareholding in the Company as on date	217,797 equity shares	Nil	Nil	2,500 equity shares
Relationship with other directors, manager and Key Managerial Personnel of the Company	No Relation	No Relation	No Relation	No Relation

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Mr. Ameya Hete is a Non-executive, Non-independent Director of the Company. Remuneration sought to be paid -Nil. Remuneration paid during financial year 2016-17-Nil	Mr. Sanjeev Aga is Chairman, Non-executive and Independent Director of the Company. Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17- ₹ 35 lacs.	Ms. Lynn de Souza is Non-executive and Independent Director of the Company Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17- ₹ 20 lacs.	Mr. S. Madhavan is Non-executive and Independent Director of the Company Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17- ₹ 20 lacs.
Justification for choosing the appointee for the appointment as Independent Directors	NA	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.

By order of the Board of Directors

Sameer Chavan
Company Secretary
M. No. F7211

Date : July 11, 2017
Place : Mumbai

Registered Office Address:
Valuable Techno Park, Plot No. 53/1,
Road No. 7, MIDC, Marol,
Andheri (East), Mumbai – 400 093,
Maharashtra, India
E-mail:investors@ufomoviez.com
CIN: L22120MH2004PLC285453

UFO MOVIEZ INDIA LIMITED

DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting the thirteenth report on the business and operations of your Company for the year ended March 31, 2017.

RESULT OF OPERATIONS

The financial performance of your Company on a standalone and consolidated basis for the year ended March 31, 2017 is summarized below:

(In ₹ Mn)

Particulars	Standalone			Consolidated		
	FY17	FY16	Growth	FY17	FY16	Growth
Revenue from Operations	3,861	3,490	10.6%	5,949	5,655	5.2%
Other Operating Income	6	6	-20.1%	23	46	-50.0%
Other Income	6	12	-47.2%	17	20	-19.2%
Total Income	**3,873**	**3,508**	**10.4%**	**5,989**	**5,721**	**4.7%**
Total Expenses	**2,587**	**2,235**	**15.7%**	**4,144**	**3,873**	**7.0%**
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	**1,286**	**1,273**	**1.0%**	**1,845**	**1,848**	**-0.2%**
EBITDA Margin	33.2%	36.3%		30.8%	32.3%	
Depreciation and Amortisation	615	588	4.6%	838	774	8.2%
Earnings before Interest and Tax (EBIT)	**671**	**685**	**-2.1%**	**1,007**	**1,074**	**-6.2%**
Finance Cost	69	98	-30.0%	102	140	-27.1%
Finance Income	(165)	(137)	20.4%	(54)	(47)	14.5%
Profit before Tax (PBT)	**767**	**724**	**5.9%**	**959**	**981**	**-2.2%**
Tax	224	214	4.6%	362	346	4.6%
Profit after Tax (PAT)	**543**	**510**	**6.5%**	**597**	**635**	**-5.9%**
Profit from Associates	-	-		69	39	-75.2%
Minority Interest	-	-		(34)	(39)	12.7%
Profit after Tax, Profit from Associates & Minority Interest	**-**	**-**	**-**	**632**	**635**	**-0.5%**

For a detailed analysis of the financial performance, please refer to the "Management Discussion and Analysis" Section, forming part of the Annual Report.

There are no material changes or commitments affecting the financial position of the Company between the end of the Financial Year in question and the date of this report.

DIVIDEND

Based on the Company's performance, the directors are pleased to recommend for approval of the members a dividend of ₹ 10.00 per share for the financial year 2016-17. The dividend on equity shares, if approved by the members, would involve a cash outflow of ₹ 332.20 Mn including dividend tax resulting in a payout of 61.20% of the standalone profits of the Company.

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2017, was ₹ 276,008,010. During the year under review, the Company has allotted 101,425 equity shares pursuant to the exercise of the rights granted to the employees of the Company under the Employee Stock Option Scheme 2006 and the Employee Stock Option Scheme 2010, to convert their employee stock options into equity shares. The Company has



not issued any shares with differential voting rights. Also, during the year under review, the Company has not issued any sweat equity shares. As of March 31, 2017, none of the Directors of the Company hold instruments convertible into equity shares of the Company except stock options granted under the relevant employee stock option schemes of the Company.

EMPLOYEE STOCK OPTIONS

During the year under review, employees had exercised employee stock options granted to them under the Employee Stock Option Scheme 2006 and the Employee Stock Option Scheme 2010. Pursuant to the exercise of options by employees, your Company had allotted 2,736 equity shares under the Employee Stock Option Scheme 2006 and 98,689 equity shares under the Employee Stock Option Scheme 2010 to the employees against the same numbers of options exercised by them. As on date there are no outstanding options under Employee Stock Option Scheme 2006 and Employee Stock Option Scheme 2010, and both schemes stand terminated.

Currently, the Company operates the Employee Stock Option Scheme 2014, which is compliant with SEBI ESOP Regulations.

During the year under review, the Company has not granted any employee stock options under employee stock options schemes of the Company.

The details of employee stock options form part of the notes to accounts of the financial statements in the Annual Report and also available on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report.

PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as "Annexure-1" to this report.

FINANCIAL STATEMENTS

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on a historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of the underlying transactions and to reasonably present the state of affairs as on March 31, 2017 and the profits and cash flows of the Company for the year ended March 31, 2017.

There is no qualification in the standalone or in the consolidated financial statements by the Statutory Auditors for the year under review. The Statutory Auditors have, in their report to the Board of Directors on the financial statements of the Company made the comments which are categorized as "Matter of emphasis", which are self-explanatory and hence no comments in this regard have been offered by your directors.

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals which impact the Company's going concern status and its operations in future.

SCHEME OF ARRANGEMENT

The petition for sanction of the Scheme of Arrangement among Southern Digital Screenz India Private Limited, V. N. Films Private Limited, Edridge Limited, UFO International Limited ("Transferor Companies") and UFO Moviez India Limited ("Transferee Company") and their respective shareholders and creditors is pending before the National Company Law Tribunal.

Following are the key features of the Scheme of Arrangement:

i. The Transferor Companies viz. Southern Digital Screenz India Private Limited, V. N. Films Private Limited, Edridge Limited, UFO International Limited are wholly owned subsidiaries of UFO Moviez India Limited. With a view of consolidating the digital cinema business, it is proposed that the Transferor Companies be merged with UFO Moviez India Limited.

ii. The amalgamation will also result in reduction in multiplicity of legal entities and thereby reduction in regulatory compliances required at present and will also

enhance its ability to compete effectively in the highly competitive digital cinema market in India.

iii. The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.

iv. The amalgamation shall be accounted for in the books of account of the Transferee Company according to the "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations'.

v. Appointed Date" for the Scheme is: a) for the purpose of this scheme relating to amalgamation of Transferor Company 1 (i.e. Southern Digital Screenz India Private Limited) with the UFO Moviez India Limited means July 1, 2016 and b) for the purpose of this scheme relating to amalgamation of Transferor Company 2 (i.e. , V. N. Films Private Limited), Transferor Company 3 (i.e. Edridge Limited) and Transferor Company 4 (i.e. UFO International Limited) with UFO Moviez India Limited means April 1, 2016.

vi. Upon the Scheme coming into effect, the debit balance in profit and loss account of Transferor Companies and the difference arising on account of net assets and reserves acquired and the cancellation of investments in the Transferor Companies shall be adjusted against Securities Premium of the UFO Moviez India Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015'), the Management Discussion and Analysis is set out in the Annual Report.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

At the beginning of the year, your Company had 6 direct subsidiaries, 10 step-down subsidiaries, 4 associates, and 1 joint venture. During the year under review, the joint venture company has become the associate of the Company.

During the year under review, the Board of Directors reviewed the affairs of the subsidiaries. The consolidated financial statements of the Company and all its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013, and form part of the Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiaries of the Company in the prescribed format AOC- 1 is attached to the financial statements. The statement also provides the details of performance and financial position of each of the subsidiaries, associates and joint ventures.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx These documents are also available for inspection during business hours at the Company's registered office in Mumbai, India.

During the year under review, the Company has made an investment of ₹ 140 Mn in Southern Digital Screenz India Private Limited (SDS), a subsidiary company of the Company, by purchasing 680,117 (representing 15.82% of equity share capital of SDS) equity shares from existing shareholders of SDS. Post this acquisition, SDS became a wholly owned subsidiary of the Company.

The Board of Directors of the Company in its meeting held on May 17, 2017 has approved purchase of 66,609 equity shares of Scrabble Entertainment Limited (Scrabble), a subsidiary company of the Company, from the existing equity shareholder of Scrabble at a total consideration of ₹ 145.34 Mn. After completion of share transfer formalities Scrabble will become wholly owned subsidiary of the Company.

CORPORATE GOVERNANCE

The Corporate Governance Report for the financial year ended March 31, 2017, forms part of the Annual Report.

BOARD DIVERSITY

Your Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives, appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at the Board level as an essential element in maintaining competitive advantage. A truly diverse Board will include and make good use of the differences in the skills, regional and industry experience, and background among directors. These differences are considered in determining the optimum composition of the Board. The Board has adopted a Board Diversity Policy which sets out its approach in this regard. The Board Diversity Policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

NUMBER OF MEETINGS OF THE BOARD

The Board met 7 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two consecutive board meetings was within the period prescribed by the Companies Act, 2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an optimum combination of executive and non-executive directors with an independent, non- executive chairman to maintain the independence of the Board, and to separate the functions of governance and management in the Company.

As on March 31, 2017, the Board consisted of eight members, two of whom are executive directors and six are non-executive directors. Out of the six non-executive directors, three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining the qualifications, the positive attributes, independence and other matters, provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as "Annexure-2" to this report. The remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and under the SEBI (LODR) Regulations, 2015.

BOARD EVALUATION

Regulation 4(2)(f) the SEBI (LODR) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance evaluation of all the individual directors, the Board as a whole and that of its committees was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as recommended by the Chairman of the Nomination and Remuneration Committee.

TRAINING OF INDEPENDENT DIRECTORS

The Company familiarizes its Directors including independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The familiarization programme for Independent Directors is disclosed on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The Managing Director and the Joint Managing Director also have one-on-one discussion with the Directors on a regular basis. In addition, the Senior Management of the Company interacts regularly with the Directors both individually and collectively. The above initiatives help the Directors to understand and keep themselves updated about the Company, its business and the regulatory framework in which the Company operates and equip themselves to effectively fulfill their role as Directors of the Company.

Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The terms and conditions of their appointment are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

INDUCTIONS

There were no fresh appointments of Directors during the year under review.

RETIREMENT AND RE-APPOINTMENTS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Ameya Hete retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The Companies Act, 2013, provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of up to five consecutive years on the board of a company and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Accordingly, all the independent directors, were appointed by the shareholders at the general meeting as required under Section 149(10) for a period of three years with effect from November 20, 2014.

Further, according to Sub-section (11) of Section 149, no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in Sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such independent directors.

The first term of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company will expire on November 19, 2017. The Notice of 13th Annual General Meeting of the Company contains the resolution for their appointment for second term of five years.

RESIGNATIONS

During the year under review, Mr. Biswajit Subramanian has resigned from the Board of the Company due to his other professional commitments. The Board while accepting the resignation has recorded its appreciation and gratitude for the invaluable contributions made Mr. Biswajit Subramanian as Director of the Company.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on July 26, 2016, May 17, 2017 and July 11, 2017 *inter alia*, to

(a) review the performance of the Non-Independent Directors and the Board of Directors as a whole;

(b) review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

(c) assess the quality, content and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

INTERNAL FINANCIAL CONTROLS

Your Company has laid an Internal Control Framework which is commensurate with the size, scale and complexity of its operations. This framework ensures the orderly and efficient conduct of its business, including adherence to the 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. Controls have been identified along with risks and mitigation processes covering major areas across all business and functions. Internal controls was reviewed by Internal Audit Department and based on the evaluation, it was concluded that the Company's internal financial controls are adequate and were operating effectively as of March 31, 2017.

Strengthening of controls is a continuous and evolving process in the Company. Based upon observations, findings and recommendations of the internal audit team, process owners develop preventive and corrective actions which are then deployed across the organization.

COMPOSITION OF AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee of the Company as on March 31, 2017 comprised of three Independent Directors, Mr. Sanjeev Aga, Mr. S. Madhavan and Ms. Lynn de Souza and one Non Executive, Non-Independent Director, Mr. Varun Laul. Mr. Sanjeev Aga is the Chairman of the Committee.

All members of the Audit and Risk Management Committee possess requisite experience and knowledge of accounting and financial management. For further details on the Audit and Risk Management Committee, please refer to the Corporate Governance Report forming part of the Annual Report.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The details of the Whistle blower policy are available on the Company's website under web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx. For further details on the Whistle blower policy please refer to the Corporate Governance Report forming part of the Annual Report.

RISK MANAGEMENT

During the year under review, the Company has developed and implemented Risk Management plans in accordance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Risk Management plans defines the risk management approach of the Company and includes a periodic review of such risks and also the documentation, mitigating measures, and reporting mechanism of such risks.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3) (C) OF THE COMPANIES ACT, 2013

Based upon the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2016-17.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) the financial statements for the financial year ended March 31, 2017 have been prepared on a going concern basis by following the applicable accounting standards, and there is no material departure from the accounting standards;

b) the accounting policies selected were applied consistently and the judgments and estimates related to financial statements have been made on a reasonable and prudent basis so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and are operating effectively; and

e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board has constituted a CSR Committee headed by Mr. Sanjay Gaikwad as Chairman with Ms. Lynn de Souza and Mr. Kapil Agarwal as Members. The Committee is responsible for formulating and monitoring the CSR policy of the Company. The Company has adopted a CSR policy in compliance with the provisions of the Companies Act, 2013.

The average net profit of the Company, computed as per Section 198 of the Companies Act, 2013, during the three immediately preceding financial years was ₹ 480.48 Mn. It was hence required to spend a minimum of ₹ 9.61 Mn on CSR activities during the financial year 2016-17, being 2% of the average net profits of the three immediately preceding financial years.

The Company has contributed an amount of ₹ 15.00 Mn towards CSR activities against its obligation of ₹ 9.61 Mn for the financial year 2016-17.

The annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure-3" forming part of this Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as "Annexure-4" to this report.

GREEN INITIATIVES

Your Company is publishing only the statutory disclosures of the Annual Report in the print version. Additional information is available on the Company's website www.ufomoviez.com. Electronic copies of the Annual Report 2016-17 and Notice of the 13th Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017 and the Notice of the 13th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

AUDITORS

Statutory Auditors

At the Annual General Meeting held on September 4, 2014, S.R. Batliboi & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of S.R. Batliboi & Associates LLP, Chartered Accountants, as statutory auditors of the Company for the financial year 2017-18, is placed for ratification by the members of the Company. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed as auditors of the Company for the financial year 2017-18, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Secretarial Auditor

Mr. Dharmesh Zaveri of D. M. Zaveri & Co., Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the financial year 2016-17, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for financial year 2016-17 forms part of the Annual Report as "Annexure-5" to this report. There are no qualifications or adverse observations by the Secretarial Auditor of the Company for the year under review.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as "Annexure-6" to this report.

HUMAN RESOURCES

Your Directors believe that the key to success of any company are its employees. Your Company has a team of able and experienced professionals, whose dedicated efforts and enthusiasm has been an integral part of your Company's growth. Your Directors would like to place on record their deep appreciation of their continuous effort and contribution to the Company.

Particulars of employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 disclosing the ratio of the remuneration of each director to the median employee's remuneration and such other details is appended as 'Annexure-7" to this report.

A statement containing the names of every employee employed throughout the financial year 2016-17 and in receipt of remuneration for the said financial year which, in the aggregate, was not less than ₹ 1,02,00,000/- and employed for a part of the financial year 2016-17, was in receipt of remuneration for any part of the said financial year, at a rate which, in the aggregate, was not less than ₹ 850,000/- per month and top 10 employees in terms of remuneration, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as 'Annexure-7" to this report.

Policy on prevention, prohibition and redressal of sexual harassment at workplace

The Company has zero tolerance for sexual harassment at workplace, and has adopted a policy against sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the financial year 2016-17.

CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied in the statement. Important factors that could influence the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws, economic developments within the country and other incidental factors.

ACKNOWLEDGMENT

We thank all our customers, vendors, investors, bankers, and all other business partners for their excellent support during the year. We place on record our appreciation of the strong commitment and contribution made by our employees at all levels.

We also take this opportunity to place on record our appreciation for continued co-operation and unstinted support received from the film producers, distributors, exhibitors, and advertisers who have contributed to the success of our Company.

We thank the Central Government and the various State Governments and other Government agencies and bodies for their support, and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

Annexure-1

FORM NO. AOC-2

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit and Risk Management Committee for approval. The policy on Related Party Transactions as approved by the Board is available on the Company's website www.ufomoviez.com

Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Southern Digital Screenz India Private Limited, subsidiary of the Company
(b)	Nature of contracts / arrangements / transactions	(i) Fixed Monthly Rental (ii) Virtual Print Fees (iii) Advertisement Sharing and (iv) Rent Agreement
(c)	Duration of the contracts / arrangements / transactions	For (i) to (iii) originally entered in year 2008 and subsequently amended on dated September 1, 2010 and further amended on August 22, 2011, for a period of 10 years, renewable on similar and mutually agreeable terms.(iv) Rent Agreements for various tenure from 11 months to 5 years.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	(i) Providing Digital Cinema Equipments on lease basis (ii) Software encryption and digital transmission service (iii) Generating and sharing of advertisement revenue (iv) The subsidiary company has granted the permission to use and occupy the leased premises to the Company. Also the Company has granted the permission to the subsidiary company to use and occupy the leased premises. For the value of the transactions, refer the notes to the financial statements forming part of the Annual Report.
(e)	Date(s) of approval by the Board, if any	Not applicable, since the contract was entered into in the ordinary course of business and on an arm's length basis.
(f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Annexure-2

NOMINATION AND REMUNERATION POLICY

The Company's policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which Company's human resources management aligns its recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Policy

The Company considers human resources as one of its most valuable assets. Its objective is to pay such remuneration to its employees as is commensurate with the employees' role and responsibilities and the performance of each of its employees in the Company. The Company has adopted a policy for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and Other Employees, which is aligned to this objective.

The key objectives of this policy are as under:

- To lay down criteria for identifying persons who are qualified to become Directors, KMPs, Senior Management Personnel and Other Employees of the Company.
- To lay down criteria to carry out evaluation of every Director's performance.
- To formulate criteria for determining qualification, positive attributes and independence of a Director.
- To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and Other Employees to work towards the long term growth and success of the Company.

The criteria for identifying persons who are qualified to be appointed as Directors / Committee Members / KMPs / Senior Management Personnel / Other Employees of the Company:

Directors: Section 164 of the Companies Act, 2013 specifies the disqualifications for appointment of director of any company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as a Director of the Company.

The Nomination and Remuneration Committee of the Board of Directors of the Company shall identify the persons who are qualified to become directors and recommend to the board their appointment / re-appointment.

Independent Directors: For appointing any person as an independent Director, he/she should possess qualifications as mentioned in Section 149 of the Companies Act, 2013, Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Agreement.

The Nomination and Remuneration Committee of the Board of Directors of the Company shall identify the persons who are qualified to become independent directors and recommend to the board their appointment / re-appointment.

Committees of the Board: The Nomination and Remuneration Committee of the Board of Directors of the Company shall determine the criteria for selection of the Board Committee members and recommend to the board the members to be appointed to various committees.

KMPs, Senior Management Personnel and Other employees: The Company has an Organogram displaying positions of Senior Management Personnel including KMP and other positions with the minimum qualifications and experience requirements for each position which is commensurate with the size of the Company's business and the nature and complexity of its operations. Any new recruit in the Company has to match the requirements prescribed in the Organogram of the Company.

The selection of KMPs and Senior Management Personnel shall be done by the Human Resource Department of the Company after obtaining approval of the Managing Director / Joint Managing Director.

The details of appointment and cessation of KMPs and Senior Management Personnel shall be placed before the Committee periodically.

The selection of other employees shall be done by the Human Resource Department of the Company after obtaining approval of the functional head of the respective department.

The term/tenure of Directors / KMPs / Senior Management Personnel / Other Employees shall be as per the provisions of the Companies Act, 2013, the Listing Agreement, any prevailing policies of the Company, and the terms of any appointment letters issued to them by the Company.

Structure of remuneration for the executive Directors, KMPs and Senior Management Personnel:

The Executive Directors, KMPs and Senior Management Personnel (other than non-executive Directors) receive Basic Salary and other Allowances/Perquisites/Benefits such as leave travel concession, medical reimbursement, club fees, company maintained car and driver and fuel. They are also entitled to provident fund, gratuity, group term life insurance, group mediclaim insurance and group personal accident insurance. The total salary includes fixed and variable components.

The Company's policy is that the total salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities.
- The level of skill, knowledge and experience of individuals.
- Core performance requirements and expectations of individuals.
- The Company's performance and strategy.

- Legal and commercial obligations and considerations.

The table below depicts the standard components of remuneration package.

Fixed Component		
Basic Salary	Allowances /Perquisites / Benefits such as leave travel concession, medical reimbursement, club fees, company car and driver, fuel and maintenance for company car, group term life insurance, group mediclaim insurance and group personal accident insurance.	Superannuation / statutory contributions to provident fund and group gratuity scheme.

The Executive Directors, KMPs and Senior Management Personnel may also hold and be entitled to stock options of the Company.

The Nomination and Remuneration Committee shall recommend the remuneration of Executive Directors to the Board for its approval.

The management of the Company shall decide the remuneration of KMPs and Senior Management Personnel and update about the same to the Nomination and Remuneration Committee periodically.

Structure of remuneration for non-executive Directors

Non-executive Directors other than the Independent Directors are not currently paid any remuneration by the Company.

Independent Directors are paid remuneration in recognition of the responsibilities, accountability and associated risks of Directors. The total remuneration of Independent Directors may include all, or any combination of following elements:

- Fees for attending meetings of the Board as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the meeting of the Board.
- Fees for attending meetings of committees of the Board as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the meeting of the Board.
- Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board/shareholders from time to time to be payable to any of the Independent Directors.
- Independent Directors are also entitled to payment of travel and other expenses they incur for attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or committees.
- Independent Directors shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and the Listing Agreement.

The managerial remuneration payable by the Company shall be subject to the conditions specified under the Companies Act, 2013 and the Listing Agreement, including in terms of monetary limits, approval requirements and disclosure requirements. Any increase in the maximum aggregate remuneration payable beyond the permissible limit under the Companies Act, 2013 shall be subject to the approval of the shareholders of the Company at a General Meeting by special resolution and/or of the Central Government, as may be applicable.

Structure of Remuneration for Other Employees: The power to decide the structure of remuneration for Other Employees has been delegated to the Human Resource Department of the Company.

Employees of the Company (excluding Managing Director or Whole-time Director) may be paid salary advance and loans etc. as per the Company's HR policies.

Criteria for evaluating performance of Board members, Key Managerial Personnel, Senior Management Personnel

Criteria for evaluating performance of Board members: Section 149 of the Companies Act, 2013 read with Schedule IV of the Act states that (i) the independent directors shall, at their separate meeting, review the performance of non-independent directors and the Board as a whole and (ii) the performance evaluation of independent directors shall be done by the entire Board excluding the director(s) being evaluated. The performance evaluation of the Managing Director and the Joint Managing Director is carried out by the Board on the basis of performance management system and development plan of the Company. Framework for performance evaluation of the Board members, including independent directors, Board committee is specified in the Nomination and Remuneration Policy.

Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel: The performance evaluation of KMPs (excluding Board members) and Senior Management Personnel is carried out by the Managing Director or the Joint Managing Director on the basis of performance management system and development plan of the Company.

Criteria for evaluating performance of Other Employees: The power to decide criteria for evaluating performance of Other Employees has been delegated to the Human Resource Department of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Annexure-3

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013]

Your Company is committed to operate and grow its business in a socially responsible way with a vision to be an environment friendly corporate citizen. The Company has taken up various corporate social responsibility initiatives earlier and will continue to do so in future.

Our CSR vision

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

CSR committee

Your Company has a board committee (CSR Committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. The CSR committee comprises of: Mr. Sanjay Gaikwad as Chairman, Ms. Lynn de Souza and Mr. Kapil Agarwal as Members.

Our focus areas

While your Company strives to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, it proposes to promote activities relating to any of the departments of the Central Government, or any of the State Governments, or any of the Union Territories of India, or any other eligible trusts, with respect to their activities specified in Schedule VII to the Act.

Financial details

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more, or a net profit of ₹ 5 crore or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows:

Sr. No.	Particulars	₹ In Mn
1.	Average net profit of the Company for last three financial years	480.48
2.	Prescribed CSR expenditure (2% of the average net profit as computed above)	9.61
3.	Details of CSR expenditure during the financial year:	
a)	Total amount to be spent for the financial year	9.61
b)	Amount unspent, if any	Nil
c)	The manner in which the amount spent during the financial year is detailed below:	

CSR project or activity identified	Spent during the year towards advertisement activity, (towards Swatch Bharat Abhiyan)
Sector in which the project is covered	Swatch Bharat Abhiyan
Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	PAN India
Amount outlay (Budget) project or program wise	9.61
Amount spent on the projects or programs Sub-heads (1) district expenditure on projects or programs. (2) overheads	15.00
Cumulative expenditure up to the reporting period	15.00
Amount spent direct or through implementing agency	Direct

Our CSR responsibilities

Your directors hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Visit Company's website www.ufomoviez.com for more details related to our CSR Policy.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

Annexure-4

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Particulars pursuant to the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

The Company is in the business of providing digital cinema services and provides digital cinema equipments to the cinema theatres comprising of a sophisticated digital projector and industrial grade digital cinema server supported by a 3KVA UPS system. Typically, digital cinema equipment requires cooling sourced from a 0.75 or 1 ton air conditioner having a power consumption rating of 3KVA. The combined power consumption for a cinema theatre works out to approximately 6KVA which translates into 4.8 Kilo Watts of power consumption per hour. The Company's digital cinema equipments replace the conventional analog projectors which typically operate at 8 to 10 KVA capacity, consuming approximately 6.4 to 8 Kilo Watts of power consumption per hour. Replacement of analog projectors with digital projectors brings substantial savings in power consumption for the cinema theatres. Further, replacement of conventional analog projectors with digital projectors also makes the environment clean by replacing the conventional polyester films used by analog projectors for projection, with digital files used for projection by digital projectors.

B. Research and Development, Technology Absorption, Adaptation and Innovation

The Company provides digital cinema equipments to the cinema theatres, sourced from the equipment manufacturers/ dealers and delivers the film content at the cinema theaters through a two-way VSAT setup across India. To reduce power consumption and time required for delivery of the film content, the Company has developed a low power Download Box which runs for longer periods on available battery back-up. This development has augmented the backup duration. As a process of continuous improvement in the digital cinema services, the Company evaluates and selects the right combination of hardware/software for effective digital cinema services. Adoption of right combination of hardware/software allows the Company to deliver film content with greater speed while maintaining quality and also reduces the file size, which consequently increases the no. of times the film content can be delivered.

The Company is also working on improvements in various other areas of digital cinema services like audio, network operating centre for cinema theater management and theater-end servers.

C. Foreign Exchange Earnings and Outgo

Particulars of foreign exchange earnings and outgo during the year are given in note no. 37, 38 and 40 of the notes to the financial statements forming part of the Annual Report.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Annexure-5

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,
UFO Moviez India Limited.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UFO Moviez India Limited** (hereinafter called **'the Company'**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the UFO Moviez India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('The SEBI'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not relevant / applicable during the year under review)

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not relevant / applicable during the year under review)

  (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not relevant / applicable during the year under review)

  (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Following laws are applicable to the Company in addition to laws mentioned above

(i) The Cinematography Act, 1952

I have also examined compliance with the applicable clauses to the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with BSE Limited the National Stock Exchange of India Limited In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. including other specific laws to the extent applicable to the Company as represented by management mentioned above.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non–Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review;

1. The Company has further invested in Southern Digital Screenz India Private Limited (SDS) pursuant to which SDS, subsidiary Company of the Company has become wholly owned subsidiary of the Company.

2. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1583 lakhs determined to be in excess of the limits specified under Section 197 read with Schedule V of the Act, for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of Employees Stock Options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the Managing and Joint Managing Director during the year ended March 31, 2016.

   Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of Section 197 read with Schedule V of the Act. Accordingly, the Company is in compliance with section 197 of the Act, for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the applications filed with the Central Government. Accordingly, no adjustment have been made to the financial statements.

3. The members have approved by Special resolution revision in remuneration of Mr. Sanjay Gaikwad (Managing Director) and Mr. Kapil Agarwal (Joint Managing Director) with effect from April 1, 2016 until the end of their current tenure.

4. The Company has sought approval of members in court convened meeting held on 16th January 2017 for approval of Scheme of Amalgamation of Southern Digital Screenz India Private Limited, V N Flims Private Limited, Edridge Limited and UFO International Limited with the Company under section 391 to 394 read with Section 100 to 103 and other applicable provisions of Companies Act, 1956 and/or Companies Act, 2013, Companies (Court) Rules, 1959 read with SEBI LODR Regulations.

Place : Mumbai
Date : July 11, 2017

Dharmesh Zaveri
Practicing Company Secretary
(FCS: 5418, CP: 4363)

UFO MOVIEZ INDIA LIMITED

Annexure-6

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L22120MH2004PLC285453
ii)	Registration Date:	June 14, 2004
iii)	Name of the Company :	UFO Moviez India Limited
iv)	Category / Sub-Category of the Company:	Public Company limited by shares
v)	Address of the Registered office and contact details :	Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093. Tel: +91 22 40305060 Fax: +91 22 40305110 E-mail: investors@ufomoviez.com Website: www.ufomoviez.com
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Financial District Nanakramguda, Gachibowli, Hyderabad – 500 032 Tel No.: 040 6716 2222 Fax No.: 040 2300 1153 Toll Free No.: 1800 345 4001 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Digital Cinema Services and related activity	59	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Scrabble Entertainment Limited 3rd Floor, Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093.	U92190MH2008PLC178456	Subsidiary	91.33	2(87) (ii)
2.	Southern Digital Screenz India Private Limited* Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093.	U92120MH2008PTC281163	Subsidiary	100	2(87) (ii)
3.	V N Films Private Limited* 30, National Storage Building, Tulsi Pipe Road, Mumbai – 400 016.	U92490MH2007PTC284657	Subsidiary	100	2(87) (ii)

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	UFO Software Technologies Private Limited 30, National Storage Building, Tulsi Pipe Road, Mumbai – 400 016	U74899MH2005PTC284653	Subsidiary	95.97	2(87) (ii)
5.	Valuable Digital Screens Private Limited 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai	U72900MH2006PTC163092	Subsidiary	80	2(87) (ii)
6.	Edridge Limited* 12 Zinonos Sozou, 1075 Nicosia, Cyprus	Registration No.: HE 174845	Subsidiary	100	2(87) (ii)
7.	UFO International Limited* 12 Zinonos Sozou, 1075 Nicosia, Cyprus	Registration No.: HE 180142	Subsidiary	100	2(87) (ii)
8.	United Film Organisers (UFO) (Mauritius) Private Limited C/o First Island Secretarial Limited, Court, Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius	Registration No.: C071429	Subsidiary	100	2(87) (ii)
9.	United Film Organisers Nepal Private Limited Shova Complex, 344/41, Dhobidhara Marg, Kamalpokari, Kathmandu, Nepal.	Registration No.: 48014	Subsidiary	100	2(87) (ii)
10.	UFO Lanka (Private) Limited No. 12, Rotunda Gardens, Colombo 03.	Registration No.: PV 62107	Subsidiary	100	2(87) (ii)
11.	UFO Europe Limited 12 Zinonos Sozou, 1075 Nicosia, Cyprus. [Strike Off]	Registration No.: HE 181371	Subsidiary	100	2(87) (ii)
12.	Scrabble Entertainment (Mauritius) Limited 6th Floor, Tower A, 1 Cyber City, Ebene, Republic of Mauritius	Registration No.: C105426	Subsidiary	100	2(87) (ii)
13.	Scrabble Entertainment DMCC Units No.2405 & 2406, 1-Lake Plaza, Plot No. PH2-T2, Jumeirah Lakes Towers, Dubai, U.A.E.	Registration No.: JLY2591	Subsidiary	100	2(87) (ii)
14.	Scrabble Entertainment (Lebanon) Sarl Achrafieh, Beirut.	Registration No.: 10151121	Subsidiary	100	2(87) (ii)
15.	Scrabble Entertainment (Israel) Limited Rival 7 Tel Aviv, Israel 67778. [Under Liquidation]	Registration No.: 514 787 779	Subsidiary	100	2(87) (ii)
16.	Scrabble Digital INC 10550 Camden Drive, Cypress, California 90630.	Registration No.: C3546619	Subsidiary	100	2(87) (ii)

UFO MOVIEZ INDIA LIMITED

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
17.	Scrabble Digital Limited 501,503,504,509, Fifth Floor, Janki Centre, Off Veera Desai Road, Andheri (West), Mumbai- 400 053	U74999MH2011PLC213170	Associate	33.33	2(6)
18.	Scrabble Digital DMCC Post Box 51899, 2301 and 2308.	Not Applicable	Associate	33.33	2(6)
19.	Scrabble Ventures LLC 10550 Camden Drive, Cypress, California 90630.	Not Applicable	Associate	30.00	2(6)
20.	Scrabble Ventures, S. de R.L. de C.V., Mexico Paseo de las Palmas 405, 1901 Lomas de Chapultec I Seccion, Miguel Hidalgo Distrito Federal 11000.	Not Applicable	Associate	30.00	2(6)
21.	Mukta V N Films Limited Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai- 400 065	U74120MH2013PLC244220	Associate	45.00	2(6)

**[The petition for sanction of the Scheme of Arrangement among Southern Digital Screenz India Private Limited, V.N. Films Private Limited, Edridge Limited, UFO International Limited ("Transferor Companies") and UFO Moviez India Limited ("Transferee Company") and their respective shareholders and creditors is pending before the National Company Law Tribunal.*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter And Promoter Group									
(1) Indian									
a) Individual /HUF	682,063	-	682,063	2.48	481,695	-	481,695	1.75	(0.73)
b) Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	7,283,657	-	7,283,657	26.49	7,283,657	-	7,283,657	26.39	(0.10)
d) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub-Total A(1) :	**7,965,720**	**-**	**7,965,720**	**28.97**	**7,765,352**	**-**	**7,765,352**	**28.13**	**(0.83)**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-

UFO MOVIEZ INDIA LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total A=A(1) + A(2)	**7,965,720**	**-**	**7,965,720**	**28.97**	**7,765,352**	**-**	**7,765,352**	**28.13**	**0.83**
(B) Public Shareholding									
(1) Institutions									
a) Mutual Funds /UTI	4,268,345	-	4,268,345	15.52	5,926,944	-	5,926,944	21.47	5.95
b) Financial Institutions /Banks	3,574	-	3,574	0.01	22,050	-	22,050	0.08	0.07
c) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	758,882	-	758,882	2.76	652,427	-	652,427	2.36	0.40
f) Foreign Institutional Investors	1,889,267	-	1,889,267	6.87	896,920	-	896,920	3.25	(3.62)
g) Foreign Venture Capital Investors	5,251,608	-	5,251,608	19.10	5,251,608	-	5,251,608	19.03	(0.07)
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	**12,171,676**	**-**	**12,171,676**	**44.26**	**12,749,949**	**-**	**12,749,949**	**46.19**	**1.93**
(2) Non-Institutions									
a) Bodies Corporate	918,294	-	918,294	3.34	1,246,186	-	1,246,186	4.52	1.18
b) Individuals									
i) Individuals holding nominal share capital upto ₹1 lakh	1,418,458	31,572	1,450,030	5.27	2,345,988	17949	2,363,937	8.56	3.29
ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	1,585,931	279,240	1,865,171	6.78	2,552,927	10500	2,563,427	9.29	2.50
c) Others									
Clearing Members	121,352	-	121,352	0.44	236,734	-	236,734	0.86	0.42
Foreign Bodies	2,664,879	313,341	2,978,220	10.83	313,341	-	313,341	1.14	(9.69)

UFO MOVIEZ INDIA LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NBFC	-	-	-	-	37,225	-	37,225	0.13	0.13
Non-Resident Indians	27,680	-	27,680	0.10	96,337	-	96,337	0.35	0.25
NRI Non-Repatriation	-	-	-	-	12,855	-	12,855	0.05	0.05
Trusts	-	1,233	1,233	-	214,225	1233	215,458	0.78	0.78
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :	**6,736,594**	**625,386**	**7,361,980**	**26.77**	**7,055,818**	**29,682**	**7,085,500**	**25.67**	**(1.10)**
Total B=B(1)+B(2) :	**18,908,270**	**625,386**	**19,533,656**	**71.03**	**19,805,767**	**29,682**	**19,835,449**	**71.87**	**0.83**
Total (A+B) :	**26,873,990**	**625,386**	**27,499,376**	**100.00**	**27,571,119**	**29,682**	**27,600,801**	**100.00**	**0.00**
C) Shares held by custodians, against which	-	-	-	-	-	-	-	-	-
Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
(1) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2) Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C):	**26,873,990**	**625,386**	**27,499,376**	**100.00**	**27,571,119**	**29,682**	**27,600,801**	**100.00**	

Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

(ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Sanjay Gaikwad	263,797	0.96	-	263,797	0.96	-	-
2	Mr. Raaja Kanwar#	200,369	0.73	-	-	-	-	(0.73)
3	Mr. Uday Gaikwad	100	-	-	101	-	-	-
4	Mr. Ameya Hete	217,797	0.79	-	217,797	0.79	-	-
5	Advent Fiscal Pvt. Ltd.	737,182	2.68	-	737,182	2.67	-	(0.01)
6	Nifty Portfolio Services Private Limited	542,136	1.97	-	542,136	1.96	-	(0.01)
7	Apollo International Limited	2,266,417	8.24	-	2,266,417	8.21	-	(0.03)
8	Valuable Technologies Limited	2,243,657	8.16	-	2,243,657	8.13	-	(0.03)
9	Valuable Media Limited	1,494,265	5.43	-	1,494,265	5.41	-	(0.02)
	Total	**7,965,720**	**28.97**	**-**	**7,765,352**	**28.13**	**-**	**0.83**

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

 # Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

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(iii) Change in promoters' shareholding (please specify, if there is no change)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
1	Mr. Sanjay Gaikwad	263,797	0.96	-	No Purchase / Sale	-	-	263,797	0.96
				31.03.17	At the end of the year	-	-	263,797	0.96
2	Mr. Raaja Kanwar#	200,369	0.73	30.03.17	Sale	(200,369)	(0.73)	-	-
				31.03.17	At the end of the year	-	-	-	-
3	Mr. Uday Gaikwad	100	-	15.07.16	Purchase	1	-	101	-
				31.03.17	At the end of the year	-	-	101	-
4	Mr. Ameya Hete	217,797	0.79	-	No Purchase / Sale	-	-	217,797	0.79
				31.03.17	At the end of the year	-	-	217,797	0.79
5	Advent Fiscal Pvt. Ltd.	737,182	2.68	-	No Purchase / Sale	-	-	737,182	2.68
				31.03.17	At the end of the year	-	-	737,182	2.67
6	Nifty Portfolio Services Private Limited	542,136	1.97	-	No Purchase / Sale	-	-	542,136	1.97
				31.03.17	At the end of the year	-	-	542,136	1.96
7	Apollo International Limited	2,266,417	8.24	-	No Purchase / Sale	-	-	2,266,417	8.24
				31.03.17	At the end of the year	-	-	2,266,417	8.21
8	Valuable Technologies Limited	2,243,657	8.16	-	No Purchase / Sale	-	-	2,243,657	8.16
				31.03.17	At the end of the year	-	-	2,243,657	8.13
9	Valuable Media Limited	1,494,265	5.43	-	No Purchase / Sale	-	-	1,494,265	5.43
				31.03.17	At the end of the year	-	-	1,494,265	5.41

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
1	P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.10	-	No Purchase / Sale	-	-	5,251,608	19.10
				31.03.17	At the end of the year			5,251,608	19.03
2	3i Research (Mauritius) Limited	2,664,879	9.69	29.07.16	Sale	(2,664,879)	(9.66)	-	-
				31.03.17	At the end of the year			-	-
3	SBI Magnum Global Fund	870,000	3.16	-	No Purchase / Sale	-	-	870,000	3.16
				31.03.17	At the end of the year		-	870,000	3.15

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Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
4	Reliance Capital Trustee Co. Ltd. A/C-Reliance	642,330	2.34	08.04.16	Purchase	50,000	0.18	692,330	2.51
				29.07.16	Purchase	200,000		892,330	3.23
				18.11.16	Purchase	6,300		898,630	3.26
				31.03.17	At the end of the year		-	898,630	3.26
5	Reliance Capital Trustee Co. Ltd. A/C-Reliance	605,500	2.20	-	No Purchase / Sale	-	-	605,500	2.20
				31.03.17	At the end of the year	-	-	605,500	2.19
6	SBI Magnum Midcap Fund	591,456	2.15	29.07.16	Purchase	208,000	0.76	799,456	2.91
				31.03.17	At the end of the year		-	799,456	2.90
7	SBI Magnum Balanced Fund	550,000	2.00	-	No Purchase / Sale	-	-	550,000	2.00
				31.03.17	At the end of the year	-	-	550,000	1.99
8	Max Life Insurance Company Limited A/C -	513,565	1.87	08.04.16	Purchase	25,000	0.09	538,565	1.95
				15.04.16	Sale	(67,197)	-0.24	471,368	1.71
				01.07.16	Sale	(2,235)	-0.01	469,133	1.70
				29.07.16	Purchase	97,867	0.35	567,000	2.05
				23.09.16	Purchase	298	0.00	567,298	2.06
				25.11.16	Sale	(32,000)	-0.12	535,298	1.94
				02.12.16	Sale	(74,095)	-0.27	461,203	1.67
				16.12.16	Sale	(2)	-0.00	461,201	1.67
				23.12.16	Sale	(11,415)	-0.04	449,786	1.63
				30.12.16	Sale	(60,708)	-0.22	389,078	1.41
				06.01.17	Sale	(35,380)	-0.13	353,698	1.28
				13.01.17	Sale	(23,271)	-0.08	330,427	1.20
				20.01.17	Sale	(63)	-0.00	330,364	1.20
				27.01.17	Sale	(123)	-0.00	330,241	1.20
				03.02.17	Sale	(6,410)	-0.02	323,831	1.17
				10.02.17	Sale	(41,856)	-0.15	281,975	1.02
				17.02.17	Sale	(2,275)	-0.01	279,700	1.01
				10.03.17	Sale	(44,386)	-0.16	235,314	0.85
				17.03.17	Sale	(103,354)	-0.37	131,960	0.48
				31.03.17	At the end of the year		-	131,960	0.48
9	The Wellington Trust Company National Association	450,384	1.64	05.08.16	Sale	(10,365)	(0.04)	440,019	1.59
				12.08.16	Sale	(7,914)	(0.03)	432,105	1.57
				19.08.16	Sale	(5,069)	(0.02)	427,036	1.55
				26.08.16	Sale	(56,021)	(0.20)	371,015	1.34
				09.09.16	Sale	(1,343)	(0.00)	369,672	1.34
				16.09.16	Sale	(369,672)	(1.34)	-	-
				31.03.17	At the end of the year		-	-	-
10	SBI Small And Midcap Fund	390,000	1.42	-	No Purchase / Sale	-	-	390,000	1.42
				31.03.17	At the end of the year			390,000	1.42
11	DSP Blackrock Micro Cap Fund	-	-	29.07.16	Purchase	594,481	2.15	594,481	2.15
				26.08.16	Purchase	1,102	0.00	595,583	2.16
				16.09.16	Purchase	250,000	0.91	845,583	3.06
				23.09.16	Purchase	61,413	0.22	906,996	3.29
				30.09.16	Purchase	5,123	0.02	912,119	3.30
				31.03.17	At the end of the year			912,119	3.30

UFO MOVIEZ INDIA LIMITED

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
12	Kuroto Fund LP	-	-	04.11.16	Purchase	7,300	0.03	7,300	0.03
				11.11.16	Purchase	63,743	0.23	71,043	0.26
				18.11.16	Purchase	61,457	0.22	132,500	0.48
				25.11.16	Purchase	40,500	0.15	173,000	0.63
				02.12.16	Purchase	283,000	1.03	456,000	1.65
				09.12.16	Purchase	82,368	0.30	538,368	1.95
				31.03.17	At the end of the year			538,368	1.95
13	Ashish Kacholia	-		23.12.16	Purchase	270,000	0.98	270,000	0.98
				30.12.16	Purchase	238,415	0.86	508,415	1.84
				31.03.17	At the end of the year			508,415	1.84

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
	Directors								
1	Mr. Sanjeev Aga	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
2	Mr. Ameya Hete	217,797	0.79	-	No Purchase / Sale	-	-	217,797	0.79
				31.03.17	At the end of the year			217,797	0.79
3	Mr. Biswajit Subramanian#	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
4	Mr. Kapil Agarwal	372,694	1.36	24.03.17	Purchase	89,700	0.32	462,394	1.68
				31.03.17	At the end of the year			462,394	1.68
5	Ms. Lynn de Souza	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
6	Mr. Raaja Kanwar	200,369	0.73	30.03.17	Sale	(200,369)	(0.73)	-	-
				31.03.17	At the end of the year			-	-
7	Mr. S. Madhavan	-	-	18.11.16	Purchase	400	-	400	-
				25.11.16	Purchase	100	-	500	-
				03.03.17	Purchase	500	-	1,000	-
				10.03.17	Purchase	500	-	1,500	0.01
				31.03.17	At the end of the year			1,500	0.01

UFO MOVIEZ INDIA LIMITED

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
8	Mr. Sanjay Gaikwad	263,797	0.96	-	No Purchase / Sale	-	-	263,797	0.96
				31.03.17	At the end of the year			263,797	0.96
9	Mr. Varun Laul	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
Key Managerial Personnel									
1	Mr. Rajesh Mishra, CEO	57,149	0.21	10.06.16	Sale	(28,500)	(0.10)	28,649	0.10
				31.03.17	At the end of the year			28,649	0.10
2	Mr. Ashish Malushte, CFO	43,424	0.16	10.06.16	Sale	(25,000)	(0.09)	18,424	0.07
				31.03.17	At the end of the year			18,424	0.07
3	Mr. Sameer Chavan, Company Secretary	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-

** Mr. Biswajit Subramanian ceased to be a director of the Company with effect from March 2, 2017.*

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Mn)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01.04.2016)				
i) Principal Amount	644.28	-	-	644.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.32	-	-	6.32
Total (i+ii+iii)	**650.60**	**-**	**-**	**650.60**
Change in Indebtedness during the financial year (FY 2016-17)				
• Addition	612.37	-	-	612.37
• Reduction	664.30	-	-	664.30
Net Change	**(51.93)**	**-**	**-**	**(51.93)**
Indebtedness at the end of the financial year (As on 31.03.2017)				
i) Principal Amount	593.44	-	-	593.44
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	5.23			5.23
Total (i+ii+iii)	**598.67**			**598.67**

UFO MOVIEZ INDIA LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Particulars	Salary paid for the FY 2016-17 (₹ in Mn)
Mr. Sanjay Gaikwad, Managing Director	32.50
Mr. Kapil Agarwal, Joint Managing Director	32.50
Total	**65.00**
Overall limit @ 10% of profit u/s 198 of the Companies Act, 2013	**84.61**
Excess Remuneration	**-**

B. Remuneration to other directors

(₹ In Mn)

Sl. No.	Particulars of Remuneration	Name of Independent Directors			Other Non-Executive Directors				Total Amount
		Mr. S. Madhavan	Ms. Lynn de Souza	Mr. Sanjeev Aga	Mr. Raaja Kanwar	Mr. Biswajit Subramanian	Mr. Ameya Hete	Mr. Varun Laul	
1	Fee for attending board/committee meetings	1.00	0.90	0.95	-	-	-	-	**2.85**
	Commission	1.00	1.10	2.55	-	-	-	-	**4.65**
	Others, please specify	-	-	-	-	-	-	-	**-**
2	Total Managerial Remuneration	2.00	2.00	3.50	-	-	-	-	**7.50**
3	Overall Ceiling as per the Act @1% of profit calculated under Section 198 of the Companies Act, 2013	8.46							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ In Mn)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Rajesh Mishra CEO	Mr. Ashish Malushte CFO	Mr. Sameer Chavan Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12.31	9.98	1.68	**23.97**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.04	0.04	-	**0.08**
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**

UFO MOVIEZ INDIA LIMITED

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Rajesh Mishra CEO	Mr. Ashish Malushte CFO	Mr. Sameer Chavan Company Secretary	
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Company Provident Fund Contribution	1.26	0.48	0.10	**1.84**
	Medical Allowance	0.02	0.02	0.02	**0.06**
	Total	**13.62**	**10.51**	**1.80**	**25.93**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

UFO MOVIEZ INDIA LIMITED

Annexure-7

PARTICULARS OF REMUNERATION OF EMPLOYEES

[Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Name of Director/ Key Managerial Personnel	Remuneration (₹ in Mn)		Previous year Remuneration ₹ in Mn)*	% increase / (decrease) in remuneration	Ratio of Director's remuneration to median remuneration	Comparison of remuneration of each KMP against Company's performance	
	Salary*	Perquisite arising due to exercise of employee stock options				% of turnover	% of Net Profit before tax
Non-Executive Directors							
Mr. Sanjeev Aga	2.55	-	2.35	8.51	5.08	NA	NA
Mr. S. Madhavan	1.00	-	0.85	17.65	1.99	NA	NA
Ms. Lynn de Souza	1.10	-	0.85	29.41	2.19	NA	NA
Mr. Raaja Kanwar	-	-	-	-	-	NA	NA
Mr. Ameya Hete	-	-	-	-	-	NA	NA
Mr. Biswajit Subramanian	-	-	-	-	-	NA	NA
Mr. Varun Laul	-	-	-	-	-	NA	NA
Executive Directors							
Mr. Sanjay Gaikwad	32.50	-	87.99	-63.06	64.77	0.84	4.24
Mr. Kapil Agarwal	32.50	-	148.65	-78.14	64.77	0.84	4.24
Key Managerial Personnel							
Mr. Rajesh Mishra	13.62	-	29.01	-53.05	27.15	0.35	1.78
Mr. Ashish Malushte	10.51	-	23.34	-54.97	20.95	0.27	1.37
Mr. Sameer Chavan	1.80	-	2.53	-28.85	3.59	0.05	0.23

** Sitting fees paid to independent directors for attending the meetings of the Board and committee is not included in the remuneration. The commission paid to independent directors during the previous year was on pro-rata basis. The perquisite value arising due to exercise of employee stock options has been considered while calculating the previous year's remuneration.*

 # The perquisite value arising due to exercise of employee stock options has been considered while calculating the ratio of remuneration to median remuneration and % increase / (decrease) in remuneration. The median remuneration of employees of the Company was ₹ 0.50 Mn.

Requirement	Disclosure
The Percentage increase in median remuneration of employees in financial year	8.72% - without considering the perquisite value arising due to exercise of employee stock options 8.25% - considering the perquisite value arising due to exercise of employee stock options
Number of permanent employees on the rolls of the Company	As at March 31, 2017 – 463

UFO MOVIEZ INDIA LIMITED

Requirement	Disclosure
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average annual increase (without considering the perquisite value arising due to exercise of employee stock options and incentives) in the salaries of employees other than the managerial personnel during the year was 12.16%. The average annual increase in the salaries (without considering incentives) of the managerial personnel during the year was 10%.
Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company.

B. Particulars of remuneration of employees

1. Particulars of employees employed throughout the financial year 2016-17, was in receipt of remuneration for the financial year 2016-17 which, in the aggregate, was not less than ₹ 1,02,00,000/- and top 10 employees in terms of remuneration.

Name & Designation	Qualification	Age	Experience	Gross Remuneration ₹			No. of shares held as on March 31, 2017 and % of share capital	Date of Commencement of employment	Previous Employment & designation
				Salary and Perquisites paid	Perquisites airing due to exercise of employee stock options	Total			
				(A)	(B)	(A+B)			
Mr. Sanjay Gaikwad - Managing Director	B.E.(Chemical), MBA (Operations)	52 Yrs	23 Yrs	32,500,000	-	32,500,000	263,797 0.96%	01-Jan-07	Apollo International Ltd – COO
Mr. Kapil Agarwal - Joint Managing Director	FCA	56 Yrs	30 Yrs	32,500,000	-	32,500,000	462,394 1.68%	01-Mar-09	Apollo International Ltd - Executive Director
Mr. Sanjay Chavan – CTO	B.E.(Electronics)	51 Yrs	27 Yrs	12,027,635	10,847,708	22,875,343	27,563 0.10%	01-Apr-06	Play Win Infravest Private Limited - Vice President - Special Projects
Mr. Siddharth Bhardwaj CMO & National Sales Head (Corporate Advertising Revenue)	B.E, MBA	45 Yrs	20 Yrs	16,372,043	2,998,860	19,370,903	3,000 0.01%	01-Aug-12	Reliance Broadcast Network Limited – National Sales Head Radio Business
Mr. Vishnu Patel – CEO-Special Projects	Masters in Broadcasting & Films from Boston University	60 Yrs	33 Yrs	12,017,455	3,579,499	15,596,954	31,750 0.12%	01-Apr-06	Zee Telefilms Limited President - Network Programming
Mr. Deepak Ranjan - Chief - Ad Sales	B.Sc (Hon), Diploma in Advertising	49 Yrs	25 Yrs	14,324,850	-	14,324,850	41,755 0.15%	01-Jan-07	B4U Television India Pvt. Ltd, National – Sales Head
Mr. Rajesh Mishra – CEO-Indian Operations	B.Com, A.C.A.	50 Yrs	27 Yrs	13,622,049	-	13,622,049	28,649 0.10%	01-Apr-06	Bennett Coleman & Co. Limited General Manager - Corporate Affairs
Mr. Ashish Malushte – CFO	B.Com, CA	42 Yrs	20 Yrs	10,514,570	-	10,514,570	18,424 0.07%	14-May-05	Iqara Telecoms Pvt Ltd, Sr. Manager



Name & Designation	Qualification	Age	Experience	Gross Remuneration ₹			No. of shares held as on March 31, 2017 and % of share capital	Date of Commencement of employment	Previous Employment & designation
				Salary and Perquisites paid	Perquisites airing due to exercise of employee stock options	Total			
				(A)	(B)	(A+B)			
Mr. Praveen Sugandh – VP, Ad Sales	BA, MBA	48 Yrs	21 Yrs	9,725,140	-	9,725,140	2,908 0.01%	01-Aug-08	Sahara One Media & Entertainment Ltd Regional Sales Head
Mr. Pankaj Jaysinh COO	B. Com, MBA	55 Yrs	33 Yrs	9,233,879	-	9,233,879	200 0.00%	1-Feb-07	Shree Ashtavinayak Cine Vision Ltd Distribution Head

2. Particulars of employees employed for a part of the financial year 2016-17, was in receipt of remuneration for any part of financial year 2016-17, at a rate which, in the aggregate, was not less than ₹ 850,000/- per month. – NIL

Notes :

1. All appointments are contractual and terminable by notice on either side.
2. None of the employees stated above are related to any of the Directors.
3. Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Medical Benefits, Leave Travel.
4. Allowance & Other Perquisites and benefits valued on the basis of the provisions of Income Tax Act, 1961.
5. During the year under review, employees had exercised Employee Stock Options (ESOPs) granted to them. Perquisite value arising out of ESOPs included in the gross remuneration computed above.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

UFO MOVIEZ INDIA LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

The Management of UFO Moviez India Limited is pleased to present below its analysis on the performance of UFO for the Fiscal Year ended March 31, 2017 and its outlook for the financial year 2017-18. UFO Moviez India Limited and its subsidiaries have been collectively referred to as "UFO".

Economy Overview and Industry Trends

The Indian Economy fared modestly in fiscal year 2017 delivering 7.1% GDP growth. Demonetization of higher currency notes and the passage of the Goods and Services Tax (GST) bill were the two major milestones in the economic history of the Country. We believe that the benefits arising out of demonetization and the implementation of GST will be reaped in the long term, however this will have a short term impact on the economy. While there was temporary slowdown, India's strong economic fundamentals like contained inflation, lower current account deficit and forex reserves combined with healthy domestic consumption supported the economy in these difficult times.

The Film Industry was also adversely impacted by demonetization growing merely by 3% in 2016, however it is expected to recover and grow by 7.7% CAGR till 2021 primarily driven by the growing acceptance for Regional movie content[1]. However, the limited number of ~9,200 screens in India is the primary limiting factor of growth for the high potential Indian Film Industry. The next phase of screen growth is expected to be driven by theatre addition in under penetrated regions of the Country which will benefit the industry as a whole including digital integrators.

Demonetization also impacted the overall advertising revenues which grew by 11.2% in 2016 to ₹ 528.2 Bn[1]. Going forward, advertising revenues are expected to grow by 15.3% CAGR to ₹ 1,078.1 Bn by 2021[1]. In Cinema Advertising was also severely impacted however, it is expected to be the largest beneficiary of increased advertisement spends going forward. In Cinema advertising represents ~1% of the overall advertisement spends and is expected to grow at 20-25% CAGR from 2017 to 2021[1].

[1]FICCI-KPMG, Indian Media and Entertainment Report, 2017.

I. **Digitization of Cinema in India**

In the pre digitization era, until 2005-06, films used to be distributed to theatres on prints in analogue form. The cost to produce an analog print was approximately ₹ 60,000 to ₹ 70,000 per print, which was borne by content owners. The high cost of making analog prints limited the ability of the content owners to produce more number of prints of a movie. Traditionally, only 250 – 300 analog prints used to be made for big budget movies, 50 – 60 analogs prints were produced for small budget / niche and 10 – 15 prints were made for regional movies. This limited the reach of films and they could only be released in staggered manner across theatres in the metropolitan or tier I cities first and then the next level of cities and towns.

There were significant logistical challenges associated with the physical movement of analog prints as well. Analog prints had to be physically distributed to theatres across the Country which was very cumbersome and costly. In addition to that, the looming threat of prints being stolen during transit existed resulting in piracy. Movies are like a perishable consumer product whose appeal atrophies over time. Delayed release and often poor quality pirated prints greatly diminished the revenue and profits in the entire cinema value chain. Further, analog prints required distributors to invest based upon demand prediction which led to either opportunity loss or dead investment all too frequently.

The drawbacks of analog print led to the evolution of digitization. Digitization in India picked up in 2005-06 when UFO entered the Indian movie Industry. UFO deployed its proprietary UFO M4 technology platform which allowed content owners to digitally reach a large number of theaters by making a usage based fee payment. Digital cinema started to eclipse analog prints in 2005-06 and physical prints became almost obsolete by the end of 2013 in India.

Digitization of cinema infused new life into the Film Industry. Cost of reaching theaters digitally was significantly lower than the cost of producing analog prints. Movies started simultaneously releasing in theatres across the Country ensuring higher revenue collection for content owners. Digital cinema brought the proverbial First Day First Show experience of yesteryears to moviegoers across India, also thereby effectively curbing piracy. Digitization of movies involves encryption of the data so that it is safeguarded from unauthorized dissemination. This ensures the safety of film content from piracy. Freshness, safety of content, and High Definition picture quality redefined the overall movie experience for moviegoers in India.

Digitization of cinema in India has been instrumental in transforming the Indian Film industry. Directly and indirectly, UFO has played an unseen but significant role in enhancing the Indian movie exhibition industry in quantity and quality in India.

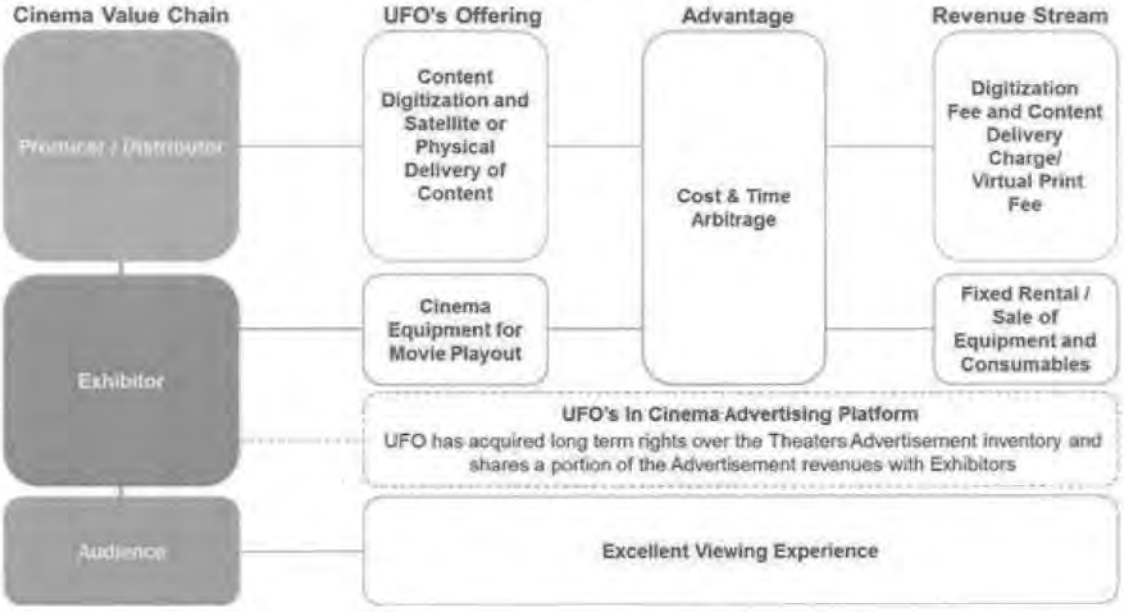
UFO's Theatrical Business

UFO operates India's largest satellite-based, digital cinema distribution network in terms of the number of screens using its UFO-M4 platform, as well as India's largest D-Cinema network in terms of the number of screens. UFO delivers movies to theatres across the country in MPEG 4 format, using satellites (E-Cinema), as well as in JPEG 2000 (D-Cinema) format using physical devices.

UFO MOVIEZ INDIA LIMITED

UFO digitally delivered 1,790 movies in 25 languages to 5,105 screens with aggregate seating capacity of approximately 2.1 Mn viewers per show spread across 30 States and Union territories in India and Nepal in fiscal 2017. Over 12,000 movies have been digitally delivered in India since the beginning of UFO's operations. UFO's global network spans 6,579 screens worldwide which includes 1,474 screens across the Middle East, Israel, Mexico and the USA in addition to screens in India and Nepal as mentioned above.

UFO, through is theatrical service offerings, adds value to all stakeholders in the cinema value chain, as depicted below:



Technology Overview

UFO-M4 Technology

UFO-M4 is UFO's satellite-based, E-Cinema movie delivery technology platform. UFO-M4 technology platform provides an end-to-end platform for the satellite delivery of movies. UFO-M4 technology compresses and encrypts digital movie files prior to distributing them across UFO's satellite network.

UFO-M4 technology has a variety of technological benefits, including:

- Small file size - The file size of a raw digital file for a typical full length movie of approximately 150 minutes is 2.5 to 3 Terabyte. Through UFO's technology, this raw digital file is converted into a relatively small 8 to 10 Gigabyte encrypted file which is economically viable for satellite based delivery.
- Supports multiple formats like 2D, 2D Live, 3D and 3D Live.
- Content security features such as invisible fingerprinting technology. Each movie screening is marked with a code that allows tracing of pirated movies to the particular cinema, as well as the date and time of the screening of a pirated movie, which discourages piracy.
- All content is encrypted using Rijndael Algorithm (the algorithm used by industry standard Advanced Encryption Standard (AES)) encryption with 192 bit key length. Without the correct decryption keys, content is not playable. The decryption keys are shared with the target devices using 1024 bit RSA key pairs making the content very secure.
- Support of separate audio and visual tracks which allows for multiple audio languages as well as subtitles in different languages.
- Digital surround sound capabilities when played through UFO's servers.
- UFO-M4 movie files can be edited easily using UFO's software, allowing movie producer or distributor to make edits instantly.
- UFO-M4 files are intended to be compatible with new hardware, allowing UFO to upgrade the digital cinema equipment we provide to exhibitors as newer and better hardware becomes available.



II. Introduction to In-Cinema Advertising

Movie viewing is one of India's greatest passions and a way of life. India is also the largest producer of movies in the world. Approximately 1,800 movies are released in 25 languages annually. India certainly is a Film crazy nation which sells ~2.6 billion tickets annually, making India highest in terms of theatres admissions.

In the pre digitization era, typically the advertisement content shown prior to a feature film were slideshows or short commercials or promotions of a product or service which were delivered to theatres in analog form in advance. The advertisement content was mostly hyperlocal as they were most easily accessible by fragmented theater owners. Internationally, Cinema owners did not have access to national level advertisers which gave rise to advertising Companies which under an asset light model started aggregating and monetizing advertisement inventory of multiplex and single screens in the US and UK. In India, digitization of Cinema gave rise to digital cinema integrators who invested in digital cinema equipment to operate their core business. These digital cinema integrators also started aggregating and monetizing advertisement inventory of fragmented Cinemas.

Aggregating and monetizing advertisement inventory of screens made business sense because advertisers could access a wider network of screens without dealing with fragmented theater owners. Cinema advertising is an Impact Advertising platform because of its three key differentiators from traditional frequency mediums for advertising i.e.

- Big Screen Experience
- Access to Captive Audience
- Exposure to Longer Duration Advertisements

Globally, Companies like National Cine Media with ~50% screen share and Screen Vision with ~35% screen share became the two largest cinema advertising Companies in the US and Digital Cine Media with ~83% screen share became the largest cinema advertising Company in the UK. In India, digital cinema service providers to single screens and multiplex screens and large multiplex chains started monetizing advertisement inventory. UFO became the largest in cinema advertising network in terms of screens and also the largest multiplex advertisement network.

The Indian cinema advertising industry has emerged as a two demographic market unlike developed Countries like the US and UK. India has a Premium demographic segment which is led by ~2,000 organized multiplex screens which have an average ticket price ranging between ₹ 150 to ₹ 200 and Non Premium segment comprising over 7,000 fragmented single and multiplex screens having an average ticket price ranging between ₹ 30 to ₹ 100. The Premium and Non Premium Screens coexist in a single geography, only the target audience, experience and target advertisements are different as the price points offered are not the same. Both, Premium and Non-Premium demographic segments cater to different audience as their per capita income and spending capacity differs materially.

However, like developed countries, in-cinema advertising inventory which is monetized by few large Companies depending on their sales capabilities and value proposition, India is expected to emerge from a multiplayer market to a 2 to 3 player market.

In cinema advertising has emerged as one of the fastest growing advertisement verticals in the last 6 years in India and is expected to continue growing. This growth is going to be largely driven by higher advertisement inventory utilization and improved pricing in the Non Premium segment which is currently very low and has significant head room for growth. This growth will be realized as advertisers scale up media spends in cinemas.

Digital cinema service providers and large multiplex chains in India have provided advertisers the means to reach theater audiences in the most efficient and transparent way. UFO being the largest digital service provider and in-cinema advertising network has played an instrumental role in re-creating in cinema advertising in India.

UFO's In-Cinema Advertising Platform

UFO has created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,745 screens under revenue share deals with the theatres with an aggregate seating capacity of approximately 1.73 Mn viewers and a reach of 1,874 locations across India, as on March 31, 2017. During the year, UFO's in-cinema Advertisement platform delivered an estimated viewership of over 100 Mn eyeballs on a monthly basis.

During the fiscal year ended March 31, 2017, UFO reported advertisement revenue growth of 13.41% to ₹ 1,789.95 Mn compared to ₹ 1,578.34 Mn in the fiscal year ended March 31, 2016. UFO's average annual advertisement revenue per screen stood at ₹ 474,597 in FY17 compared to ₹ 410,275 in FY16. The number of minutes sold per show per advertising screen stood at 4.34 minutes in FY17 compared to 4.15 minutes in FY16.

UFO's in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. The advantages of using UFO's in-cinema advertising platform over traditional advertising methods are:

- High levels of transparency - data logs of the actual advertisements played has enhanced advertiser confidence in UFO's in-cinema advertising platform.



- Remote capability allows for last minute scheduling and content changes.
- Advanced technology enables multi-lingual support.
- Elimination of physical prints of advertisements required to be sent to theatres in advance.

Advertisers do not have to deal with a large and fragmented group of exhibitors across the Country. The logistics of advertising is simplified by UFO as it controls, schedules and manages all advertising on its network of 3,745 screens. During the year, 2,824 advertisers from the private and Government sector advertised on UFO's network compared with 2,556 advertisers in the previous fiscal year 2016.

UFO's in-cinema advertising platform has benefited fragmented and standalone exhibitors as they can effectively monetize their advertisement inventory through UFO which they were earlier unable to do due to their limited scale and reach.

III. Synergetic Business Initiatives

Caravan Talkies and Club Cinema

Caravan Talkies housed under Valuable Digital Screens Private Limited (VDSPL), a subsidiary of UFO, provides movie screenings with low capital expenditure in under-penetrated, media-dark parts of rural India through its cinema-on-wheels solution, creating a unique opportunity for advertisers to reach captive audiences by partnering with various brands. Movies are screened free to viewers and Caravan Talkies derives its revenues through advertising. This is an effective advertisement platform for the Government and Corporates targeting rural markets. During the year, Caravan Talkies which operates in rural areas was adversely impacted due to demonetization of high currency notes.

Club Cinema provides movie screenings of recently released films in clubs and private screens at remote industrial townships, corporate auditoriums, housing complexes and educational institutions. By providing a complete digital cinema solution to such customers, UFO will be able to reach an untapped and niche segment of the Indian exhibition sector.

NOVA Cinemaz

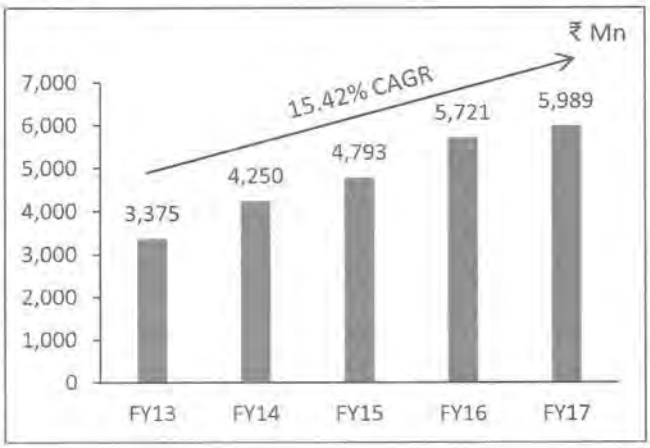
VDSPL under NOVA Cinemaz encourages local entrepreneurs to own and operate NOVA Cinemaz branded theaters in various part of the Country. These theatres will operate as franchisees of VDSPL. The local entrepreneurs will be primarily responsible for making the requisite investment for setting up theatres and will also be responsible for the day to day operations of their theatres. VDSPL will ensure that the theater is setup at a competitive cost for the franchisees. VDSPL shall also grant rights to use the brand 'NOVA Cinemaz' to the local entrepreneurs for a fee, and will take end to end responsibility of providing theatrical technologies as well as sourcing of film content. Under this asset light initiative, VDSPL aims to recreate the screen growth in non-metro regions across India. Contractually, NOVA Cinemaz franchisees shall be required to use UFO's service offering thereby providing a dedicated and captive customer base for UFO's digital cinema and advertising business.

Nova co-branded theatres have already been operationalized in the States of Punjab and Maharashtra. Additionally 3 cinema sites are currently under construction in Gujarat, Punjab and Uttarakhand. In addition to that, MoUs have been signed with 5 franchisees in Haryana, Maharashtra and Punjab. NOVA Cinemaz has also received notable number of enquiries from across India.

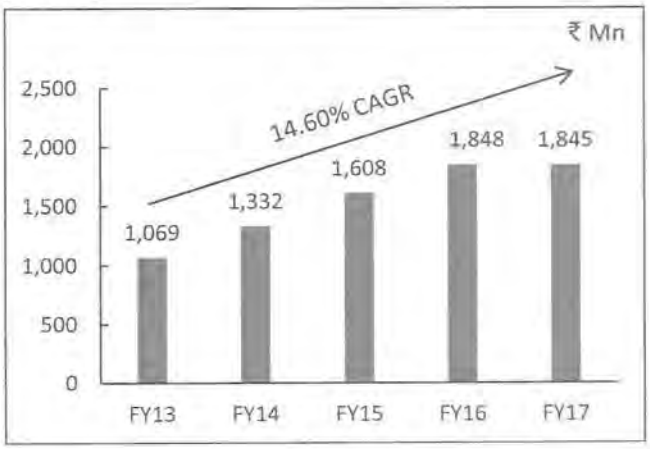
IV. Financial Performance

Performance Overview (FY13 – FY17)

Revenue

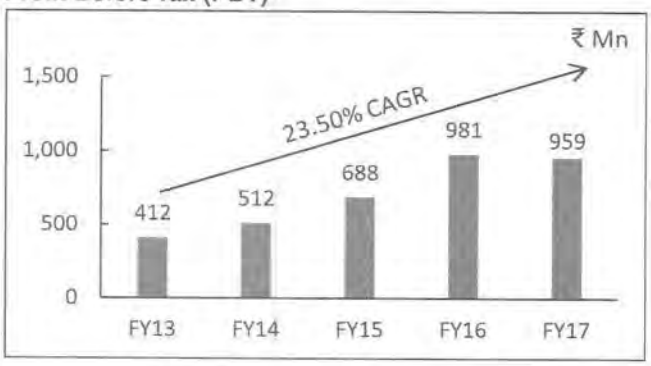


Earnings Before Interest Tax Depreciation and Amortization (EBITDA)

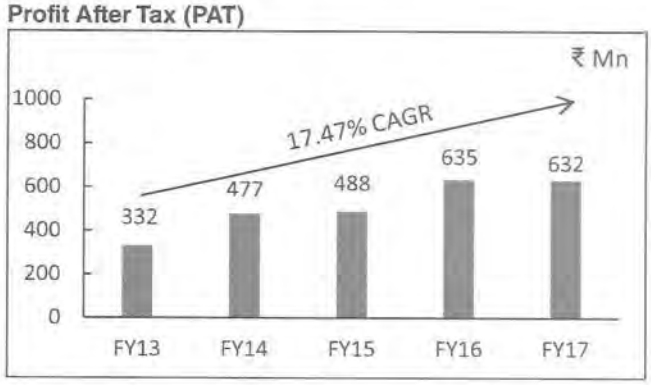


UFO MOVIEZ INDIA LIMITED

Profit Before Tax (PBT)



Profit After Tax (PAT)



Revenues Analysis

UFO receives revenues primarily from (i) advertisers, through in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, through equipment rental and sales for digital cinema equipment and consumables.

Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
A. Revenue from operations				
I. Advertisement revenue	**1,789.95**	**1,578.34**	**211.61**	**13.41**
II. Revenue from Content Owners	**2,575.27**	**2,589.23**	**(13.96)**	**(0.54)**
Virtual Print Fees (VPF) - E-Cinema	1,027.04	988.87	38.18	3.86
Virtual Print Fees (VPF) - D-Cinema	1,486.57	1,540.44	(53.87)	(3.50)
Digitisation income	61.65	59.92	1.74	2.90
III. Revenue from Exhibitors	**1,410.49**	**1,348.67**	**61.82**	**4.58**
Lease rental income - E-Cinema	450.60	396.44	54.16	13.66
Lease rental income - D-Cinema	138.97	158.59	(19.62)	(12.37)
Sales of Products	820.92	793.63	27.29	3.44
IV. Other Operating Revenue	**196.37**	**184.36**	**12.01**	**6.51**
A. Revenue from operations (I to IV)	**5,972.07**	**5,700.60**	**271.48**	**4.76**
B. Other income	**16.58**	**20.53**	**(3.95)**	**(19.24)**
Total Income (A+B)	**5,988.65**	**5,721.12**	**267.53**	**4.68**

UFO shares a significant portion of its D-Cinema VPF earned in India and in International territories with the exhibitors under the VPF sharing agreements and as such it is important to analyse the VPF revenues on a net basis which is given in the table below;

Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
E- Cinema (India)				
E- Cinema VPF	1,027.04	988.87	38.18	3.86
less : VPF Sharing with exhibitors	49.48	26.39	23.09	87.48
E- Cinema VPF (Net)	**977.56**	**962.47**	**15.09**	**1.57**
D- Cinema (India)				
D- Cinema VPF	824.97	857.23	(32.27)	(3.76)
less : VPF Sharing with exhibitors	235.62	242.83	(7.21)	(2.97)
D- Cinema India VPF (Net) - (A)	**589.35**	**614.40**	**(25.06)**	**(4.08)**

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Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
D- Cinema (International)				
D- Cinema VPF	661.61	683.21	(21.61)	(3.16)
less : VPF Sharing with exhibitors	446.14	464.40	(18.26)	(3.93)
D- Cinema International VPF (Net) - (B)	**215.47**	**218.82**	**(3.35)**	**(1.53)**
Total D- Cinema VPF (Net) (A+B)	**804.81**	**833.22**	**(28.41)**	**(3.41)**
Total VPF Sharing	**731.24**	**733.62**	**(2.37)**	**(0.32)**

Expense Details

The following table gives an overview of the consolidated expenses of UFO.

Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
Operating direct costs	2,479.00	2,425.22	53.77	2.22
Employee benefit expenses	814.64	688.22	126.41	18.37
Other expenses	850.51	759.71	90.80	11.95
Total Expenses	**4,144.14**	**3,873.15**	**270.98**	**7.00**

Operating direct costs

Operating direct costs in fiscal year ended March 31, 2017 increased marginally by 2.22% to ₹ 2,479.00 Mn compared to ₹ 2,425.22 Mn in fiscal year ended March 31, 2016.

Employee benefit expenses

Employee benefit expenses in fiscal year ended March 31, 2017 increased by 18.37% to ₹ 814.64 Mn compared to ₹ 688.22 Mn in fiscal year ended March 31, 2016 which is attributable to increase in salaries and wages on account of annual increase in employee salaries, higher incentives paid to advertisement sales employees and revision in remuneration of the Managing Director and Joint Managing Director as per the Shareholder approval.

Earnings before interest, tax, depreciation and amortization (EBITDA)

Consolidated EBITDA stood at ₹ 1,844.52 Mn in the fiscal year ended March 31, 2017 compared to ₹ 1,847.97 Mn in the fiscal year ended March 31, 2016. As a percentage of total revenue, the consolidated EBITDA margin decreased from 32.30% in the fiscal year ended March 31, 2016 to 30.80% in the fiscal year ended March 31, 2017 primarily led increase in Employee benefit expenses and Other operating expenses.

Profit before tax

Consolidated profit before tax stood at ₹ 958.77 Mn in the fiscal year ended March 31, 2017 compared to ₹ 980.53 Mn in the fiscal year ended March 31, 2016. Consolidated profit before tax was impacted by ₹ 70.00 Mn loss in VDSPL's Caravan Talkies of on account of increase operating expenses and higher depreciation and interest costs.

Profit for the year attributable to equity shareholders of UFO

Consolidated profit for the year attributable to equity shareholders of UFO stood at ₹ 631.56 Mn in the fiscal year ended March 31, 2017 compared to ₹ 634.63 Mn in the fiscal year ended March 31, 2016.

V. Strategy and Outlook

Key elements of UFO's growth strategy include the following:

The in-cinema advertisement platform provides UFO with significant growth opportunity. UFO intends to achieve this growth by increasing spot rates and through higher sales of advertisement inventory. UFO's current inventory utilization as on March 31, 2017 stands at 4.34 minutes per show per screen which has significant head room for delivering growth.

UFO believes that there is significant revenue growth opportunity in the Corporate and Government segment. UFO continues to strengthen engagements with existing advertisers, garnering repeat orders while continuing to form engagements with new advertisers. UFO through its dedicated Government and Corporate sales teams has been able to expand its advertising client base from 563 advertisers in fiscal year ended March 31, 2013 to 2,824 advertisers in fiscal year ended March 31, 2017.

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Further, UFO has extended its existing in-cinema advertising platform to enable hyperlocal advertising business, UFO Framez. UFO Framez is a cloud-based advertising technology platform which is intended to drive the UFO's in-cinema inventory utilization through a network of Direct Sales Associates. It offers hyper local advertising clients a seamless avenue to advertise on UFO's in cinema advertising platform.

In addition to the in-cinema advertising growth opportunity, UFO also continues to focus on growing advertisement revenues through strategic business initiatives. Through Caravan Talkies, whose opportunity is complimentary to the existing advertisement opportunity, UFO intends to leverage on strengths like existing advertiser relationships, easy access to content and digital distribution capabilities to drive advertisement revenues. While this business was impacted negatively by demonetization in fiscal year 2017, Caravan has started witnessing healthy traction and is expected to deliver improved performance going forward.

In order to drive growth, UFO continues to consider inorganic growth opportunities by acquiring advertisement rights of other digital cinema service providers and multiplex chains. Aggregating advertisement rights enable UFO to further enhance its existing advertisement offering. Consistent with this strategy, UFO entered into a strategic tie up with United Media Works Private Limited (UMW), a digital cinema technology and service provider having more than 300 digitized cinema screens on its network in India. UFO has demonstrated the strength of its advertising business by acquiring long term exclusive rights from UMW to monetize the advertising inventory on these screens.

UFO continues to leverage its technology platform and its relationships with distributors to expand the movie exhibition market in India through innovative models. UFO through its asset light franchisee business, NOVA Cinemaz, aims to recreate screen growth in non-metro regions across India. NOVA Cinemaz focuses on creating an additional UFO customer base in India by developing Greenfield and Brownfield exhibition centers. Through NOVA Cinemaz, UFO expects to intensify organic screen growth thereby creating additional theatrical customers and acquiring their long term advertisement rights.

VI. Risks and Concerns

Dependence on exhibitors

UFO's digital cinema equipment rental contracts with exhibitors are usually for a fixed-monthly fee for duration of five to ten years and there is no assurance that these contracts will be renewed at existing or favorable commercial terms, or it at all. Further, these rental contracts generally allow termination rights to exhibitors after a certain period. UFO relies on its ability to create value and additional streams of revenue, including from advertising, to retain its exhibitor customers, but there is no assurance that exhibitors will not terminate the rental contracts prior to their expiration date or continue to renew their contracts with UFO.

Expiry of agreements with Hollywood Studios

UFO's rights to collect D-Cinema VPF under its agreements with major Hollywood studios (which form part of its total D-Cinema VPF) are set to expire by June 2018. UFO does not expect to extend or renew these contracts and if these are not extended or renewed, UFO will be unable to continue to collect D-Cinema VPF from major Hollywood studios after the aforesaid expiry.

VII. Risk Management

Like any other business, UFO is also prone to risks and concerns which can affect the operating performance, cash flows, financial performance and sustainability. UFO has developed appropriate risk management framework for identification, assessment, monitoring and mitigation of various risks to ensure smooth flow of operations adhering to stringent guidelines. As such, risk management is integral to the creation, protection and enhancement of shareholder value.

Overall, UFO has emerged as an organization that has strong focus on improving processes, reducing operational risks, enhance service quality and improving overall performance.

VIII. Internal Control and Adequacy

UFO has controls and procedures in place that are designed to provide reasonable assurance that material information relating to UFO is disclosed on a timely basis. Management has reviewed UFO's disclosure controls and has concluded that they were effective during the reporting period. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have evaluated the effectiveness of UFO's disclosure controls and procedures related to the preparation of Management's Discussion and Analysis and the consolidated financial statements. UFO's management, with the participation of its CEO and CFO, is also responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian GAAP. UFO has robust financial controls in place through a combination of internal controls and processes. The controls ensure that transactions are recorded in timely manner, they are complete in all aspects, resources of UFO are effectively utilized and its assets are adequately safeguarded.

UFO has deployed a qualified independent firm as its Internal Auditor. The Internal Audit scope includes review

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of efficacy of the business processes and review of the procedures and policies in place as designed by the management across all functional areas, and assessing the internal control strength in all areas. Also the Internal Auditor findings are discussed with the process owners and corrective action is taken as necessary.

IX. Human Resources and Industry Relations

The Human Resources (HR) function in UFO remains focused on developing and wellbeing of all its employees through improved organizational effectiveness and providing a conducive and ethical work place amidst a rapidly changing business environment such that employees can offer their best. It is UFO's endeavor to promote a healthy and safe work environment for all the employees. UFO continues to focus on reviewing Human Resources policies including remuneration, employee welfare plans, health and safety, professional training, etc.

The total employee strength including group Companies and top management stood at 602 as on March 31, 2017.

Material developments in human resources:

Recruitment and Selection:

UFO has a talented pool of employees that prides itself in providing effective and efficient customer service to its clients. The focused recruitment and selection process ensures that UFO hires the best talent for the job that aligns with the overall goals of the organization. UFO takes pride in having a stable manpower strength coupled with low rate of attrition that gives it a strategic advantage to sustain long term business objectives.

Training and Development:

UFO, from time to time, plans and arrange for training of its employees for their overall development to achieve long term business objectives of UFO.

Industrial Relations:

UFO believes in maintaining cordial and friendly relations with its employees and resolves conflict, controversies and disputes, if any, between the employees and management in an amicable manner.

Cautionary Statement

Certain Statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations or predictions, estimates and others may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Important factors that could make a significant difference to the Company's operations are demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

UFO MOVIES INDIA LIMITED

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

COMPANY'S GOVERNANCE PHILOSOPHY

The Company firmly believes that effective corporate governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The Corporate Governance is essentially a system by which companies are directed and controlled by the management in the best interest of all stakeholders. Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholders' value and discharge its social responsibility. The Company recognizes that strong corporate governance is an indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. The Company, therefore, continues to lay great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

BOARD OF DIRECTORS

The Board of Directors of the Company is broad based and consists of eminent individuals having experience of industry, management, technical, financial and marketing functions. The Board periodically evaluates the need for change in its composition and size.

As on March 31, 2017, the composition of the Board is as below:

Category	No. of Directors
Non-Executive & Independent Directors including the Chairman	3
Other Non-Executive Directors	3
Executive Directors (Managing Director and Joint Managing Director)	2
Total	**8**

The Chairman of the Board of Directors is an Independent Director. As required under Section 149 of the Companies Act, 2013, Ms. Lynn de Souza, a lady Director, has been appointed as an Independent Director on the Board.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Ameya Hete retires by rotation in the ensuing Annual General Meeting (AGM) and is eligible for re-appointment. The details of Mr. Ameya Hete, Director seeking re-appointment, are disclosed in the notice of the AGM.

Further, tenure of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan, as Independent Directors will expire on November 19, 2017 and they are eligible for re-appointment. The details of Mr. Sanjeev Aga, Chairman and Independent Director, Ms. Lynn de Souza, Independent Director and Mr. S. Madhavan, Independent Director seeking re-appointment, are disclosed in the notice of the AGM.

CATEGORY AND ATTENDANCE OF DIRECTORS

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last AGM, as also the number of Directorship and Committee positions held by them in public limited companies (including the Company) are given below:

Name of Director	Category	No. of Board Meetings Attended during 2016-17 / (No. of meetings held during the tenure)	Attendance at AGM held on September 15, 2016	No. of Directorship * (As on March 31, 2017)			No. of committee positions in Mandatory Committees** (As on March 31, 2017)		
				Chairman	Board Member	Total	Chairman	Committee Member	Total
Mr. Sanjeev Aga	Chairman, Non-Executive, Independent	6 (7)	Yes	1	7	8	2	4	6
Mr. Ameya Hete#	Non-Executive^	6 (7)	No	Nil	5	5	Nil	Nil	Nil
Mr. Biswajit Subramanian$	Non-Executive$	3 (7)	No	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Name of Director	Category	No. of Board Meetings Attended during 2016-17 / (No. of meetings held during the tenure)	Attendance at AGM held on September 15, 2016	No. of Directorship * (As on March 31, 2017)			No. of committee positions in Mandatory Committees** (As on March 31, 2017)		
				Chairman	Board Member	Total	Chairman	Committee Member	Total
Mr. Kapil Agarwal	Executive	7 (7)	Yes	Nil	2	2	Nil	2	2
Ms. Lynn de Souza	Non-Executive, Independent	6 (7)	Yes	Nil	3	3	Nil	3	3
Mr. Raaja Kanwar	Non-Executive^	2 (7)	No	1	2	3	Nil	1	1
Mr. S. Madhavan	Non-Executive, Independent	6 (7)	Yes	Nil	3	3	3	2	5
Mr. Sanjay Gaikwad	Executive^	7 (7)	Yes	Nil	6	6	Nil	1	1
Mr. Varun Laul	Non-Executive^	6 (7)	No	Nil	1	1	1	1	2

* Excludes directorships in associations, private limited companies, foreign companies, government bodies and companies registered under Section 8 of the Companies Act, 2013.

** Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Mention as the Listing Regulations.

^ Mr. Sanjay Gaikwad is one of the promoters of the Company and Mr. Ameya Hete and Mr. Raaja Kanwar form part of the promoter group.

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Ameya Hete, retires by rotation in the forthcoming AGM and is eligible for re-appointment. The details of Mr. Ameya Hete, Director seeking re-appointment are disclosed in the notice of the AGM.

$ Mr. Biswajit Subramanian ceased to be a director of the Company with effect from March 2, 2017.

During the year under review, the Board met 7 times on the following dates: May 26, 2016; July 26, 2016; August 2, 2016; September 1, 2016; November 8, 2016 and twice on February 2, 2017. The gap between any two consecutive meetings did not exceed 120 days.

BOARD PROCEDURE

The agenda along with the notice of the Board Meetings is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II of the Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Company Secretary regarding compliance with applicable laws, on a quarterly basis.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for all the employees of the Company, including the Managing Director and the Joint Managing Director. The Board has also approved a Code of Conduct for Directors and Senior Management of the Company, which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct for the Directors and Senior Management is posted on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

All the Board members and Senior Management personnel have affirmed their compliance with the Code of Conduct for Directors and Senior Management. A declaration to this effect, signed by the Chief Executive Officer, forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are *inter-se* related to each other.

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The Directors and Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

During the year under review, the non-executive independent directors were paid sitting fees at the rate of ₹ 100,000/- for attending each of the board meetings and ₹ 50,000/- for attending each of the committee meetings.

The non-executive independent directors were appointed at a fixed remuneration consisting of sitting fees and commission on net profits of the Company. The total remuneration agreed with Mr. Sanjeev Aga, Chairman and Independent Director is ₹ 3,500,000/- p.a. and the total remuneration agreed with each of Ms. Lynn de Souza and Mr. S. Madhavan, both independent directors is ₹ 2,000,000/- p.a. as approved by the shareholders at their Extra-ordinary General Meeting held on November 20, 2014. The total remuneration payable to Independent Directors for the financial year ended March 31, 2017 is as below:

Name of Director	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Sanjeev Aga	950,000	2,550,000	3,500,000
Ms. Lynn de Souza	900,000	1,100,000	2,000,000
Mr. S. Madhavan	1,000,000	1,000,000	2,000,000
Total	**2,850,000**	**4,650,000**	**7,500,000**

The terms and conditions of the appointment of aforesaid independent directors and criteria for making payments to non-executive directors are disclosed on the Company's website www.ufomoviez.com

No sitting fees is payable to non-executive non-independent directors as they have waived their entitlement for the same.

As on March 31, 2017, except Mr. Ameya Hete and Mr. S. Madhavan who hold 217,797 and 1,500 equity shares of the Company respectively (as on date Mr. Ameya Hete and Mr. S. Madhavan holding 217,797 and 2,500 equity shares of the Company respectively), none of the non-executive directors was holding any equity shares of the Company on March 31, 2017 or as on date.

REMUNERATION TO THE EXECUTIVE DIRECTORS

Mr. Sanjay Gaikwad, Managing Director of Company had been appointed for a period of five years from October 17, 2013 to October 16, 2018. Mr. Kapil Agarwal, Joint Managing Director of Company had been appointed for a period of five years from March 1, 2014 to February 28, 2019. During the year under review, the Company had paid ₹ 32,500,000/- each to Mr. Sanjay Gaikwad, Managing Director and Mr. Kapil Agarwal, Joint Managing Director of the Company. The remuneration drawn was within the limits of managerial remuneration prescribed under Section 198 of the Companies Act, 1956 (at the time of appointment) and during the financial year 2016-17 under Section 197 of the Companies Act, 2013 considering the profits of the Company for the financial year 2016-17.

All elements of remuneration package of executive directors given herein below:

Particulars		Mr. Sanjay Gaikwad	Mr. Kapil Agarwal
1.	Salary	₹ 1,100,000 per month.	₹ 1,100,000 per month.
2.	Perquisites	The total remuneration as per para 1 and 2 i.e. Salary and Perquisites shall be restricted to an amount of ₹ 27,500,000/- p.a.	The total remuneration as per para 1 and 2 i.e. Salary and Perquisites shall be restricted to an amount of ₹ 2,7500,000/- p.a.
3.	One time performance incentive	Mr. Sanjay Gaikwad was paid a one time performance incentive of ₹ 5,000,000/- for the performance of the Company for past periods, in the financial year 2016-17.	Mr. Kapil Agarwal was paid one time performance incentive of ₹ 5,000,000/- for the performance of the Company for past periods, in the financial year 2016-17.
4.	Yearly performance incentive	In addition to above, and subject to the Nomination and Remuneration Committee's final determination based on certain defined parameters, with effect from April 1, 2016, Mr. Sanjay Gaikwad will also be entitled for yearly performance incentive of an amount not exceeding ₹ 12,500,000/-. Accordingly, Mr. Sanjay Gaikwad was paid performance incentive of ₹ 5,000,000/-, for the financial year 2016-17.	In addition to above, and subject to the Nomination and Remuneration Committee's final determination based on certain defined parameters, with effect from April 1, 2016, Mr. Kapil Agarwal will also be entitled for yearly performance incentive of an amount not exceeding ₹ 12,500,000/-. Accordingly, Mr. Kapil Agarwal was paid performance incentive of ₹ 5,000,000/-, for the financial year 2016-17.
5.	Employees Stock Options (ESOPs) as on March 31, 2017 and as on date.	Nil	212,500 ESOPs convertible into 212,500 equity shares of the Company. As on date 50% of above ESOPs are vested.

As on March 31, 2017 and as on date Mr. Sanjay Gaikwad and Mr. Kapil Agarwal were holding 263,797 and 462,394 equity shares of the Company respectively.

The appointment of the Executive Directors may be terminated earlier than the term of 5 years by either party by giving to the other party three months' notice of such termination or the Company paying three month's remuneration in lieu of such notice. The Executive Directors may be entitled to severance benefits depending on the circumstances of their termination of employment.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meetings of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the Management, were held on July 26, 2016, May 17, 2017 and July 11, 2017 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of the Listing Regulations At the said meetings, the Independent Directors:

a) reviewed the performance of Non-Independent Directors and the Board as a whole;

b) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and

c) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Sanjeev Aga and Mr. S. Madhavan attended the Meeting of Independent Directors held on July 26, 2016. All the Independent Directors attended the meeting of Independent Directors held on May 17, 2017 and July 11, 2017. Mr. Sanjeev Aga chaired all the three Meetings.

BOARD AND DIRECTORS' EVALUATION AND CRITERIA FOR EVALUATION

For the year under review, the Board has carried out an evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the performance evaluation process of the Board members. The criteria for evaluation include inter alia, knowledge to perform the role, time and level of participation, performance of duties and level of oversight, professional conduct and independence.

BOARD TRAINING, INDUCTION AND FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Directors including independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The familiarization programme for Independent Directors is disclosed on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The Managing Director and the Joint Managing Director also have one-on-one discussion with the Directors on a regular basis. In addition, the Senior Management of the Company interacts regularly with the Directors both individually and collectively. The above initiatives help the Directors to understand and keep themselves updated about the Company, its business and the regulatory framework in which the Company operates and equip themselves to effectively fulfill their role as Directors of the Company.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted various committees viz, Audit and Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Compensation Committee, Corporate Social Responsibility Committee and Finance Committee.

Each of these Committees has been mandated to operate within a given framework. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are headed by the respective Chairmen, who also inform the Board about the summary of discussions held in those Meetings. The minutes of the Committee Meetings are sent to all the respective Committee Members individually and tabled at the Board Meetings.

A. AUDIT AND RISK MANAGEMENT COMMITTEE:

The Audit and Risk Management Committee acts as a link between the statutory / internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The scope and function of the Audit and Risk Management Committee is in accordance with the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The powers of the Audit and Risk Management Committee include the power to (i) investigate any activity within its terms of reference; (ii) seek information from any employee; (iii) obtain outside legal or other professional advice; and (iv) secure attendance of outsiders with relevant expertise, if it considers the attendance of such outsiders necessary.

The Audit and Risk Management Committee is mandatorily review amongst others, (i) the management discussion and analysis of financial condition and results of operations; (ii) the statement of significant related party transactions submitted by the management; (iii) the

management letters / letters of internal control weaknesses issued by the statutory auditors; (iv) the internal audit reports relating to internal control weaknesses; and (v) the appointment, removal and terms of remuneration of the chief internal auditor/ internal auditor.

The role of the Audit and Risk Management Committee includes the scope as specified in Part C of Schedule II of the Listing Regulations in addition to the requirements of Section 177 of the Companies Act, 2013. Also the Audit and Risk Management Committee is responsible for monitoring and reviewing the risk management plan of the Company.

The composition of the Audit and Risk Management Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. Sanjeev Aga	Chairman	Non-Executive, Independent Director	5 (6)
Mr. S. Madhavan	Member	Non-Executive, Independent Director	5 (6)
Mr. Varun Laul	Member	Non-Executive Director	5 (6)
Ms. Lynn de Souza	Member	Non-Executive, Independent Director	5 (6)

Necessary quorum was present at the above Committee Meetings. All the Members on the Audit and Risk Management Committee have the requisite qualifications for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are invited to attend the Meeting of the Audit and Risk Management Committee. They have attended all the meetings where their Audit Reports were tabled for discussion. The Managing Director, Joint Managing Director, Chief Executive Officer and Chief Financial Officer usually attend all the Audit and Risk Management Committee Meetings. The Company Secretary is the Secretary to the Committee.

During the year under review, 6 meetings of the Audit and Risk Management Committee were held on May 26, 2016; July 26, 2016; August 2, 2016; September 1, 2016; November 8, 2016 and February 02, 2017.

B. NOMINATION AND REMUNERATION COMMITTEE:

The scope and terms of reference of the Nomination and Remuneration Committee includes recommending to the Board from time to time the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel as more specifically detailed in Part D of Schedule II of the Listing Regulations in addition to the requirements of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Policy is part of the Directors Report.

The composition of the Nomination and Remuneration Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. S. Madhavan	Chairman	Non-Executive, Independent Director	3 (3)
Mr. Sanjeev Aga	Member	Non-Executive, Independent Director	2 (3)
Mr. Biswajit Subramanian (Ceased to be a member with effect from March 2, 2017.)	Member	Non-Executive Director	0 (3)
Mr. Ameya Hete	Member	Non-Executive Director	2 (3)

During the year under review, 3 meetings of the Nomination and Remuneration Committee were held on May 26, 2016; July 26, 2016 and November 8, 2016.

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C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The terms of reference of the Stakeholders' Relationship Committee of the Company are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the the Listing Regulations which *inter alia* include:

a) Redressal of grievances of shareholders, debenture holders and other security holders.

b) Consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The composition of the Stakeholders' Relationship Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. Varun Laul	Chairman	Non-Executive, Non-Independent Director	3 (4)
Mr. Sanjay Gaikwad	Member	Executive Director	4 (4)
Mr. Kapil Agarwal	Member	Executive Director	4 (4)

During the year under review, 4 meetings of the Stakeholders' Relationship Committee were held on May 26, 2016; August 2, 2016; November 8, 2016 and February 2, 2017.

Mr. Sameer Chavan, Company Secretary of the Company is the Compliance Officer of the Company.

The number of complaints received, resolved to the satisfaction of shareholders and numbers of complaints pending during the financial year ended March 31, 2017 are as under.

Particulars	Received	Resolved	Pending
No. of Complaints	42	42	Nil

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

a) Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The composition of the Corporate Social Responsibility Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 (No. of meetings held during the tenure)
Mr. Sanjay Gaikwad	Chairman	Executive Director	1 (1)
Ms. Lynn de Souza	Member	Non-Executive, Independent Director	1 (1)
Mr. Kapil Agarwal	Member	Executive Director	1 (1)

During the year under review, the Corporate Social Responsibility Committee met once on May 26, 2016.

The policy on Corporate Social Responsibility is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

E. COMPENSATION COMMITTEE:

The scope and terms of reference of Compensation Committee is in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which *inter alia* includes:

a) Administration and superintendence of the employee stock options schemes.

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b) Formulate the detailed terms and conditions of the schemes which shall include the provisions as specified by Board in this regard.

c) Frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the trust, the Company and its employees, as applicable.

The Members of the Compensation Committee are as below:

Name of the member	Position in the Committee	Designation
Mr. S. Madhavan	Chairman	Non-Executive, Independent Director
Mr. Sanjeev Aga	Member	Non-Executive, Independent Director
Mr. Biswajit Subramanian (Ceased to be a member with effect from March 2, 2017.)	Member	Non-Executive Director
Ms. Lynn de Souza	Member	Non-Executive, Independent Director
Mr. Sanjay Gaikwad	Member	Executive Director

During the year under review, no meeting of Compensation committee took place.

F. FINANCE COMMITTEE:

The Finance Committee comprises of four members Mr. Ameya Hete, Mr. Kapil Agarwal, Mr. Sanjay Gaikwad and Mr. Varun Laul.

The terms of reference of Finance Committee includes matters related to Share Allotment, Share Transfer, Banking & Finance and merger related activities.

SUBSIDIARY COMPANIES

The Company has a material subsidiary namely Scrabble Entertainment Limited who has generated more than 20% of the consolidated income of the Company during the year under review. The Board of Directors of the Company has approved a policy for determining material subsidiaries of the Company and the same is disclosed on the website of the Company under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The audited annual financial statements of the subsidiary companies are tabled at the Audit and Risk Management Committee and Board Meetings. Copies of the Minutes of the Board Meetings of subsidiary companies are tabled at the subsequent Board Meetings.

GENERAL BODY MEETINGS

A. Annual General Meetings:

Details of the Annual General Meetings of the Company during the preceding three years are as follows:

Financial Year	Venue	Date	Time
2015-16	Sivaswamy Auditorium of Fine Arts Cultural Centre, Fine Arts Chowk, R. C. Marg, Chembur, Mumbai – 400071.	September 14, 2016	10:30 a.m.
2014-15	FICCI K.K. Birla Auditorium, Tansen Marg, Near Mandi House, New Delhi – 100 001	September 15, 2015	12.00 Noon
2013-14	1-B, Sagar Apartments, 6 Tilak Marg, New Delhi – 100 001	September 4, 2014	11.00 a.m.

During the three preceding Annual General Meetings of the Company, no special resolutions were passed.

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B. Special resolution passed through Postal Ballot

During the financial year 2016-17, pursuant to Section 110 of the Companies Act, 2013 read with Rules made thereunder and other applicable provisions, if any, (including any amendment thereto or re-enactment thereof), the Company has passed special resolutions through Postal Ballot as per details mentioned below:

Date of Postal Ballot Notice	Voting Period	Date of Report by Scrutinizer	Date of declaration of Results / Date of Approval of Members	Name of the Scrutinizer	Description of Special Resolution passed through Postal Ballot
November 8, 2016	From December 27, 2016 at 9.00 a.m. to January 25, 2017 at 5.00 p.m.	January 28, 2017	January 30, 2017	Mr. Dharmesh Zaveri, Practicing Company Secretary of D.M. Zaveri & Co.	1. Revision in the remuneration of Mr. Sanjay Gaikwad, Managing Director of the Company. 2. Revision in the remuneration of Mr. Kapil Agarwal, Joint Managing Director of the Company.

The details of voting pattern on aforesaid resolutions are mentioned below:

Details of resolution	No. of outstanding shares	No. of votes polled			% of Votes polled on outstanding shares	No. of Votes – in favour	No. of Votes – against
		Physical ballot	e-voting	Total			
Revision in the remuneration of Mr. Sanjay Gaikwad, Managing Director of the Company.	27,600,801	2,157	20,788,958	20,791,115	75.33%	19,763,697	1,027,418
Revision in the remuneration of Mr. Kapil Agarwal, Joint Managing Director of the Company.	27,600,801	2,157	20,788,938	20,791,095	75.33%	19,763,666	1,027,429

As of now, no Special resolution is proposed to be conducted through Postal Ballot.

Procedure of Postal Ballot followed by the Company is mentioned below:

In addition to the physical voting, the Company transacts the business of Postal Ballot through electronic voting. The Company in compliance with Regulation 44 of the SEBI (LODR) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, provides facility to the Members (whether holding shares in physical or in dematerialized form) to exercise their right to vote on the matters included in the notice of the postal ballot by electronic means i.e. through e-voting services. The Company engages the services of M/s. Karvy Computershare Private Limited for the purpose of providing e-voting facility to all its members. The members have an option to vote either by physical ballot or by e-voting. The Company dispatches the postal ballot notices and postal ballot form along with self-addressed, postage pre-paid business reply envelopes by permissible mode to its members whose names appear on the register of members / list of beneficial owners as on the cut-off date. The postal ballot notice along with postal ballot form is sent to members in electronic form to the e-mail addresses registered with their

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depository participants or the Company. The Company also publishes notice in the newspapers declaring the details of completion of dispatch of notice and other requirements as mandated under the Companies Act, 2013 read with the Rules framed thereunder. Voting is reckoned in proportion to the Member's share of voting rights on the paid-up share capital of the Company as on the record date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report to the Chairman, after completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorised persons. The results are also displayed on the website of the Company i.e. www.ufomoviez.com, besides being communicated to the stock exchanges, agency providing e-voting facility and registrar and share transfer agent of the Company.

C. Resolutions passed at Court Convened Meeting

During the financial year 2016-17 the Company has passed following resolutions at Court Convened Meeting (CCM) of shareholders held on January 16, 2017 at 11:00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 as per details mentioned below:

Date of CCM notice	Voting period	Date of report by Scrutinizer	Date of declaration of results / Date of Approval of members	Name of the Scrutinizer	Description of resolutions passed
November 8, 2016	From January 13, 2017 at 09:00 a.m. to January 15, 2017 at 5:00 p.m.	January 16, 2017	January 16, 2017	Mr. Dharmesh Zaveri, Practicing Company Secretary of D.M. Zaveri & Co.	1. Approval of with or without modification(s), the Scheme of Arrangement between Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited and UFO Moviez India Limited and their respective shareholders ("Scheme") which inter-alia provides for amalgamation of Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited with UFO Moviez India Limited. 2. Approval of the reduction of securities premium of UFO Moviez India Limited.

The details of voting pattern on aforesaid resolution are mentioned below:

Details of resolution	No. of outstanding shares	No. of votes polled			% of Votes polled on outstanding shares	No. of Votes – in favour	No. of Votes – against
		Physical ballot	e-voting	Total			
Approval of with or without modification(s), the Scheme of Arrangement between Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited and UFO Moviez India Limited and their respective shareholders ("Scheme") which inter-alia provides for amalgamation of Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited with UFO Moviez India Limited.	27,600,801	257,168	20,626,536	20,883,704	75.66	20,883,348	356
Approval of the reduction of securities premium of UFO Moviez India Limited.	27,600,801	257,167	20,626,536	20,883,703	75.66	20,883,347	356

MEANS OF COMMUNICATION

Communication with the Members / Shareholders

As per the requirements of the the Listing Regulations the unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter and the audited annual results are announced within sixty days from the close of the financial year.

The aforesaid financial results are sent to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after they are approved by the Board. The results thereafter are given by way of a press release to various news agencies/analysts. Further, the results were published within forty-eight hours in leading English daily newspaper i.e. 'The Financial Express' and Marathi daily newspaper i.e. 'Loksatta'. Prior shifting of the registered office of the Company from New Delhi to Maharashtra, the same were published in a Hindi daily newspaper i.e. 'Jansatta' alongwith English daily newspaper i.e. 'The Financial Express'. The audited financial statements form part of the Annual Report which are sent to the Members well in advance of the AGM.

The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members/ investors and subsequently issues a press release in regard to the same.

The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are placed on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx and can be downloaded. Also, all the official news releases, intimation of analyst meets, presentations made to the investors, etc. are displayed on the website of the Company under the section 'Events & Updates.'

In compliance with Regulation 10 of the the Listing Regulations the quarterly results, shareholding pattern, quarterly compliances and all other corporate communications are filed electronically with BSE on its Listing Centre portal and with NSE on its NEAPS portal.

DISCLOSURES

Related party transactions

All transactions entered in to with the related parties as defined under the Companies Act, 2013 and under Regulation 23 of the the Listing Regulations during the year under review were in the ordinary course of business and on arm's length basis. All the transactions with the related parties are in the normal course of business and do not conflict with the interest of the Company.

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Except as disclosed in 'Annexure-1" to the Directors' Report, there were no materially significant transactions with related parties during the year under review. Related party transactions have been disclosed in the notes to the financial statements in accordance with Accounting Standards 18.

As required under Regulation 23 of the Listing Regulations the Company has formulated a policy on related party transactions. The Policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Strictures and penalties

During the year under review, no strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets.

Whistle Blower policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 4(2)(d) of Chapter II of the Listing Regulations the Company has formulated a Whistle Blower Policy for establishing a vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimization of Employees and Directors who may use such mechanism and makes provision for direct access to the Chairman of the Audit and Risk Management Committee. None of the personnel of the Company has been denied access to the Chairman of the Audit and Risk Management Committee. The details of the Whistle Blower policy are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the SEBI (LODR) Regulations, 2015

The Company has to the extent applicable complied with all the mandatory requirements of the Listing Regulations. As to non-mandatory requirements, the company has appointed separate persons to the posts of Chairman, Managing Director(s), and Chief Executive Officer.

Commodity price risk and Hedging Activities

As the Company is not dealing in commodities, there are no commodity price risk and hedging activities undertaken by the Company during the year under review.

Disclosure of the compliance with Corporate Governance

The Company has complied with all the corporate governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of Sub Regulation (2) of Regulation 46 of the Listing Regulations.

Disclosure with respect to demat suspense account / unclaimed suspense account

As on April 1, 2016, total 48 shares of 2 shareholders were lying in the suspense account.

During the year under review, the Company has received request from these shareholders to transferred said shares to their demat accounts and accordingly the Company has transferred said shares to respective shareholders demat account. As on March 31, 2017, there were no outstanding shares which were lying in the suspense account. The voting rights on aggregate of 48 outstanding shares were frozen till the shares were in suspense account.

Prevention of Insider trading

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The policy also includes practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosure. The Company has automated the declarations and disclosure to identified designated employees and the Board reviews the policy on a need basis. The policy on Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Policy for determination for materiality of event or information

In accordance of Regulation 30 of the Listing Regulations the Company has framed the Policy for determination for materiality of event or information for the purpose of making disclosures of event or information to the Stock Exchanges under Listing Regulations. The Policy includes criteria for determination of materiality of event and information and the manner for making disclosure of such events and information to the Stock Exchanges. The policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L22120MH2004PLC285453.

Financial Calendar for the Financial Year 2017-18

Financial Year	April to March
Board Meeting for consideration of Accounts for the financial year ended March 31, 2017	May 17, 2017
Book Closure Dates	Tuesday, September 19, 2017 to Tuesday, September 26, 2017 (both days inclusive)
	Dividend payment Date after Wednesday, September 27, 2017
Last date for receipt of Proxy Forms	Sunday, September 24, 2017
Day, Date, Time & Venue of the 13th Annual General Meeting	Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri - East, Mumbai - 400059.
Board Meeting for consideration of unaudited quarterly results for three quarters i.e. June, 2017; September, 2017 and December, 2017 of the financial year 2017-18.	Within forty-five days from the end of the quarter or within such other time as stipulated under the SEBI (LODR) Regulations, 2015.
Annual audited results for the financial year ending March 31, 2018	Within sixty days from the end of the last quarter or within such other time as stipulated under the SEBI (LODR) Regulations, 2015.

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges:

Name & Address of the Stock Exchanges	Stock Code / Scrip Code	Name & Address of the Stock exchanges
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	UFO / 539141	INE527H01019
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	UFO	

The Company has paid the listing fees to these Stock Exchanges for the financial year 2017-18.

Market Price Data: High, low during each month in last financial year and performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.

The performance of the Equity Shares of the Company i.e. the high, low and number of Equity Shares traded during each month in the financial year 2016-17 on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) depicting the liquidity of the Company's Equity Shares for the financial year ended March 31, 2017, on the said exchanges is given below:

Month	BSE Share Price Month's High (₹)	BSE Share Price Month's Low (₹)	Total Turnover (₹ In lacs)	NSE Share Price Month's High (₹)	NSE Share Price Month's Low (₹)	Total Turnover (₹ In lacs)
Apr-16	545.00	420.10	1,162.15	546.25	411.00	4,540.67
May-16	548.00	502.00	456.25	549.00	495.15	2,293.34
Jun-16	583.00	504.00	971.77	583.65	486.00	2,383.56
Jul-16	625.00	536.00	18,315.00	623.75	536.90	8,409.49
Aug-16	606.00	465.00	1,429.33	606.00	464.20	6,662.20
Sep-16	501.50	425.00	2,044.26	500.80	421.00	6,050.58
Oct-16	501.90	435.55	394.34	503.00	437.00	2,362.75
Nov-16	503.00	405.40	557.36	505.00	405.00	4,658.98
Dec-16	450.90	397.00	1,332.33	448.75	396.00	3,046.54
Jan-17	473.00	405.00	833.72	474.00	401.00	3,841.84
Feb-17	463.50	403.00	800.86	464.00	402.00	4,652.20
Mar-17	457.00	389.90	2,657.68	456.65	389.85	9,574.52

UFO MOVIEZ INDIA LIMITED

Performance of UFO Share price in Comparison to:

BSE Sensex:



NSE Nifty:



UFO MOVIEZ INDIA LIMITED

Share Transfer System and other related matters

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Registrar & Share Transfer Agent of the Company i.e. M/s. Karvy Computershare Private Limited or download the same from their website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Distribution of shareholding as on March 31, 2017

Range (In ₹) *	No. of Equity Shares	Amount (₹)	% to capital	No. of shareholders	% to total shareholder
up to 5000	1,477,297	1,4,772,970	5.35	27849	99.46
5001-10000	294,950	2,949,500	1.07	48	0.17
10001-20000	288,688	2,886,880	1.05	36	0.13
20001-30000	183,929	1,839,290	0.67	16	0.06
30001-40000	131,919	1,319,190	0.48	5	0.02
40001-50000	105,810	1,058,100	0.38	7	0.02
50001-100000	362,081	3,620,810	1.31	6	0.02
100001 & Above	24,756,127	247,561,270	89.69	34	0.12
Total	**27,600,801**	**276,008,010**	**100**	**28001**	**100**

* The amount is calculated considering nominal value of per equity share i.e. ₹ 10/- per share

Shareholding Pattern as on March 31, 2017

Category	No. of shares held	Percentage
Promoter and Promoter Group	7,765,352	28.13
FII/FVCI/Foreign Bodies Corporates, NRI, etc.	7,854,472	28.47
Individuals	4,927,364	17.85
Others	7,053,613	25.55
Total	**27,600,801**	**100.00**

Dematerialization of shares

The Company's shares are tradable compulsorily in the electronic form. Through Karvy Computershare Private Limited, Registrars and Share Transfer Agents, the Company has established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE527H01019.

Percentage of shares held in physical and dematerialization form as on March 31, 2017 are as mentioned below:

Physical form : 0.11%

Dematerialization form : 99.89%

UFO MOVIEZ INDIA LIMITED

Investor Correspondence

For any assistance regarding share transfers, transmissions, change of address, duplicate share certificates and other relevant matters, please write to the Registrar & Share Transfer Agent of the Company at the address given below:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032.
Tel No.: 040 6716 2222; Fax No.: 040 2300 1153
Toll Free No.: 1800 345 4001
Email: einward.ris@karvy.com

For Investor correspondence and queries relating to financial statements:

Mr. Ashish Malushte
Chief Financial Officer
Tel: +91 22 40305060
Email: ashish.malushte@ufomoviez.com

Mr. Ashwin Chhugani
Sr. Manager - Investor Relations
Tel: +91 22 40305060
Email: ashwin.chhugani@ufomoviez.com

For queries relating to shares / compliance

Mr. Sameer Chavan
Company Secretary and Compliance Officer
Tel : +91 22 40305060
Email: investors@ufomoviez.com

Outstanding GDRS/ADRS/Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments issued by the Company except employees stock options, the details of which are disclosed in the Annual Report.

Plant Locations

As the Company is not a manufacturing Company, it has no plant. The regional / sales offices of the Company are situated at Ahmadabad, Amravati, Bengaluru, Bhusawal, Chennai, Cochin, Cuttack, Delhi, Ghaziabad, Gorakhpur, Guwahati, Hyderabad, Indore, Jaipur, Jalandhar, Kolkata, Lucknow, Nagpur, Patna, Ranchi, Raipur, Silliguri and Vijaywada with corporate and registered office at Mumbai.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

UFO MOVIEZ INDIA LIMITED

UFO
digital cinema

DECLARATION BY CHIEF EXECUTIVE OFFICER

This is to declare that as provided under Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Directors and Senior Management for the year ended March 31, 2017.

For UFO Moviez India Limited

Place: Mumbai
Date: May 17, 2017

Rajesh Mishra
Chief Executive Officer – Indian Operations

CEO & CFO CERTIFICATION

To
The Board of Directors of
UFO Moviez India Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of UFO Moviez India Limited ("the Company") to the best of our knowledge and belief certify that:

A We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief, we state that:

i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

C We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit and Risk Management Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

D We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit and Risk Management Committee:

a. significant changes, if any, in internal control over financial reporting during the year;

b. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For UFO Moviez India Limited

Place : Mumbai
Date : May 17, 2017

Rajesh Mishra
Chief Executive Officer – Indian Operations

Ashish Malushte
Chief Financial Officer

UFO MOVIEZ INDIA LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

I have examined the compliance of conditions of Corporate Governance by UFO Moviez India Limited ('the Company'), for the Financial Year ended 31st March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D, E of the Schedule V of the Listing regulations for the respective periods of applicability as specified under paragraph 1 above, during the period ended March 31, 2017.

I further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dharmesh M. Zaveri
Practicing Company Secretary
FCS No: 5418
CP No : 4363

Place : Mumbai
Dated : July 11, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of UFO Moviez India Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of UFO Moviez India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated 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 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 and consolidated cash flows of the Group including its associates in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 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 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.

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 associates, the aforesaid consolidated 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 its associates as at March 31, 2017, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 34(d)(ii) to the consolidated financial statement for a demand of ₹ 220,111,033/- (excluding interest and penalty) received by the Holding Company during the year ended March 31, 2016 for disallowance of CENVAT credit on digital cinema equipments and which is more fully described therein. Based on legal opinion obtained, the Holding Company is of the view that it should be entitled to avail CENVAT credit and is contesting this demand. Hence, no provision has been considered by the management in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

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 and associates as noted in the 'other matter' paragraph 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 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, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

(e) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the group;

(f) 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 and associate companies incorporated in India, none of the directors of the Group's companies and its associates incorporated in India are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(h) 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 and associates as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates – Refer Note 34 to the consolidated financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2017.

iv. The Holding Company, has, for itself and its subsidiaries incorporated in India, have provided requisite disclosures in Note 40 to these consolidated financial statements 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 by these companies. 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 and as produced to us by the Management of the Holding Company.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of seven subsidiaries, whose financial statements include total assets of ₹ 1,358,512,953/- and net assets of ₹ 344,952,916/- as at March 31, 2017, and total revenues of ₹ 1,258,118,683/- and net cash outflows of ₹ 160,592,942/- for the year ended on that date. These financial statement 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 financial statements also include the Company's share of net profit of ₹ 36,038,026/- for the year ended March 31, 2017, in respect of three associates, 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, 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 and associates, is based solely on the reports of such other auditors. Our opinion is not qualified in respect of this matter.

Certain of these subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of five subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 868,502,263/- and net assets of ₹ 802,601,341/- as at March 31, 2017, and total revenues of ₹ 1,734,690/- and net cash outflows of ₹ 10,953,438/- for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Company's share of net profit of ₹ 32,921,878/- for the year ended March 31, 2017, in respect of two associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associates, 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 and associates, is based solely on such unaudited financial statement and other unaudited financial information. Our opinion is not qualified in respect of this matter. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our above opinion on the consolidated 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 & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of UFO Moviez India 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 UFO Moviez India Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of UFO Moviez India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies and its associate 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 and its associate 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

The management has certified to us that in respect of one unaudited Indian Subsidiary, the internal financial controls over financial reporting are adequate and operating effectively. In our opinion and according to information and explanation given to us this subsidiary is not material to the Group.

Read with above paragraph, 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 two subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017



Consolidated Balance Sheet as at 31 March 2017

(In ₹)

Particulars	Notes	31 March 2017	31 March 2016
Equity and liabilities			
Shareholder's Funds			
Share capital	3	276,008,010	274,993,760
Reserves and surplus	4	5,507,492,445	4,889,664,662
		5,783,500,455	**5,164,658,422**
Minority Interest		**113,975,913**	**106,209,585**
Non-current liabilities			
Long-term borrowings	5	319,895,796	435,916,273
Other long-term liabilities	7	410,959,313	485,213,406
Deferred Tax liabilities (net)	11	236,753	236,753
Long-term provisions	6	28,014,482	8,165,006
		759,106,344	**929,531,438**
Current liabilities			
Short-term borrowings	8	107,300,204	108,502,827
Trade payables	7	954,526,672	893,213,018
Other current liabilities	7	1,154,275,361	1,135,836,050
Short-term provisions	6	51,214,523	145,709,759
		2,267,316,760	**2,283,261,654**
TOTAL		**8,923,899,472**	**8,483,661,099**
Assets			
Non-current Assets			
Fixed Assets			
Property, plant and equipment	9	2,584,823,433	2,881,305,709
Intangible assets	9	30,863,757	38,913,709
Capital work-in-progress		69,126,145	70,536,424
Goodwill on consolidation		1,832,824,477	1,720,744,312
Non-current investments	10	155,360,561	80,137,614
Deferred tax assets (net)	11	346,298,324	275,044,347
Long-term loan and advances	12	383,014,975	441,311,772
Other non-current assets	17	3,859,412	76,183,087
		5,406,171,084	**5,584,176,974**
Current Assets			
Current investments	13	597,394,492	280,771,132
Inventories	14	134,831,803	114,822,325
Trade receivables	15	1,482,390,601	1,515,045,644
Cash and bank balances	16	957,034,785	667,677,706
Short-term loan and advances	12	247,176,181	254,559,664
Other current assets	17	98,900,526	66,607,654
		3,517,728,388	**2,899,484,125**
TOTAL		**8,923,899,472**	**8,483,661,099**
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO digital cinema

Consolidated Statement of Profit and Loss for the year ended 31 March 2017

(In ₹)

Particulars	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations	18	5,948,712,887	5,654,881,689
Other operating income	19	23,360,585	45,715,334
Other income	20	16,578,867	20,527,794
Total Income (I)		**5,988,652,339**	**5,721,124,817**
Expenses			
Operating direct costs	21	2,478,995,006	2,425,221,240
Employee benefit expenses	22	814,635,147	688,222,432
Other expenses	23	850,506,333	759,709,196
Total Expenses (II)		**4,144,136,486**	**3,873,152,868**
Earnings before interest,tax,depreciation and amortisation (EBITDA) (I) - (II)		**1,844,515,853**	**1,847,971,949**
Depreciation and amortisation expenses	9	837,071,955	773,904,962
Finance cost	24	102,327,895	140,395,788
Finance income	25	(53,653,136)	(46,856,438)
Profit before tax		**958,769,139**	**980,527,637**
Tax expenses			
Current tax		433,507,953	406,423,549
Deferred tax		(71,741,330)	(60,585,142)
Total tax expenses		**361,766,623**	**345,838,407**
Profit for the year before share of profit from associates		**597,002,516**	**634,689,230**
Share of profit from associates (net)		68,959,905	39,368,902
Profit for the year		**665,962,421**	**674,058,132**
Minority Interest		**(34,402,503)**	**(39,428,642)**
Profit for the year attributable to equity shareholders		**631,559,918**	**634,629,490**
Earnings per equity share [nominal value of share of ₹ 10/- (31 March 2016: 10/-)]	26		
Basic		22.89	24.22
Diluted		22.88	23.33
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO MOVIEZ INDIA LIMITED

Consolidated Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from / (used in) operating activities			
Profit before tax		**958,769,139**	**980,527,637**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation		837,071,955	773,904,963
Unrealised Foreign exchange gain (net)		(2,793,027)	(683,299)
Loss on sale/ discarding of fixed assets		2,033,111	1,247,283
Bad debt written off		12,313,325	8,425,377
Provision for doubtful debts		26,464,417	33,134,577
Provision for doubtful advances		-	5,885,107
Utilisation of provision for warranty (net)		-	(3,018,278)
Provision for compensated absences		8,079,093	5,203,935
Provision for gratuity		20,823,672	10,613,541
Provision for diminution in value of fixed assets		-	701,928
Sundry credit balances written back		(22,601,178)	(10,428,047)
Profit on sale of current investments (net)		(6,663,879)	(6,234,251)
Dividend income		(4,495,270)	(3,045,943)
Interest income		(42,493,987)	(37,576,245)
Interest expense		96,220,985	132,748,023
Operating profit before working capital changes		**1,882,728,356**	**1,891,406,308**
Movements in working capital:			
(Decrease)/ Increase in trade payables		179,601,911	202,224,169
(Decrease)/ Increase in long-term provisions		17,781,634	(684,628)
(Decrease)/ Increase in short-term provisions		(23,970,188)	(342,530)
(Decrease)/ Increase in other current liabilities		187,408,644	65,598,014
(Decrease)/ Increase in other non current liabilities		(102,794,032)	(9,911,261)
Decrease/ (Increase) in trade receivables		(166,145,910)	(452,308,326)
Decrease/ (Increase) in inventories		(21,463,187)	(2,586,918)
Decrease/ (Increase) in long-term loans and advances		72,056,976	17,538,296
Decrease/ (Increase) in short-term loans and advances		(109,209,204)	(151,822,271)
Decrease/ (Increase) in other current assets		(1,573,880)	108,273,215
Decrease/ (Increase) in other non-current assets		-	(100,001)
Cash generated from operations		**1,914,421,120**	**1,667,284,068**
Direct tax paid (net of refunds)		(349,098,704)	(419,266,472)
Net cash flow from operating activities	**(A)**	**1,565,322,416**	**1,248,017,596**
Cash flow from/(used in) investing activities			
Purchase of fixed assets including intangible, Capital-work-in-progress and capital advances		(592,253,090)	(624,819,220)
Payment of purchase consideration for purchase of subsidiary shares (from minority)		(190,000,000)	(151,498,117)
Purchase of current investment including dividend reinvestment		(2,054,495,274)	(1,942,545,948)
Redemption of current investments		1,744,535,793	1,735,101,433
Proceeds from sale of fixed assets		21,636,279	23,289,546
Interest received		37,482,018	42,309,971
Dividend received		30,539,894	21,572,227
Maturity/(Placement) of bank deposits (having original maturity of more than three months) (net)		(241,089,234)	83,837,934
Net cash flow (used in) investing activities	**(B)**	**(1,243,643,614)**	**(812,752,175)**



UFO digital cinema

Consolidated Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from/(used in) financing activities			
Proceeds from issuance of share capital (including premium)		16,485,240	248,946,423
Proceeds from long- term borrowings		622,840,886	397,387,850
Repayment of long-term borrowings		(821,421,556)	(641,045,939)
Proceeds from short-term borrowings		92,307,899	43,420,319
Repayment of short term borrowings (net)		(117,122)	(23,173,439)
Dividend paid on equity shares		(94,976,400)	(147,737,545)
Tax on dividend paid on equity shares		(16,856,621)	(27,991,130)
Interest and finance cost paid		(121,486,485)	(147,077,851)
Net cash flow from/(used in) financing activities	**(C)**	**(323,224,159)**	**(297,271,312)**
Net (decrease)/increase in cash and cash equivalent	**(A + B + C)**	**(1,545,357)**	**137,994,109**
Cash and cash equivalents at the beginning of the year		413,490,217	288,561,624
Unrealised Gain on Foreign Currency Cash and Cash equivalents		(9,900,949)	(12,317,734)
Cash and cash equivalents at the end of the year		**402,043,911**	**414,237,999**
Components of cash and cash equivalents			
Cash on hand		588,264	938,782
Balance with banks:			
- on current accounts		401,273,206	411,582,526
- unpaid dividend account*		182,441	233,600
- On EEFC Account		-	1,373,091
- on fixed deposits account with original maturity of less than three months		-	110,000
Cash & cash equivalents [refer note 16]		**402,043,911**	**414,237,999**
Summary of significant accounting policies	**2.1**		

Notes:

1. The above Cash flow statement has been prepared under the " Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements"

* The company can utilize these balances only toward settlement of the respective unpaid dividend.

The accompanying notes are an integral Part of the Consolidated Financial Statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

1. Corporate information

UFO Moviez India Limited ('UFO' or 'the Parent Company' or 'the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company and its subsidiaries, associates and joint ventures (collectively referred to as "the Group") is primarily engaged in the business of providing digital cinema services.

The equity shares of the Company are listed on the National Stock Exchange of India Limited and The BSE Limited.

Basis of preparation

The consolidated financial statements (CFS) of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for change in accounting policy explained below:

Accounting for Proposed Dividend

Till March 31, 2016, as per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. For the current year, as per AS 4(R), provision for dividend proposed/ declared after the balance sheet date is not created and is disclosed in notes to the financial statements.

Accordingly, the company has not recorded provision for dividend and disclosed dividend proposed by board of directors after the balance sheet date in Note 41.

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 332,196,747/- and short term provision would have been higher by ₹ 332,196,747/- (including dividend distribution tax of ₹ 56,188,737/-).

2. Principles of Consolidation

(i) The financial statements of the Parent Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating intra-group balances and transactions as per Accounting Standard (AS) 21 "Consolidated Financial Statements".

(ii) The excess of cost to the Parent Company of its investments in the subsidiaries over its portion of equity in the subsidiaries, as at the date on which investment was made, is recognized as goodwill in the consolidated financial statements. The Parent Company's portion of equity in the subsidiaries is determined on the basis of the book value of assets and liabilities as per the financial statement of the subsidiary companies as on the date of investment.

(iii) Minority Interest:

Minority interest share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company. In case where losses applicable to minority interest exceed the minority interest in the equity of the subsidiary, the excess of, any further losses applicable to minority interest are adjusted against the Parent Company's portion of equity in the subsidiary, until all previous losses absorbed by parent are recovered.

(iv) The financial statement of the Group includes the share of profit / loss of associate companies in which the Group has significant influence and which is neither a subsidiary nor a joint venture, which are accounted under "Equity Method" in accordance with Accounting standard (AS) 23 on Accounting for Investment in Associates, as per which the share of profit/(loss) of associate company has been added and restricted to the cost of investment.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(v) The financial statements of the Company and its Joint venture entities have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating intra-group balances and transactions, by applying "Proportionate consolidation" Method, as per Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Venture".

(vi) The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible across the group and are presented, to the extent possible, in the same manner as per the parent's separate financial statement.

(vii) The list of Subsidiaries included in consolidation are mentioned below:

Subsidiary Name	Country of Incorporation	Proportion of ownership interest of the Company/ Subsidiary as on March 31, 2017	Proportion of ownership interest of the Company/ Subsidiary as on March 31, 2016
Subsidiaries of UFO			
Scrabble Entertainment Limited (SEL)	India	91.33%	91.33%
V N Films Private Limited (Refer Note 39)	India	100%	100%
Southern Digital Screenz India Private Limited (Refer Note 39)	India	100%	84.18%
Valuable Digital Screen Private Limited	India	80%	80%
Edridge Limited (Refer Note 39)	Cyprus	100%	100%
United Film Organisers Nepal Private Limited	Nepal	100%	100%
Subsidiary of Edridge Limited & stepdown subsidiary of UFO			
UFO International Limited (Refer Note 39)	Cyprus	100%	100%
Subsidiaries of UFO International Limited & stepdown subsidiaries of UFO			
United Film Organisers (UFO) (Mauritius) Private Limited.	Mauritius	100%	100%
UFO Lanka Private Limited.	Sri Lanka	100%	100%
UFO Software Technologies Private Limited.	India	100%	100%
Subsidiaries of SEL & stepdown subsidiaries of UFO			
Scrabble Entertainment DMCC	UAE	100%	100%
Scrabble Entertainment Mauritius Limited	Mauritius	100%	100%
Scrabble Entertainment Lebanon SARL	Lebanon	100%	100%
Scrabble Digital Inc	USA	100%	100%

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(viii) The list of associates of SEL included in consolidation are mentioned below:

Associate Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Scrabble Digital Limited	India	33.33%	33.33%
Scrabble Digital DMCC	UAE	33.33%	33.33%
Scrabble Ventures LLC	USA	30%	30%
Scrabble Ventures, S. de R.L. de C.V, Mexico	Mexico	30%	30%
Mukta V N Films Limited (refer note 36)	India	45%	NA

(ix) The list of Joint venture entities of V N Films Private Limited included in consolidation are mentioned below:

Joint Venture Entity Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Mukta V N Films Limited (refer note 36)	India	NA	45%

(x) The list of Companies not included in consolidation as these are in the process of being liquidated are mentioned below:

Subsidiary Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Scrabble Entertainment Israel Limited	Israel	100%	100%
UFO Europe Limited	Cyprus	100%	100%

(xi) The financial statement of the subsidiary/associates are drawn upto the same reporting date of the Parent Company other than the following:

Entity Name	Relationship	For the year ended March 31, 2017	For the year ended March 31, 2016
Scrabble Digital DMCC	Associate	Year ended Dec-16	Year ended Dec-15
Scrabble Entertainment Lebanon SARL	Subsidiary	Year ended Dec-16	Year ended Dec-15

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(b) Property, Plant and Equipment

Property Plant and equipment are stated at cost, net accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property Plant and equipment which takes 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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Subsequent expenditure related to an item of property, plant and quipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of an property, plant and equipment 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.

The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

From April 1, 2015, based on the provisions of schedule II to the Companies Act 2013, relating to component accounting, the Company has identified and determined cost of each component of the asset separately, if the component has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

As per the transitional provisions of Schedule II, carrying amount of components having zero remaining useful life on April 1, 2015 of ₹ 41,519,692/- (after reducing deferred tax impact of ₹ 21,973,842/-) has been adjusted against the opening reserves in accordance with the requirement of Schedule II of the Act.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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.

Intangible assets are amortised over their estimated useful life as follows.

	Useful lives as per management's estimate (years)
Computer Software	2 – 6

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(d) Depreciation on Property, Plant and equipment

Depreciation on Property, Plant and equipment calculated on a straight line basis using the rates arrived at based on the useful lives of the assets estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The Company has used the following useful lives to provide depreciation on its property, plant and equipments:

	Useful lives as per management's estimate (years)
Exhibition Equipment	7 – 10
Plant & Machinery	4 – 7
Computer Server	3
Furniture and Fixtures	6
Office Equipments	5-6
Vehicles	3-5

Except computer, useful life of above property, plant and equipments are different from those prescribed under schedule II. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

(e) Goodwill on consolidation

Goodwill on consolidation is not amortised and is tested for impairment on an annual basis. Such evaluation determines impairment in value if any, taking into account the ability to recover the carrying amount of goodwill from discounted cash flows. The group also considers projected future operating results, trends and other circumstances in making such evaluations.

In addition to the annual impairment test, the Group performs an impairment test if an event occurs or circumstances change that would more likely than not reduce the fair value or the reporting unit below its carrying amount.

(f) Impairment of fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset.

(g) Leases

Where the Group is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Assets subject to operating leases are included in property, plant and equipments. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(h) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(i) Inventories

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(j) 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.

Income from services

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognised in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Digitisation income is recognized in the period in which services are rendered.
- Registration fee is recognised in the period in which the services are rendered.
- Revenue from maintenance service fees is recognised on time proportion basis for the period falling in the reporting period
- Lease rental income on equipment is recognised as mentioned in note 2.1(h) above.
- Revenue from commission and technical service income is recognised in period in which services are rendered.

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Group recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers.

The Group collects service tax and value added tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognised when the company's right to receive dividend is established by the balance sheet date.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(k) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

(l) Translation of foreign operations

Translation of foreign subsidiaries and associates are done in accordance with AS – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates". The financial statements of Integral operations are translated as if the transactions of foreign operations have been those of the Company.

In case of non-integral foreign operations, all assets and liabilities are converted at the closing rate at the end of the period and items of income and expenditure items have been translated at the average rate, which approximates the actual rates. All the resulting exchange differences are accumulated in the foreign currency translation reserves until the disposal of the net investment.

Any goodwill / Capital reserve arising on acquisition of a non–integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognized under Foreign Currency Translation Reserve.

(m) Retirement and other employee benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employee render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company has an Employees' Gratuity Fund managed by the Life Insurance Corporation of India.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(n) Income taxes

Tax expense comprises of 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 Group operates. The tax rates and tax laws use to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or "virtually certain", as the case may be 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 balance sheet date. The Group writes-down the carrying amount of a 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 or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a period is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group 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 period in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(p) Contingent liabilities

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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(q) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulation 2014 and Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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 Group'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.

(s) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(t) Borrowing cost

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 occur.

(u) Segment reporting

The Group's operations predominantly relate to providing digital cinema services to exhibitors and distributors of films under E-Cinema and D-Cinema. The Group's operating businesses are organized and managed according to the services and are identified as reportable segment based on the dominant source and nature of risks and returns as primary and secondary segments. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

(v) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 which is equally applicable to schedule III of the Companies Act, 2013, the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, finance income and tax expense.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

3. **Share capital** (In ₹)

	31 March 2017	31 March 2016
Authorised share capital		
45,000,000 (March 31,2016: 45,000,000) equity shares of ₹ 10/- each	450,000,000	450,000,000
1,385,000 (March 31,2016: 1,385,000) preference shares of ₹ 1000/- each	1,385,000,000	1,385,000,000
	1,835,000,000	**1,835,000,000**
Share capital		
Issued, subscribed and fully paid up shares		
27,600,801 (March 31, 2016: 27,499,376) equity shares of ₹ 10/- each fully paid-up	276,008,010	274,993,760
Total issued, subscribed and fully paid up share capital	**276,008,010**	**274,993,760**

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	31 March 2017		31 March 2016	
	No.	₹	No.	₹
At the beginning of the year	27,499,376	274,993,760	25,897,669	258,976,690
Issued during the year - ESOP exercised	101,425	1,014,250	1,601,707	16,017,070
Outstanding at the end of the year	**27,600,801**	**276,008,010**	**27,499,376**	**274,993,760**

(b) **Terms/ rights attached to equity shares**

Voting rights:

The Company has only one class of equity shares having per value of ₹ 10/- per share. Each holder of equity shares having a par value of ₹ 10/- per equity share is entitled to one vote per equity share.

Rights to Dividend:

The equity shareholders have right to receive dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholders is ₹ Nil (March 31, 2016: 8/-) per share.

Rights pertaining to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the 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 group**

Name of the shareholder	31 March 2017		31 March 2016	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10/- each fully paid				
P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.03	5,251,608	19.10
3i Research (Mauritius) Limited	-	-	2,664,879	9.69
SBI Magnum Global Fund	2,609,456	9.45	2,407,206	8.75
Valuable Technologies Limited	2,243,657	8.13	2,243,657	8.16
Apollo International Limited	2,266,417	8.21	2,266,417	8.24
Reliance Capital Trustee Co Limited A/c Reliance Media and Entertainment Fund	2,202,739	7.98	1,861,139	6.77
Valuable Media Limited	1,494,265	5.41	1,494,265	5.43

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has issued total 1,703,132 shares (March 31, 2016: 1,601,707) 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.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 28.

4. Reserves and surplus (In ₹)

	31 March 2017	31 March 2016
Legal Reserve		
Balance as per the last financial statements	18,291,284	18,291,284
Closing Balance	**18,291,284**	**18,291,284**
Securities premium account		
Balance as per the last financial statements	3,722,470,350	3,489,540,997
Add: Additions on ESOPs exercised	15,470,990	232,929,353
Closing balance	**3,737,941,340**	**3,722,470,350**
Employee stock options outstanding		
Balance as per the last financial statements	64,426	64,426
Less: Transfer to reserve & surplus on expiry of options	(32,213)	-
Closing Balance	**32,213**	**64,426**
Foreign Currency Translation Reserve		
Balance as per the last financial statements	261,494,789	201,416,409
Addition during the year (Net)	(25,748,948)	60,078,380
Closing Balance	**235,745,841**	**261,494,789**
Surplus in the statement of profit and loss		
Balance as per the last financial statements	887,343,813	564,348,819
Add: Transfer from Employee Stock options outstanding	32,213	-
Less: Depreciation adjustment (net of deferred tax) (refer note 2.1(b))	-	(41,519,692)
Prior period adjustment (refer note b)	-	(2,096,132)
Profit for the year	631,559,918	634,629,491
Less: Dividend on equity shares including dividend distribution tax [per share ₹ 5/- (March 31, 2016: 5/-)] (refer note a)	(3,454,177)	(168,725,867)
Less: Proposed final dividend on equity shares including dividend distribution tax [per share ₹ Nil (March 31, 2016: 3/-)] (refer note 41)	-	(99,292,806)
Net Surplus in the statement of profit and loss	**1,515,481,767**	**887,343,813**
Total reserves and surplus	**5,507,492,445**	**4,889,664,662**

Note:

a. The dividend distribution tax includes dividend distribution tax of ₹ 3,381,052/- (March 31, 2016 ₹ 3,237,857/-) on dividend received from associate.

b. The adjustment of ₹ 2,096,132/- to reserves for the year ended March 31, 2016, relates to share of minority interest, inadvertently not recorded in the previous year.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

5. Long-term borrowings (Secured)

(In ₹)

		Non-Current		Current	
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
Term loans					
Rupee loan from banks					
Term loan 1 from HDFC Bank		-	-	-	4,492,508
Term loan 2 from HDFC Bank		189,589,956	127,924,850	162,505,630	59,042,238
Term loan 3 from Axis Bank		-	-	-	85,416,198
Term loan 4 from Axis Bank		-	102,810,900	-	124,992,000
Term loan 5 from Axis Bank		-	73,917,920	-	56,250,000
Term loan 6 from Axis Bank		60,058,871	99,719,594	49,620,040	51,102,052
Term loan 7 from Yes Bank			14,285,714	14,285,714	85,714,286
Term loan 8 from HDFC Bank			15,214,247	15,214,247	20,285,613
Term loan 9 from HDFC Bank		22,355,420	-	56,250,000	-
Term loan 10 from HDFC Bank		9,066,900	-	104,160,000	-
Term loan 11 from Yes Bank		38,824,649	-	8,959,534	-
Sub Total	**(a)**	**319,895,796**	**433,873,225**	**410,995,165**	**487,294,895**
Other loans					
Vehicle finance from banks (secured against hypothecation of vehicles)					
Vehicle Loan from Axis Bank Limited		-	2,043,048	1,981,181	8,241,642
Sub Total	**(b)**	**-**	**2,043,048**	**1,981,181**	**8,241,642**
Less: Amount disclosed under the head "Other Current Liabilities" (note 7)		-	-	(412,976,346)	(495,536,537)
Net amount	**(a) +(b)**	**319,895,796**	**435,916,273**	**-**	**-**

Term loan 1 to 5 and 9 to 11 are secured by first charge on all fixed assets (except vehicles) and all current assets of the Parent Company.

Term loan 1 having interest of bank base rate plus 2.40% @ 11.70% (March 31,2016: 11.70%) p.a. is repayable in 31 monthly installments of ₹ 9,000,000/- each along with interest from July 31, 2013.

Term loan 2 having interest of bank base rate plus 1.40% @ 10.70% (March 31, 2016: 10.70%) p.a. is repayable in 42 monthly installments on pro rata basis each along with interest from December 31, 2015

Term loan 3 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 17,083,333/- each along with interest from September 30, 2012.

Term loan 4 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016:11.25%) p.a. is repayable in 48 monthly installments of ₹ 10,416,000/- each along with interest from April 30, 2014.

Term loan 5 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 4,687,500/- each along with interest from December 31, 2014.

Term loan 6 from Axis Bank is secured against entire current and fixed assets both present and future of Valuable Digital Screens Private Limited. The loan carries interest of bank base rate plus 2% @ 11.50% (March 31, 2016: 11.50%) p.a. and is repayable in 20 quarterely unequal installments along with interest from September 30, 2015. The Parent company has provided corporate guarantee to the bank for this term loan.

Term loan 7 from Yes Bank Limited (YBL) is secured against the first pari passu charge with HDFC Bank over entire current and fixed assets both present and future of Scrabble Entertainment Limited. The loan carries a floating interest rate of YBL Base Rate plus 3% @ 10.25% (March 31, 2016: 11.75%) p.a. and is repayable in 42 monthly installments along with interest after 7 months from disbursement. The Parent company has provided a letter of comfort for term loan from YBL.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Term loan 8 from HDFC Bank Limited is secured against the First pari passu charge with YBL on all fixed assets and Second pari passu charge with YBL on all the current assets of Scrabble Entertainment Limited both present and future. The loan carries a floating interest rate of HDFC Base Rate plus 2.50 p.a. @ 11.50% p.a. (March 31, 2016: 11.80% p.a.) and is repayable in 42 monthly installments along with interest from July 31, 2014. The Parent company has provided a letter of comfort for term loan from HDFC Bank.

Term loan 9 from HDFC Bank Limited have interest of bank 1 year MCLR plus 40 bps i.e. 9.50% p.a. (March 31, 2016: Nil) is repayable in 26 monthly installments of ₹ 4,687,500/- each along with interest from October 31, 2016.

Term loan 10 from HDFC Bank Limited have interest of bank 1 year MCLR plus 40 bps i.e. 9.50% p.a. (March 31, 2016: Nil) is repayable in 26 monthly installments of ₹ 10,416,000/- each along with interest from October 31, 2016.

Term loan 11 from YBL have interest of bank 1 year MCLR i.e. 9.10% p.a. (March 31, 2016: Nil) is repayable in 48 monthly installments starting from July 15, 2017.

Vehicle Loan from Axis Bank is having interest rate ranges from 10.01% to 10.80%, repayable in 48 monthly installments and are secured against hypothecation of vehicles.

6. Provisions

(In ₹)

	Long term		Short term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Provision for gratuity (refer note 27)	27,335,636	6,416,257	4,687,564	8,284,913
Provision for compensated absences	-	-	35,574,013	31,081,154
Provision for warranties (refer note A)	678,846	1,748,749	1,291,109	1,227,295
Provision for indirect taxes (refer note B)	-	-	1,017,025	1,017,025
Provision for income tax (net of advance tax)	-	-	8,644,812	4,806,566
Proposed dividend (including dividend distribution tax)	-	-	-	99,292,806
	28,014,482	**8,165,006**	**51,214,523**	**145,709,759**

A. Provision for warranties

A provision is recognized for expected warranty claims on products sold during the year, based on past experience of the cost of repairs and maintenance. The table below gives information about movement in warranty provisions.

(In ₹)

	31 March 2017	31 March 2016
At the beginning of the year	2,976,045	5,994,323
Arising during the year	300,000	50,000
Utilized during the year	(1,306,092)	(3,068,278)
At the end of the year	**1,969,953**	2,976,045
Current portion	1,291,109	1,227,295
Non-current portion	678,846	1,748,749

B. The table below gives information about movement in provision for indirect taxes

(In ₹)

	31 March 2017	31 March 2016
At the beginning of the year	1,017,025	1,017,025
Utilized during the year	-	-
At the end of the year	**1,017,025**	**1,017,025**



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

7. Trade Payable & Other Liabilities

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Trade payables (refer note 37 for details of dues to micro and small enterprises)	-	-	**954,526,672**	**893,213,018**
Other liabilities				
Current maturities of long-term borrowings (refer note 5)	-	-	412,976,346	495,536,537
Interest accrued but not due on borrowings	-	-	8,321,619	10,705,389
Deferred revenue	15,823,746	19,838,626	32,493,645	33,995,597
Advance from customers	-	-	296,733,912	203,308,257
Investor Education and Protection Fund (refer note (i) below)				
Unpaid dividend	-	-	182,441	233,600
Others				
Deposit from customers and employees	394,948,776	465,374,780	211,222,120	120,310,354
Deposit from related parties	186,791	-	-	-
Payables for purchase of fixed assets	-	-	37,091,249	75,213,154
Book overdraft	-	-	-	49,352
Payable for purchase of Investments	-	-	24,987,376	74,987,376
Salary & reimbursement payable	-	-	84,789,720	62,295,571
Statutory dues payable				
Employee related liabilities	-	-	5,690,832	11,142,487
Service tax payable	-	-	-	820,897
VAT payable	-	-	9,592,143	10,555,752
TDS payable	-	-	30,115,205	36,592,080
Other taxes payable	-	-	78,753	89,648
	410,959,313	**485,213,406**	**1,154,275,361**	**1,135,836,050**

(i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2017.

8. Short-term borrowings

(In ₹)

	31 March 2017	31 March 2016
Unsecured		
Interest bearing loan from Director of a subsidiary	-	22,500,000
Secured		
Cash credit from Axis and HDFC Bank	3,804	14,976,462
Overdraft facility from ICICI bank Limited	107,296,400	-
Overdraft facility from YES bank Limited	-	71,026,365
	107,300,204	**108,502,827**

Cash credit from HDFC bank was secured by first charge on current assets of the Parent Company, both present & future. Second Pari passu charge on all the fixed assets of the company except vehicles financed by other lenders. The cash credit was repayable on demand and carries interest @ 10% p.a (March 31, 2016: Nil).

Cash credit from Axis bank is secured by first charge on all the fixed assets of the Parent Company except vehicles and first charge on all the current assets. The cash credit is repayable on demand and carries interest @ 11.50% p.a. (March 31, 2016: 11.50% p.a.).

Cash credit from Axis bank is secured by first charge on all the current assets and fixed assets of Valuable Digital Screens Private Limited. The cash credit is repayable on demand and carries interest @ 11.50% p.a. (March 31, 2016: 11.50% p.a.).

Overdraft from ICICI bank is secured by first charge on specific current investments of Scrabble Entertainment Limited. The overdraft is repayable on demand and carries interest @ 9% p.a. (March 31, 2016: Nil).

Bank overdraft facility from Yes Bank Limited was obtained by the erstwhile Joint Venture company Mukta V N Films Limited at interest rate of base rate plus 2%. This facility was secured against four residential flats owned by the other Joint Venture Partner. Also, this loan facility was secured by corporate guarantee from the Holding company and other Joint Venture Partner.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

9. Fixed Assets

(In ₹)

	Property, plant and equipment								Intangible Assets			
	Leasehold Improvements	Plant & Machinery	Computer Systems	Office Equipments	Furniture & Fixtures	Electrical Equipments & Installations	Vehicles	Tangible Total Assets	Goodwill	Computer software	Intangible Total Assets	Grand Total
Cost												
At 1 April 2015	30,567,599	5,645,639,397	41,301,502	34,744,553	10,656,183	2,309,808	109,762,080	5,874,981,122	6,259,080	103,538,526	109,797,606	5,984,778,728
Additions	7,708,768	534,360,374	6,064,831	4,922,792	1,440,235	2,800,435	135,047,313	692,344,748	-	2,407,716	2,407,716	694,752,464
Disposals	-	67,994,699	30,950	-	-	-	2,885,150	70,910,799	-	-	-	70,910,799
Adjustment*	325,602	15,077,885	19,595	42,037	106,060	-	224,703	15,795,882	374,210	2,422,989	2,797,199	18,593,081
At 31 March 2016	38,601,969	6,127,082,957	47,354,978	39,709,382	12,202,478	5,110,243	242,148,946	6,512,210,953	6,633,290	108,369,231	115,002,521	6,627,213,474
Additions	46,193,545	446,803,668	6,931,477	7,985,137	1,327,803	872,190	40,526,746	550,640,566	-	2,669,017	2,669,017	553,309,583
Disposals	470,005	49,221,371	5,865,348	2,498,046	1,041,749	274,153	18,691,288	78,061,960	-	-	-	78,061,960
Adjustment*	(125,552)	(11,804,421)	(10,305)	(16,209)	63,593	-	(91,044)	(11,983,938)	(149,430)	(967,320)	(1,116,750)	(13,100,688)
At 31 March 2017	**84,199,957**	**6,512,860,833**	**48,410,802**	**45,180,264**	**12,552,125**	**5,708,280**	**263,893,360**	**6,972,805,621**	**6,483,860**	**110,070,928**	**116,554,788**	**7,089,360,409**
Depreciation/Amortisation												
At 1 April 2015	**18,432,488**	**2,729,973,742**	**32,317,811**	**21,221,107**	**5,972,682**	**1,370,994**	**42,336,679**	**2,851,625,503**	**625,907**	**63,202,072**	**63,827,979**	**2,915,453,482**
Charge for the year	7,269,393	712,678,245	6,533,535	6,828,343	1,959,897	491,800	27,918,047	763,679,260	-	10,225,702	10,225,702	773,904,962
Disposals	-	46,962,336	30,950	-	-	-	948,875	47,942,161	-	-	-	47,942,161
Adjustment*	255,765	64,515,355	71,201	(4,422)	49,550	-	(1,344,807)	63,542,642	37,421	1,997,710	2,035,131	65,577,773
At 31 March 2016	25,957,646	3,460,205,006	38,891,597	28,045,028	7,982,129	1,862,794	67,961,044	3,630,905,244	663,328	75,425,484	76,088,812	3,706,994,056
Charge for the year	13,958,915	744,748,171	6,235,898	5,753,009	2,177,290	817,745	52,747,794	826,438,822	-	10,633,133	10,633,133	837,071,955
Disposals	327,848	33,676,237	5,810,400	2,135,046	878,180	201,797	13,767,537	56,797,045	-	-	-	56,797,045
Adjustment*	(133,417)	(12,291,584)	(8,519)	(12,947)	(36,477)	-	(81,889)	(12,564,833)	(14,942)	(1,015,972)	(1,030,914)	(13,595,747)
At 31 March 2017	**39,455,296**	**4,158,985,356**	**39,308,576**	**31,650,044**	**9,244,762**	**2,478,742**	**106,859,412**	**4,387,982,188**	**648,386**	**85,042,645**	**85,691,031**	**4,473,673,219**
Net Block												
At 31 March 2016	12,644,323	2,666,877,951	8,463,381	11,664,354	4,220,349	3,247,449	174,187,902	2,881,305,709	5,969,962	32,943,747	38,913,709	2,920,219,418
At 31 March 2017	**44,744,661**	**2,353,875,477**	**9,102,226**	**13,530,220**	**3,307,363**	**3,229,538**	**157,033,948**	**2,584,823,433**	**5,835,474**	**25,028,283**	**30,863,757**	**2,615,687,190**

* Represents exchange difference resulting from translation of fixed assets relating to non - integral foreign operations and impact on account of change in depreciation rates and component accounting as per Schedule II. (refer note 2.1 (b)).

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

10. Non-current Investments

(In ₹)

	31 March 2017	31 March 2016
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries (under liquidation)		
1 (March 31, 2016: 1) Equity Shares of USD 1/- each fully paid up in UFO Europe Limited (At cost less provision for other than temporary diminution ₹ 65/- (March 31, 2016: 66/-)	-	-
1 (March 31, 2016: 1) Equity Shares of USD 1/- each fully paid up in Scrabble Entertainment Israel Limited	65	66
	65	66
Investment in Associates		
197,714 (March 31, 2016: 197,714) Equity Shares of ₹ 10/- each fully paid up in Scrabble Digital Limited (including post -acquisition share of profit or loss)	45,710,872	43,896,698
100 (March 31, 2016: 100) Ordinary shares of AED 1000/- each at par fully paid up in Scrabble Digital DMCC (including post-acquisition share of profit or loss)	13,484,374	9,433,677
1,500 (March 31, 2016: 1,500) Equity Shares of Mexican Pesos including post acquisition share of Profit or Loss each fully paid up in Scrabble Venture S.de R.L.De C.V, Mexico (refer note a) (At cost less provision for other than temporary diminution ₹ 7,487/- (March 31, 2016: 7,646/-)	-	-
3,000 (March 31, 2016: 3,000) Equity Shares in Scrabble Venture LLC of no par value (including post acquisition share of profit or loss) (refer note a)	61,145,060	23,507,173
2,700,000 Equity Shares of ₹ 10/- each at par fully paid up in Mukta VN Films Limited (refer note 36)	27,000,000	-
Add/(Less): Post - acquisition share of Profit/(Loss) till last year	1,272,711	-
Add/(Less): Post - acquisition share of Profit/(Loss) for the year	747,479	-
	29,020,190	-
Compulsorily Convertible Preference Shares in Mukta VN Films Limited	3,600,000	1,980,000
Share warrant in Mukta VN Films Limited	2,400,000	1,320,000
	155,360,561	**80,137,614**

Note:

a) In addtion to the investments listed above, the Group is holding 2,000 shares of Scrabble Ventures LLC and 1,000 shares of Scrabble Ventures S.de R. L. De C.V, Mexico. on behalf of others, where group is not a beneficial owner. The groups total investment in these entities is presented net of shares held on behalf of others, where the group is not a beneficial owner.

11. Deferred tax assets / (liability)

(In ₹)

		31 March 2017	31 March 2016
A	**Deferred tax assets**		
	Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	281,468,482	219,044,772
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	27,065,794	18,249,540
	Provision for doubtful debts and advances	37,764,048	37,750,035
	Gross deferred tax assets	**346,298,324**	**275,044,347**
B	**Deferred tax liabilities**		
	Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	236,753	236,753
	Gross deferred tax liabilities	**236,753**	**236,753**

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

12. **Loan and advances (Unsecured, considered good unless otherwise stated)** (In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Capital advances	446,550	10,683,236	-	-
Security deposit to others	16,214,916	14,458,197	38,698,304	45,906,168
Security deposit to related parties (refer note 32)	35,771,540	35,771,540	-	-
Loan to related parties (refer note 32)	-	-	-	74,753
Loan and advances to others	-	-	7,837,448	-
Advances recoverable in cash or kind				
Considered good	-	-	14,111,368	8,216,778
Considered doubtful	16,193,889	22,079,008	2,396,394	2,396,394
	16,193,889	**22,079,008**	**16,507,762**	**10,613,172**
Provision for doubtful advances	(16,193,889)	(22,079,008)	(2,396,394)	(2,396,394)
	-	-	**14,111,368**	**8,216,778**
Other loans and advances				
Advance income-tax (net of provision for tax)	225,626,770	319,066,879	-	-
Balance with statutory / government authorities				
Considered good	48,147,360	48,127,949	65,774,128	42,750,568
Considered doubtful	1,465,752	1,465,752	-	-
Less: Provision for doubtful receivable	(1,465,752)	(1,465,752)	-	-
	48,147,360	**48,127,949**	**65,774,128**	**42,750,568**
Deposit with Government bodies and others	4,478,182	3,921,526	-	-
	52,625,542	52,049,475	65,774,128	42,750,568
Advances to supplier	-	-	47,989,452	73,993,909
Advance to employees	-	-	2,280,734	16,704,422
Prepaid expenses	52,329,657	9,282,445	54,373,571	61,311,466
Service tax credit receivable	-	-	13,694,268	4,172,194
Vat credit receivable	-	-	1,264,941	1,221,381
Others	-	-	1,151,967	208,025
	383,014,975	**441,311,772**	**247,176,181**	**254,559,664**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

13. Current Investments (valued at lower of cost or market value)

(In ₹)

	31 March 2017	31 March 2016
Unquoted mutual funds		
99,342.98 (March 31, 2016: 10,549.22) units of Axis Liquid Fund	99,408,153	10,548,908
302,260.15 (March 31, 2016: Nil) units of Birla Sun Life Floating Rate Fund (Long Term Plan - Direct Plan)	60,000,000	-
300,415.46 (March 31, 2016: Nil) units of Birla Sun Life Saving Fund	30,130,830	-
147,803.80 (March 31, 2016: Nil) units of Birla Sun Life Cash Plus (Growth - Direct Plan)	38,601,246	-
97,175.94 (March 31, 2016: Nil) units ICICI Prudential (Flexible Income Plan - Direct)	30,000,000	-
162,784.71 (March 31, 2016: Nil) units ICICI Prudential (Liquid Plan Direct Plan Growth)	39,137,633	-
Nil (March 31, 2016: 12,147.475) units of Axis Treasury Advantage Fund (Growth Option)	-	20,073,771
18,723.98 (March 31, 2016: 3,369.356) units of HDFC Liquid Fund (Direct Plan - Growth Option)	60,022,035	10,059,053
13,061,970.8 (March 31, 2016: 13,061,970.8) units of HDFC Corporate Debt Opportunities Fund (Growth Option)	160,000,000	160,000,000
3,873,923.18 (March 31, 2016: 3,873,923.18) units of Reliance Regular Savings Debt Fund (Growth Option)	80,000,000	80,000,000
9,326.299 (March 31, 2016: 8,911.487) units of HDFC Cash Management Fund	94,595	89,400
	597,394,492	**280,771,132**

Aggregate market value of investment in unquoted mutual funds units held by Company based on NAV declared on the balance sheet date by mutual fund is ₹ 623,411,588/- (March 31, 2016: 281,316,402/-))

14. Inventories (valued at lower of cost or net realisable value)

(In ₹)

	31 March 2017	31 March 2016
Traded Goods		
Lamps	94,664,550	97,701,431
Digital Cinema Equipment	21,474,829	1,831,191
Consumables and spares	18,692,424	15,289,703
	134,831,803	**114,822,325**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

15. Trade receivables (unsecured) (In ₹)

		31 March 2017	31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment			
- considered good		167,308,903	180,404,035
- considered doubtful		110,407,551	99,396,815
		277,716,454	**279,800,850**
Provision for doubtful receivables		(110,407,551)	(99,396,815)
	(A)	**167,308,903**	**180,404,035**
Others trade receivables			
- Considered good	**(B)**	1,315,081,698	1,334,641,609
- Considered doubtful		-	401,364
		1,315,081,698	**1,335,042,973**
Provision for doubtful receivables		-	(401,364)
	(C)	**1,315,081,698**	**1,334,641,609**
TOTAL	**(A+B+C)**	**1,482,390,601**	**1,515,045,644**

16. Cash and bank balances (In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	401,273,206	411,582,526
– On unpaid dividend account*	-		182,441	233,600
– On EEFC Account	-	-	-	1,373,091
– Deposits with original maturity of less than three months	-	-	-	110,000
Cash on hand	-	-	588,264	938,782
	-	**-**	**402,043,911**	**414,237,999**
Other bank balances				
– Deposits with remaining maturity for less than 12 months	-	-	447,298,513	188,870,389
– Deposits with remaining maturity for more than 12 months	726,996	8,029,744	-	-
	726,996	**8,029,744**	**447,298,513**	**188,870,389**
– Margin money deposit with remaining maturity for less than 12 months	-	-	107,692,361	64,569,318
– Margin money deposit with remaining maturity for more than 12 months	2,829,048	59,012,673	-	-
	2,829,048	**59,012,673**	**107,692,361**	**64,569,318**
Amount disclosed under non - current assets (refer note 17)	(3,556,044)	(67,042,417)	-	-
	-	**-**	**957,034,785**	**667,677,706**

Margin money deposits:

Margin money deposits are kept under lien with bank for opening letter of credit, margin towards term loan and for issuing bank guarantees to various State Governments to comply with the Sales Tax / VAT Registration formalities.

* The Parent company can utilize these balances only toward settlement of the respective unpaid dividend.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

17. Other assets

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Non-current bank balances (refer note 16)	3,556,044	67,042,417	-	-
Unbilled revenue	-	-	81,198,645	62,450,606
Interest accrued but not due on fixed deposit	303,368	9,140,670	17,701,881	1,447,884
Dividend receivable from associate	-	-	-	2,709,164
	3,859,412	**76,183,087**	**98,900,526**	**66,607,654**

18. Revenue from operations

(In ₹)

	31 March 2017	31 March 2016
Sale of Services		
Advertisement revenue	1,789,953,493	1,578,344,315
Virtual Print Fees - E-Cinema	1,027,041,595	988,866,579
Virtual Print Fees - D-Cinema	1,486,573,131	1,540,444,846
Lease rental income - E-Cinema	450,596,668	396,441,650
Lease rental income - D-Cinema	138,968,673	158,593,665
Digitisation income	61,652,063	59,915,625
Maintanance service fee	80,913,343	82,879,844
Registration fees income	15,280,616	10,466,639
Commission income	72,291,981	14,537,035
Technical service income	4,463,600	5,732,136
Other (refer note 1)	57,450	25,029,050
(A)	**5,127,792,613**	**4,861,251,384**
Sales of Products		
Lamp and spares sale	473,569,194	330,254,360
Sale of digital cinema equipments	347,351,080	463,375,945
(B)	**820,920,274**	**793,630,305**
(A)+(B)	**5,948,712,887**	**5,654,881,689**

Note 1: Other services include revenue from theatre programming activity.

19. Other Operating Income

(In ₹)

	31 March 2017	31 March 2016
Sundry balance written back	22,601,178	39,264,580
License income	241,127	4,385,306
Freight income	518,280	2,065,448
	23,360,585	**45,715,334**

20. Other income

(In ₹)

	31 March 2017	31 March 2016
Miscellaneous receipts	12,745,460	13,658,491
Foreign exchange gain (net)	3,833,407	6,869,303
	16,578,867	**20,527,794**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

21. Operating direct costs

(In ₹)

	31 March 2017	31 March 2016
Advertisement revenue share	515,793,127	471,481,533
Repair and maintenance - exhibition equipments	236,101,393	197,710,755
Van operation expenses	65,595,764	75,716,297
Technical service fees	82,274,780	72,499,746
Bandwidth charges	69,672,021	64,859,782
Purchase of digital cinema equipments	293,737,843	369,197,790
Purchase of lamps and spares	382,002,854	291,038,131
Rent on equipments	18,586,326	19,082,953
Delivery and distribution charges	-	42,651,411
Content download charges	1,678,196	3,262,925
Content processing charges	52,819,053	42,488,069
Virtual print fees sharing	731,242,898	733,617,381
Other expenses	7,238,977	17,152,362
(Increase)/decrease in inventories of digital cinema equipments		
Inventories at the beginning of the year	1,831,191	10,633,726
Inventories at the end of the year	21,474,829	1,831,191
	(19,643,638)	**8,802,535**
(Increase)/decrease in inventories of lamps and spares		
Inventories at the beginning of the year	93,731,707	79,140,086
Inventories at the end of the year	90,778,108	93,731,707
	2,953,599	**(14,591,621)**
Consumables and spares		
Inventories at the beginning of the year	19,259,426	20,750,148
Add: purchases	42,261,253	28,760,469
Less: Inventories at the end of the year	(22,578,866)	(19,259,426)
	38,941,813	**30,251,191**
	2,478,995,006	**2,425,221,240**

22. Employee benefit expense

(In ₹)

	31 March 2017	31 March 2016
Salaries & wages	696,614,250	591,583,665
Contribution to provident and other funds	31,301,652	27,697,651
Gratuity expenses (refer note 27)	20,823,672	13,830,864
Compensated absences	8,079,093	3,331,676
Staff welfare expenses	57,816,480	51,778,576
	814,635,147	**688,222,432**



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

23. Other expenses

(In ₹)

		31 March 2017	31 March 2016
Rent		107,733,002	107,916,429
Freight and forwarding charges		58,260,593	58,920,650
Legal, professional and consultancy charges		131,864,644	123,648,541
Directors sitting fees including commission		8,100,000	8,050,000
Commission on advertisement revenue		156,384,383	118,797,930
Commission on other revenue		38,481,587	17,355,338
Corporate social responsibility expenses		15,000,000	-
Sales promotion expenses		39,515,358	33,713,197
Electricity charges		22,764,349	20,932,794
Rates and taxes		30,124,722	30,737,014
Auditor's remuneration		10,101,730	9,604,896
Repairs and maintenance			
-Plant and machinery		2,087,096	5,019,192
-Building		182,893	205,406
-Furniture and fixtures		885,502	469,179
-Others		21,257,083	20,433,707
Insurance		11,866,266	15,716,245
Travelling and conveyance expenses		69,745,217	58,896,645
Communication and courier expenses		26,200,835	23,852,997
Printing and stationery		6,865,205	6,311,172
Bad debts written-off	13,537,581		15,893,725
Less: Provision utilised	(1,224,256)	12,313,325	(7,468,348)
Provision for doubtful debts		26,464,417	33,134,577
Provision for doubtful advances		-	5,885,107
Loss on sale and write off of fixed assets (net)		2,033,111	1,247,283
Provision for diminution in value of fixed assets		-	701,928
Miscellaneous expenses		52,275,015	49,733,593
		850,506,333	**759,709,196**

24. Interest and finance expense

(In ₹)

	31 March 2017	31 March 2016
Interest on		
- Term loan	88,816,131	123,593,381
- Others	7,404,853	9,154,641
Bank charges	4,356,911	3,594,674
Other borrowing costs	1,750,000	4,053,092
	102,327,895	**140,395,788**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

25. Finance income

(In ₹)

	31 March 2017	31 March 2016
Interest received		
- Bank deposits	30,746,761	37,504,711
- Others	11,747,226	71,533
Dividend income on current investments	4,495,270	3,045,943
Profit on sale of current investments (net)	6,663,879	6,234,251
	53,653,136	**46,856,438**

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: (In ₹)

	31 March 2017	31 March 2016
Basic		
Net profit after tax as per statement of profit and loss for calculation of basic EPS	631,559,918	634,629,490
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Earning per share	**22.89**	**24.22**
Diluted		
Net profit for calculation of diluted EPS	631,559,918	634,629,490
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Effect of dilutions on stock options granted under ESOP	5,929	1,000,959
Weighted average number of shares outstanding (including dilution)	27,597,838	27,204,545
Earning per share	**22.88**	**23.33**

27. Gratuity and other post-employment benefit plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognized in the employee cost (In ₹)

	Gratuity	
	31 March 2017	31 March 2016
Current service cost	16,863,254	14,545,289
Interest cost on benefit obligation	4,014,384	3,435,242
Expected return on plan assets	(2,577,094)	(1,914,551)
Net actuarial (gain) / loss recognized in the year	2,523,128	(2,235,116)
Net benefit expense	**20,823,672**	**13,830,864**
Actual return on plan assets	**2,408,862**	**2,209,671**

Balance sheet (In ₹)

Benefit asset/ liability	31 March 2017	31 March 2016
Present value of defined benefit obligation	67,212,703	46,578,599
Fair value of plan assets	(35,423,038)	(31,877,429)
Plan liability	**31,789,665**	**14,701,170**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(In ₹)

Changes in the present value of the defined benefit obligation are as follows:	31 March 2017	31 March 2016
Opening defined benefit obligation	46,578,598	32,499,294
Current service cost	16,711,482	14,000,826
Interest cost	3,977,110	3,435,242
Benefits paid	(2,936,712)	(1,702,691)
Actuarial (gain) / losses on obligation	2,882,225	(1,654,071)
Closing defined benefit obligation	**67,212,703**	**46,578,598**

(In ₹)

Changes in the fair value of plan assets are as follows:	31 March 2017	31 March 2016
Opening fair value of plan assets	31,898,674	24,213,898
Expected return	3,551,163	1,953,845
Contributions by employer	3,240,381	5,989,365
Benefits paid	(2,885,929)	(605,768)
Actuarial gain on plan assets	(381,251)	326,089
Closing fair value of plan assets	**35,423,038**	**31,877,429**

The principal assumptions used in determining gratuity as shown below:

	Gratuity	
	31 March 2017	31 March 2016
Discount rate	6.70%	7.80%
Expected rate of return on assets	8%	8%
Employee turnover	15%	15%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current year and previous four years are as follows: (In ₹)

Gratuity	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined benefit obligation	67,212,703	46,578,599	32,021,086	22,573,355	15,832,688
Plan assets	(35,423,038)	(31,877,429)	(24,213,898)	(16,308,310)	(9,746,594)
Surplus / (deficit)	31,789,665	14,701,170	7,807,187	6,265,045	6,086,094
Experience adjustments on plan liabilities	2,882,225	(1,654,071)	696,042	1,379,949	1,532,494
Experience adjustments on plan assets	(381,251)	326,089	147,871	-	-

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Gratuity	31 March 2017	31 March 2016
Investments with insurer	100%	100%

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

28. Employee stock option plans

During the year ended March 31, 2017, the Parent company's three equity settled ESOP Schemes viz., ESOP Scheme 2006, ESOP Scheme 2010 and ESOP Scheme 2014 were in existence.

Employee Stock Option Scheme 2006 ('ESOP Scheme 2006')

All Options granted under ESOP Scheme 2006 are vested. The Exercise Period of the Options granted under ESOP Scheme 2006 are for the employees while in employment of the Company is within one year from the date on which the shares of the Company get listed on a recognized stock exchange and for the retired employees, termination due to permanent disability, death is within six months from the date of listing of Company's shares with a recognised stock exchange.

The details of activity under the Scheme 2006 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,736	100.18	211,051	100.18
Granted during the year	-	-	-	-
Exercised during the year	(2,736)	100.18	208,315	-
Forfeited during the year	-	-	-	100.18
Outstanding at the end of the year	-	-	2,736	100.18
Exercisable at the end of the year	-	-	2,736	100.18
Weighted average remaining contractual life (in month)	-		2	

Employee Stock Option Scheme 2010 ('ESOP Scheme 2010')

Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the modification in vesting period of 82,157 options from being vested equally over a period of 4 years from the date of grant to one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the change in exercise period of all vested options under this scheme from two year to one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange in case of the employees in employment of the Company. For the retired employees, termination due to permanent disability, death, all vested options may be exercised within six months from the date of listing of Company's shares with a recoganised stock exchange.

The details of activity under the Scheme 2010 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	98,689	164.60	1,503,489	163.74
Granted during the year	-	-	-	-
Exercised during the year	(98,689)	164.26	1,393,392	163.71
Forfeited during the year	-	-	(11,408)	165.44
Outstanding at the end of the year	-	-	98,689	164.60
Exercisable at the end of the year	-	-	98,689	164.60
Weighted average remaining contractual life (in month)	-		2	

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Employee Stock Option Scheme 2014 (ESOP 2014):

The Compensation Committee recommended the new ESOP Scheme 2014 and the Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

As per the ESOP Scheme 2014, 25% of the options shall vest equally at the end of each year from the date of grant.

The exercise period of these options is as follows:

i) For the employees while in employment of the Parent company: Within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: Within six months from the date of retirement, termination due to physical disability and death respectively.

The details of activity under the Scheme 2014 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	902,070	600	929,750	600
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(48,551)	600	(27,680)	600
Outstanding at the end of the year	853,519	600	902,070	600
Exercisable at the end of the year	426,760	600	225,518	600
Weighted average remaining contractual life (in months)	27		39	

There is no effect of the employee share-based payment plans on the statement of profit and loss and on its financial position.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to detemine compensation, its profit after tax and earning per share reported would have been same as follows:

(In ₹)

	31 March 2017	31 March 2016
Net profit for calculation of basic EPS	631,559,918	634,629,490
Proforma profit	631,559,918	634,629,490
Earnings Per Share		
Basic		
- As reported	22.89	24.22
- Proforma	22.89	24.22
Diluted		
- As reported	22.88	23.33
- Proforma	22.88	23.33

29. Investments during the year

Investments by the Group

(a) Southern Digital Screenz India Private Limited (SDS)

During the year ended March 31, 2017, the Company acquired additional 15.82% stake 680,117 equity shares in Southern Digital Screenz India Private Limited (SDS) from the minority shareholders for ₹ 140,000,000/-. Post this investment, the Company holds 100% of equity share capital of SDS.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

30. Leases

Operating lease: Group as lessee

The Group's significant leasing arrangements are in respect of operating leases taken for office premises, stores & digital equipments. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the digital equipments on lease generally is for 36 to 72 months.

(In ₹)

	Office Premises & Digital Cinema Equipment	
	31 March 2017	31 March 2016
Lease payments for the period	126,319,328	121,633,462

Operating lease commitments – Group as lessor

The Group has leased out Digital Cinema Equipment to theaters and franchisees on operating lease arrangement. The lease term is generally for 5 to 10 years. The Group as well as the theaters and franchisees have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.

(In ₹)

	Digital Cinema Equipment	
	31 March 2017	31 March 2016
Gross carrying amount	4,606,472,092	4,325,531,785
Accumulated depreciation	2,170,646,513	1,702,791,351
Depreciation recognized in the statement of Profit & Loss	553,479,094	526,198,159

31. Segment reporting

The Group is engaged primarily in the business of Digital Cinema Services and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Group's operations are based on the distribution of the group by geographical markets, based on the location of the assets.

(In ₹)

	For the year ended	
	31 March 2017	31 March 2016
Revenue by Geographical Market		
- Within India	4,724,850,901	4,419,713,796
- Middle east	1,132,084,885	1,151,156,462
- Rest of the world	91,777,101	84,011,431
	5,948,712,887	**5,654,881,689**
Carrying Amount of Segment Assets		
- Within India	7,297,109,253	6,953,232,999
- Middle east	756,811,869	488,797,585
- Rest of the world	298,290,009	447,756,043
	8,352,211,131	**7,889,786,627**
Cost incurred to acquired Segment Fixed Assets		
- Within India	552,535,543	688,241,771
- Middle east	774,040	6,510,693
- Rest of the world	-	-
	553,309,583	**694,752,464**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

32. Related party disclosure

1. Names of related parties where transactions have taken place during the year

Associate Enterprises	Scrabble Digital DMCC
	Scrabble Digital Limited
	Scrabble Ventures LLC
	Scrabble Ventures, S. de R.L. de C.V.
	Mukta V N Films Limited (from April 1, 2016)
Joint Venture entity	Mukta V N Films Limited (till March 31, 2016)
Enterprises owned or significantly influenced by key management personnel or their relatives	
	Media Infotek Park
	Shree Enterprises
	Valuable Media Limited
	Valuable Technologies Limited
	Qwik Entertainment India Limited
	Impact Media Exchange Limited
	Nifty Portfolio Services Private Limited
	Advent Fiscal Private Limited
Key management personnel	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director
	Mr. Rajesh Mishra - Chief Executive Officer
	Mr. Ashish Malushte - Chief Financial Officer
	Mr. Sameer Chavan - Company Secretary
Relatives of Key management personnel	Ms. Apeksha Agarwal

2. Details of transaction with related parties during the year

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
1	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Expenses reimbursed**		
	i) Media Infotek Park	9,301,839	9,513,840
B	**Technical services (expense)**		
	i) Valuable Technologies Limited	82,660,813	72,176,562
C	**Direct Expenses (License fees on 3D movie)**		
	i) Valuable Technologies Limited	506	46,229
D	**Direct Expenses (Licensee fees – Impact)**		
	i) Impact Media Exchange Limited	7,200,000	7,200,000

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Licensee fee- Club X (income)**		
	i) Valuable Media Limited	873,227	1,467,106
F	**Rent paid (expense)**		
	i) Media Infotek Park	49,005,996	46,198,944
G	**Rent income (Miscellaneous receipts)**		
	i) Valuable Media Limited	341,465	-
	ii) Valuable Edutainment Private Limited	116,412	-
	iii) Valuable Infotainment Private Limited	24,420	-
H	**Consultancy & reimbursement expenses**		
	i) Shree Enterprises	569,033	631,600
I	**Security Deposit received**		
	i) Valuable Media Limited	147,706	-
	ii) Valuable Edutainment Private Limited	32,935	-
	iii) Valuable Infotainment Private Limited	6,150	-
J	**Sale of equipments**		
	i) Valuable Media Limited	-	5,884,320
K	**Dividend Paid**		
	i) Valuable Media Limited	4,482,795	7,471,325
	ii) Valuable Technologies Limited	6,730,971	11,218,285
	iii) Nifty Portfolio Services Private Limited	1,626,408	2,710,680
	iv) Advent Fiscal Private Limited	2,211,546	3,685,910
L	**Purchase of spares**		
	i) Valuable Media Limited	107,657	-
2	**Associate Enterprises**		
A	**Sale of goods**		
	i) Scrabble Digital Limited	352,800	991,352
	ii) Scrabble Digital DMCC	-	1,100,176
B	**Digital Conversion Expenses & Content Processing Charges**		
	i) Scrabble Digital Limited	41,243,276	27,244,212
C	**Delivery Distribution Income**		
	i) Scrabble Digital Limited	-	26,947,000
D	**Recovery of expenses**		
	i) Scrabble Digital Limited	105,941	480,058



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Rent**		
	i) Scrabble Digital Limited	375,000	732,338
F	**Miscellaneous income**		
	i) Scrabble Ventures LLC	-	-
	ii) Scrabble Digital Limited	14,504	449,075
G	**Dividend received**		
	i) Scrabble Digital Limited	16,607,976	15,817,120
	ii) Scrabble Digital DMCC	9,436,648	2,709,164
H	**AMC Income**		
	i) Scrabble Digital Limited	200,000	300,000
3	**Remuneration to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	32,528,792	25,000,000
	ii) Mr. Kapil Agarwal	32,528,792	25,000,000
	iii) Mr. Ashish Malushte	10,514,570	7,676,512
	iv) Mr. Rajesh Mishra	13,622,049	7,744,896
	v) Mr. Sameer Chavan	1,795,203	2,424,986
4	**Remuneration to relative of key managerial personnel**		
	i) Ms. Apeksha Agarwal	-	768,576
5	**Salary advance to key managerial personnel**		
	i) Mr. Ashish Malushte	-	1,600,000
	ii) Mr. Rajesh Mishra	-	2,650,000
6	**Dividend Paid to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	791,391	1,318,985
	ii) Mr. Kapil Agarwal	1,118,082	1,863,470
	iii) Mr. Ashish Malushte	55,272	217,120
	iv) Mr. Rajesh Mishra	85,947	285,745

Note: 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 Group as a whole.

3. **Balance outstanding at the year end** (In ₹)

Sr. No.	Particulars	31 March 2017	31 March 2016
1	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Trade Receivables**		
	i) Valuable Media Limited	677,856	123,249
	ii) Valuable Infotainment Private Limited	34,233	-
	iii) Valuable Edutainment Private Limited	166,810	-
	iv) Qwik Entertainment India Limited	496,397	496,397

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars	31 March 2017	31 March 2016
B	**Deposit receivable**		
	i) Media Infotek Park	35,771,540	35,771,540
C	**Deposit payable**		
	i) Valuable Media Limited	147,706	-
	ii) Valuable Infotainment Private Limited	6,150	-
	iii) Valuable Edutainment Private Limited	32,935	-
D	**Bank Guarantee given (refer note 34 (c))**		
	i) Impact Media Exchange Private Limited	10,000,000	10,000,000
E	**Amount payable**		
	i) Valuable Technologies Limited	2,023,750	-
2	**Associate enterprise**		
A	**Amount receivable**		
	i) Scrabble Digital Limited	9,576,779	8,838,271
B	**Provision for expenses**		
	i) Scrabble Digital Limited	1,413,000	-
C	**Loan and advance given**		
	i) Scrabble Digital DMCC (Including interest receivable)	-	74,753
D	**Guarantee Given**		
	a) Performance Guarantee given on behalf of associate		
	i) Scrabble Ventures LLC	324,193,000	331,664,500
E	**Corporate Guarantee given on borrowing (refer note 34 (b))**		
	i) Mukta V N Films Limited	30,000,000	70,000,000
3	**Key managerial personnel**		
	Salary advance receivable		
	i) Mr. Ashish Malushte	-	1,600,000
	ii) Mr. Rajesh Mishra	-	2,650,000

33. Capital and other commitments

(In ₹)

	31 March 2017	31 March 2016
Capital commitments	65,522,907	92,222,205
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))		
Other Commitments	38,095,086	29,237,282
	103,617,993	**121,459,487**

a) As at March 31, 2017, the Company holds 11,580 equity shares representing 80% of equity share capital of Valuable Digital Screens Private Limited (VDSPL) for a consideration of ₹ 44,006,316/-. The Company also incurred ₹ 5,926,990/- towards acquisition cost of this Investment. The Company will acquire the remaining 20% equity of VDSPL from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

34. Contingent liabilities

(In ₹)

	31 March 2017	31 March 2016
Performance guarantees issued by the Group on behalf of Subsidiaries and associates to two studios for the performance of obligation relating to distribution of their digital content by its subsidiaries, step down subsidiaries and associates of subsidiary in certain overseas market. (refer note a) (USD 35,000,000/- (March 31, 2016 USD 35,000,000/-)	2,269,351,000	2,321,651,500
Corporate Guarantee (refer note b)	30,000,000	70,000,000
Corporate Guarantee (refer note c)	10,000,000	10,000,000
Labour Guarantee	739,931	755,630
Letter of credit	-	7,628,269
Pending litigations/matters (refer note e)		
(i) In respect of income tax matters		
Income Tax matters	76,545,439	76,998,453
(ii) In respect of Indirect tax matters		
Service Tax matters (refer note d)	220,111,033	220,111,033
VAT matters	4,775,215	4,775,215
	2,611,522,618	**2,711,920,100**

Notes:

a) The following performance guarantees are outstanding at March 31, 2017 and March 31, 2016:
- USD 20 Mn each to a studio on behalf of Scrabble Entertainment Mauritius Ltd and Scrabble Entertainment DMCC. The aggregate liability under the aforesaid two guarantees has been capped at an overall ceiling of USD 20 Mn.
- USD 5 Mn to a studio on behalf of Scrabble Entertainment DMCC.
- USD 5 Mn to a studio on behalf of Scrabble Entertainment Mauritius Limited.
- USD 5 Mn to a studio on behalf of Scrabble Ventures LLC.

b) As at March 31, 2017, the Parent company has provided Corporate guarantee to bank for Overdraft facility of ₹ 70,000,000/- taken by associates of subsidiary (March 31, 2016: Joint venture). Subsequently to the year ended March 31, 2017 the corprorate guarantee has been reduced to ₹ 30,000,000/-. The outstanding balance of this facility is ₹ 27,654,435/- at March 31, 2017 (March 31, 2016: 71,026,365/-) assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

c) As at March 31, 2017, the Parent company has provided bank guarantee of ₹ 10,000,000/- to Chief Secretary, Revenue Department, Government of Maharashtra on behalf of Impact Exchange Media Private Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra in connection with the business of operating satellite based ticketing system managed by the Parent company.

d) During the year ended March 31, 2016, the Company has received an order from the Commissioner of Service Tax Mumbai ('the Order') which includes demand for following matters aggregating to ₹ 466,543,240/-, excluding interest and penalty, which was subject matter of show cause notice from service tax authorities in the year ended March 31, 2016.

i) ₹ 246,432,207/-, excluding interest and penalty, for service tax on rentals from leasing of Digital Cinema Equipments for the period April 2008 to March 2014. Based on legal opinion obtained, the Company believes that the lease rental revenues are subject to state-wise Value Added Tax which the Company is paying since the beginning of operations. Accordingly, the Company believes that its position will likely be upheld in the appellate process and that it is unlikely that the liability will arise to the Company out of this matter.

ii) ₹ 220,111,033/-, excluding interest and penalty, on account of disallowance of CENVAT Credit on Capital Goods (Digital Cinema Equipments) claimed by the Company for the period April 2008 to March 2014 as the possession of the equipments is not with the Company. Based on legal opinion obtained, the Company is of the view that these equipments are used for providing taxable output services and hence should be entitled to avail CENVAT credit and is therefore contesting this demand. The Company believes that its position is likely to be upheld in the appellate process and accordingly no provision has been considered necessary in these financial Statements."

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

e) The Group is contesting the demand/matter relating to pending litigations listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

35. Particulars of unhedged foreign currency exposure at the reporting date (In ₹)

Particulars of un-hedged exposure	31 March 2017	31 March 2016
Trade Receivable	₹ 346,279/- (USD 5,341/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 1,291,103/- (USD 19,464/- @ Closing rate of 1 USD = ₹ 66.3329)
Trade Payable (credit balance)	₹ 46,976,706/- (USD 724,518/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 83,909,565/- (USD 1,246,976/- @ Closing rate of 1 USD = ₹ 66.3329)
Advance Recoverable in cash or Kind	₹ 30,091,534/- (USD 464,099.07/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 23,110,901/- (USD 348,407.82/- @ Closing rate of 1 USD = ₹ 66.3329)
Import creditors (debit Balance)	₹ 5,971,311/- (USD 92,095/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 1,409,176/- (USD 21,244/- @ Closing rate of 1 USD = ₹ 66.3329)
Cash Balances	₹ 59,562.6/- (Currency notes 5,718.40/- @ Closing rate for particular Currency)	₹ 60,550/- (Currency notes 5,718.40 @ Closing rate for particular Currency)
Bank Balances	-	₹ 2,051,219/- (USD 23,103.94/- @Closing rate of 1 USD = ₹ 66.3329 & AED 28,809.76/- @ Closing rate of 1 AED = ₹ 18.0032)
Performance guarantees given for subsidiary/associate	₹ 2,269,351,000/- (USD 35,000,000/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 2,321,651,500/- (USD 35,000,000/- @ Closing rate of 1 USD = ₹ 66.3329)

36. Details of Joint venture entity

V N Films Private Limited (V N Films), a subsidiary of the Company has modified the terms of its shareholders agreement with Mukta Arts Limited in connection with its Joint venture company Mukta VN Films Limited (Mukta VN) with effect from April 1, 2016 whereby Mukta VN has become an associate from April 1, 2016. Accordingly, Mukta VN has been consolidated as an associate for the year ended March 31, 2017.

The Group's share of assets, liabilities, income and expenses of the jointly controlled entity as at 31 March 2016 are as follows:

Particulars	In ₹
EQUITY AND LIABILITIES	
Shareholders' funds	30,972,711
Non-current liabilities	225,000
Current - liabilities	180,892,270
Total	**212,089,981**
Non-current assets	7,029,223
Current assets	205,060,758
Total	**212,089,980**
Total revenue from operations and other income considered in the consolidated financial statements	24,268,520
Total expenses considered in the consolidated financial statements	24,548,336
Net Profit considered in consolidated financial statements	**(279,816)**



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

37. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the management, there is no amount due to Micro, Small Scale and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.

38. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1,583 lakhs determined to be in excess of the limits specified under section 197 read with schedule V of the Companies Act, 2013 for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of employees stock options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the managing and joint managing director during the year ended March 31, 2016.

Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of section 197 read with schedule V of the Companies Act, 2013. Accordingly, the Company is in compliance with section 197 of the Companies Act, 2013 for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the application filed with the Central Government. Accordingly, no adjustments have been made to the financial statements for the year ended March 31, 2017.

39. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 1, 2016 and for SDS, the appointed date is July 1, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.

The shareholders of the Company approved the Scheme at the court convened meeting held on January 16, 2017.

The Scheme is conditional upon and subject to the following:

a. Filing of the certified copy of the order of Bombay High Court (and now NCLT) sanctioning the Scheme with the Registrar of Companies, Maharashtra.

b. Compliance by EL and UIL, the Cypriot transferor companies of all necessary and applicable provisions of the laws of Cyprus.

The Company has, till date, received the approval from Cyprus Court for the merger of the Cypriot transferor companies. Pursuant to notification of section 234 of the Companies Act, 2013 on April 13, 2017, the NCLT has given direction to the Company to secure approval from Reserve Bank of India (RBI) for the merger of the Cypriot subsidiary and step-down subsidiary with itself. The Company is in the process of obtaining approval from RBI. The approvals from RBI and NCLT are pending as at date and hence, the Scheme is not effective as at March 31, 2017 and as at date. Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

40. Disclosure on Specified Bank Notes (SBNs):

The Company and its Indian subsidiaries had specified Bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) and other notes held and transacted during the period from November 8, 2016 to December 30, 2016 is given below:

(In ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1,077,500	134,865	1,212,365
(+) Permitted receipts	-	3,931,523	3,931,523
(-) Permitted payments	-	(1,082,049)	(1,082,049)
(-) Amount deposited in Bank	(1,077,500)	(2,573,318)	(3,650,818)
Closing cash in hand as on December 30, 2016	**-**	**411,021**	**411,021**

41. Events subsequent to balance sheet date

(a) Proposed dividend

The Board proposed dividend on equity shares as follows, subject to approval by the members in Annual General Meeting.

(In ₹)

Particulars	31 March 2017	31 March 2016
Proposed dividend on equity shares for the year ended on 31 March 2017: ₹ 10/- per share (31 March 2016: 3/- per share)	276,008,010	82,498,128
Dividend distribution tax on proposed dividend	56,188,737	16,794,678
	332,196,747	**99,292,806**

(b) On May 17, 2017, the Board of Directors have approved the acquisition of 66,609 equity shares of Scrabble Entertainment Limited (SEL), a subsidiary of the Company, from the other equity shareholders of SEL for a total consideration of ₹ 145,340,838/-. This acquisition is likely to be completed in the quarter ended June 30, 2017, consequent to which SEL will become a wholly owned subsidiary.

42. The list of subsidiaries, associates and joint venture entities included in consolidation and their share of Net Assets and Share in profit and loss after elimination of inter-company balances is as follows:

		Net Assets, i.e., total assets minus total liabilities			
		31 March 2017		31 March 2016	
		As % of consolidated net assets	₹	As % of consolidated net assets	₹
1		2	3	4	5
A.	**UFO Moviez India Limited**	84.63%	4,991,282,097	84.25%	4,440,900,962
B.	**Subsidiaries and step down subsidiaries**				
I.	**Indian**				
(i)	Scrabble Entertainment Limited	6.29%	370,661,490	3.61%	190,095,366
(ii)	V N Films Private Limited	-0.27%	(15,911,714)	-0.20%	(10,291,544)
(iii)	Southern Digital Screenz India Private Limited	2.33%	137,540,353	1.54%	81,208,883
(iv)	Valuable Digital Screen Private Limited	-4.52%	(266,491,157)	-1.81%	(95,456,297)

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

		Net Assets, i.e., total assets minus total liabilities			
		31 March 2017		31 March 2016	
		As % of consolidated net assets	₹	As % of consolidated net assets	₹
II.	**Foreign**				
(i)	Edridge Limited	2.72%	160,497,003	3.34%	176,165,717
(ii)	United Film Organisers Nepal Private Limited	-0.08%	(4,923,089)	-0.09%	(4,914,833)
(iii)	UFO International Limited	-1.06%	(62,232,989)	-1.09%	(57,417,714)
(iv)	United Film Organisers (UFO) (Mauritius) Private Limited.	0.00%	(212,327)	0.00%	(106,145)
(v)	UFO Lanka Private Limited.	-0.13%	(7,539,645)	-0.11%	(5,847,921)
(vi)	UFO Software Technologies Private Limited.	0.01%	745,401	0.01%	636,258
(vii)	Scrabble Entertainment DMCC	7.10%	418,565,554	4.42%	232,871,285
(viii)	Scrabble Entertainment Mauritius Limited	1.54%	90,597,988	4.45%	234,543,128
(ix)	Scrabble Entertainment Lebanon Sarl	-0.07%	(3,844,830)	-0.07%	(3,622,043)
(x)	Scrabble Digital Inc	-0.30%	(17,958,800)	-0.29%	(15,203,967)
C.	**Minority Interest in all subsidiaries**	1.93%	113,975,913	2.02%	106,209,585
D.	**Associates (Investment as per equity method)**				
I.	**Indian**				
(i)	Scrabble Digital Limited	-0.09%	(5,271,390)	0.03%	1,699,500
(ii)	Mukta V N Films Limited	0.03%	2,020,190	0.02%	1,272,715
II.	**Foreign**				
(i)	Scrabble Digital DMCC	-0.02%	(1,169,353)	-0.01%	(530,804)
(ii)	Scrabble Ventures LLC	-0.05%	(2,854,327)	-0.03%	(1,344,123)
Total		**100%**	**5,897,476,368**	**100%**	**5,270,868,007**

		Share in profit and loss after elimination of inter-company balances			
		31 March 2017		31 March 2016	
		As % of consolidated profit and loss	₹	As % of consolidated profit and loss	₹
1		2	3	4	5
A.	**UFO Moviez India Limited**	65.92%	416,294,875	62.95%	399,498,173
B.	**Subsidiaries and step down subsidiaries**				
I.	**Indian**				
(i)	Scrabble Entertainment Limited	18.03%	113,854,585	10.49%	66,588,065
(ii)	V N Films Private Limited	-0.89%	(5,620,170)	-0.83%	(5,278,937)
(iii)	Southern Digital Screenz India Private Limited	9.22%	58,199,904	13.11%	83,188,510
(iv)	Valuable Digital Screen Private Limited	-27.08%	(171,034,860)	-15.98%	(101,401,626)
II.	**Foreign**				
(i)	Edridge Limited	-0.11%	(707,594)	-0.08%	(479,699)
(ii)	United Film Organisers Nepal Private Limited	0.00%	12,385	-0.01%	(71,455)

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

	Share in profit and loss after elimination of inter-company balances			
	31 March 2017		31 March 2016	
	As % of consolidated profit and loss	₹	As % of consolidated profit and loss	₹
Subsidiary of Edridge Limited & stepdown subsidiary of UFO				
(iii) UFO International Limited	-0.73%	(4,623,270)	-0.47%	(2,978,218)
Subsidiaries of UFO International Limited & stepdown subsidiaries of UFO				
(iv) United Film Organisers (UFO) (Mauritius) Private Limited	-0.02%	(111,891)	-0.02%	(118,224)
(v) UFO Lanka Private Limited	-0.26%	(1,648,330)	-0.27%	(1,690,392)
(vi) UFO Software Technologies Private Limited	0.02%	109,144	0.01%	94,646
Subsidiaries of SEL & stepdown subsidiaries of UFO				
(vii) Scrabble Entertainment DMCC	30.77%	194,318,861	32.24%	204,602,578
(viii) Scrabble Entertainment Mauritius Limited	0.10%	647,261	-0.45%	(2,865,848)
(ix) Scrabble Entertainment Lebanon Sarl	-0.07%	(415,104)	-0.02%	(143,951)
(x) Scrabble Digital Inc	-0.36%	(2,273,279)	-0.63%	(3,974,576)
C. Minority Interest in all subsidiaries	-5.45%	(34,402,503)	-6.21%	(39,428,642)
D. Associates (Investment as per equity method)				
I. Indian				
(i) Scrabble Digital Limited	3.45%	21,803,202	2.80%	17,743,447
(ii) Mukta V N Films Limited	0.12%	747,479	-0.04%	(279,816)
II. Foreign				
(i) Scrabble Digital DMCC	2.14%	13,487,345	0.96%	6,122,308
(ii) Scrabble Ventures LLC	5.21%	32,921,878	2.44%	15,503,146
Total	**100%**	**631,559,918**	**100%**	**634,629,490**

43. Previous year figures

Due to reasons given in note 36, previous years figures are not comparable with current year. Further, previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

FORM NO. AOC-1

Statement contenting salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

[Pursuant to first proviso to sub-section (3) of Section 129 with Rule 5 of Companies (Accounts) Rules, 2014]

Part A: Subsidiaries

Sr. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for subsidiary concerned, if different from holding company's reporting period	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding	Country
1	Scrabble Entertainment Limited	15-02-2011	-	1	INR	7,683,870	747,095,431	1,519,585,779	764,806,478	249,633,578	1,151,913,295	381,979,375	99,986,920	281,986,455	-	91.33	India
2	Southern Digital Screenz India Private Limited	30-03-2011	-	1	INR	215,488,330	94,677,841	393,121,071	82,954,900	120,000,000	569,510,704	91,253,194	33,053,288	58,199,906	-	100	India
3	Scrabble Entertainment DMCC	16-02-2011	31-12-2016	17.6174	AED	52,852,200	430,377,350	798,826,050	315,596,500	226,427	1,072,658,795	191,053,392	-	191,053,392	-	100	U.A.E.
4	Scrabble Entertainment Mauritius Limited	11-07-2011	-	64.8386	USD	48,629,015	82,033,926	261,143,816	130,480,874	47,688,466	87,076,813	3,074,711	4,374,855	(1,300,144)	-	100	Mauritius
5	Scrabble Digital Inc	22-03-2013	-	64.8386	USD	35,661,230	(20,058,123)	29,047,853	13,444,746	24,615,879	-	(2,197,005)	-	(2,197,005)	-	100	U.S.A.
6	Scrabble Entertainment Lebanon Sarl	13-03-2012	31-12-2016	0.042	LBP	210,000	(93,281,134)	113,884,143	206,755,277	-	-	(7,593,213)	-	(7,593,213)	-	100	Lebanon
7	Scrabble Entertainment Israel Limited	17-06-2012	-	17.8151	ILS	18		18	-	-	-	-	-	-	-	100	Israel
8	Edridge Limited	05-07-2006	-	64.8386	USD	75,340,638	692,536,483	769,545,159	1,668,038	769,542,824	-	(683,853)	-	(683,853)	-	100	Cyprus
9	UFO International Limited	24-07-2006	-	64.8386	USD	65,397,574	(35,510,407)	29,888,714	1,548	19,787,120	1,620,965	(4,468,149)	-	(4,468,149)	-	100	Cyprus
10	UFO Software Technologies Private Limited	20-02-2007	-	1	INR	2,482,190	745,401	3,463,091	235,500	-	224,546	159,144	50,000	109,144	-	100	India
11	Valuable Digital Screens Private Limited	06-01-2015	-	1	INR	144,750	(270,920,534)	229,066,558	499,842,342	-	39,381,987	(171,034,860)	-	(171,034,860)	-	80	India
12	V N Films Private Limited	11-04-2007	-	1	INR	100,000	(15,911,714)	35,084,216	50,895,930	-	147,960	(5,620,170)		(5,620,170)	-	100	India
13	United Film Organisers (UFO) (Mauritius) Private Limited	15-06-2007	-	1.2831	MUR	1,283	(154,662)	407,328	560,707	-	2,351	(78,879)	-	(78,879)	-	100	Mauritius
14	UFO Lanka Private Limited	31-01-2008	-	0.3557	LKR	9,874,054	(7,729,209)	2,275,777	130,931	-	-	(1,316,666)	-	(1,316,666)	-	100	SriLanka
15	United Film Organizers Nepal Private Limited	23-03-2008	-	0.8116	NPR	9,755,020	(4,711,831)	5,063,830	20,642	-	137,927	(12,304)	-	(12,304)	-	100	Nepal

Notes:

1. The reporting period for Scrabble Entertainment Lebanon Sarl and Scrabble Entertainment DMCC is December 31, 2016
2. The exchange rates considered are as at March 31, 2017.
3. The accounts of Scrabble Digital Inc, United Films Organizers Nepal Private Limited, UFO International Limited, Edridge Limited and V N Films Private Limited as at March 31, 2017 are not audited and are Management accounts.
4. Scrabble Entertainment Israel Ltd is under the process of being Liquidated, hence not consolidated.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART B - Associates and Joint Ventures

Sr. no.	Name of the Associates/Joint Ventures	Mukta VN Films Limited	Scrabble Digital Limited	Scrabble Digital DMCC	Scrabble Ventures LLC	Scrabble Ventures, S. de R.L. de C.V, Mexico
1	Latest Audited Balance Sheet	31-Mar-17	31-Mar-17	31-Dec-16	31-Mar-17	31-Mar-17
2	"Date on which the Associate or Joint Venture was associated or acquired"	10-Jun-13	8-Feb-11	16-Feb-11	1-Apr-13	16-Aug-13
3	Shares of Associate or Joint Venture held by the Company on the year end					
	Number of shares held	2,699,950	197,714	100	3,000	1,500
	Amount of Investment in Associate or Joint Venture	27,000,000	39,899,900	1,273,000	19,899,870	7,646
	Extent of Holding (in percentage)	45.00%	33.33%	33.33%	30%	30%
4	Description of how there is significant influence					
5	Reason why the associate / joint venture is not consolidated	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials
6	Networth attributable to shareholding as per last audited Balance Sheet	29,020,190	41,756,515	51,143,312	3,065,772	(34,028,192)
7	Profit or Loss for the year	1,661,064	65,416,149	40,466,082	114,664,760	31,295,009
	i. Considered in Consolidation	747,479	21,803,202	13,487,345	32,921,878	-
	ii. Not Considered in Consolidation	913,585	43,612,946	26,978,737	81,742,882	31,295,009

Notes:
1. The exchange rates considered are at 31st March 2017
2. The management accounts of Scrabble Ventures LLC have been considered as at 31st March 2017
3. The management accounts of Scrabble Ventures, S. de R.L. de C.V, Mexico have been considered as at 31st March 2017.
4. The number of shares held include shares held directly or indirectly through subsidiaries.

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO
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INDEPENDENT AUDITOR'S REPORT

To the Members of UFO Moviez India Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of UFO Moviez India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our 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, 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 state of affairs of the Company as at March 31, 2017, its profit, and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 34(e)(ii) to the financial statements for a demand of ₹ 220,111,033/- (excluding interest and penalty) received by the Company during the year ended March 31, 2016 for disallowance of CENVAT credit on digital cinema equipments and which is more fully described therein. Based on legal opinion obtained, the Company is of the view that CENVAT credit should be available to it and is contesting this demand. Hence, no provision has been considered by the management in these standalone financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

   (e) In our opinion, the matter described under the Emphasis of Matter para above may have an adverse effect on the functioning of the Company.

   (f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in Note 45 to these standalone financial statements 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 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 Company and as produced to us by the Management.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Annexure 1 to the Independent Auditors' Report

Re: UFO Moviez India Limited ('the Company')

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted a loan that is re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the Company's interests.

(b) The Company has granted a loan that is re-payable on demand, to a company covered in the register maintained under section 189 of the Act. We are informed that the Company has not demanded repayment of such loan and interest during the year, and thus, there has been no default on the part of the party to whom the money has been lent.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees given have been complied with by the Company. The provisions of section 185 in respect of loans to directors including entities in which they are interested and provisions of section 186 with respect to securities given are not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Act, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, custom duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, custom duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, value added tax and cess on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
West Bengal VAT Act, 2003	Value Added Tax	4,195,703	2007-2008	Tribunal
West Bengal VAT Act, 2003	Value Added Tax	579,512	2007-2008 and 2008-2009	Commercial Tax Officer
Finance Act, 1994	Service Tax	499,411	2008-2009 to 2011-2012	Commissioner of Central Excise (Appeals)
Finance Act, 1994	Service Tax*	466,543,240	2008-2009 to 2013-2014	Custom, Excise and Service Tax Appellate Tribunal
	Penalty on Service Tax	466,553,240		

*In addition, interest is payable under the relevant provisions and rules.

The provisions relating to excise duty are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution and banks. The Company does not have any dues to debenture holders or government.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place: Mumbai
Date: May 17, 2017

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Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of UFO Moviez India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of UFO Moviez India Limited

We have audited the internal financial controls over financial reporting of UFO Moviez India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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 ('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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 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 Company has, 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 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Balance Sheet as at 31 March 2017

(In ₹)

	Notes	31 March 2017	31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	276,008,010	274,993,760
Reserves and surplus	4	4,697,939,970	4,139,727,162
		4,973,947,980	**4,414,720,922**
Non-current liabilities			
Long-term borrowings	5	259,836,924	306,458,088
Other long-term liabilities	6	420,758,250	427,147,353
Long-term provisions	8	19,427,516	-
		700,022,690	**733,605,441**
Current liabilities			
Short-term borrowing	7	3,803	120,925
Trade payables	6	221,670,812	145,690,324
Other current liabilities	6	780,659,283	829,866,542
Short-term provisions	8	33,792,573	133,312,895
		1,036,126,471	**1,108,990,686**
TOTAL		**6,710,097,141**	**6,257,317,049**
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	9	2,041,042,892	2,167,548,928
Intangible assets	9	4,858,807	3,578,973
Capital work-in-progress		67,401,073	69,141,048
Non-current investments	10	2,263,394,019	2,123,394,019
Deferred tax assets (net)	11	275,756,745	217,459,710
Long-term loans and advances	12	294,862,820	346,573,963
Other non-current assets	13	119,000	23,921,898
		4,947,435,356	**4,951,618,539**
Current assets			
Current investments	14	227,760,914	30,132,824
Inventories	15	62,931,836	77,454,256
Trade receivables	16	1,016,250,060	769,165,257
Cash and bank balances	17	261,196,318	264,975,617
Short-term loans and advances	12	97,983,765	89,226,683
Other current assets	13	96,538,892	74,743,873
		1,762,661,785	**1,305,698,510**
TOTAL		**6,710,097,141**	**6,257,317,049**
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO digital cinema

Statement of profit and loss for the year ended 31 March 2017

(In ₹)

	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations	18	3,861,419,901	3,490,075,255
Other operating Income	19	4,538,724	5,681,461
Other income	20	6,306,681	11,941,564
Total Income (I)		**3,872,265,306**	**3,507,698,280**
Expenses			
Operating direct cost	21	1,270,531,830	1,144,918,692
Employee benefit expenses	22	657,049,638	535,147,166
Other expenses	23	659,120,880	555,084,167
Total Expenses (II)		**2,586,702,348**	**2,235,150,025**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) -(II)		**1,285,562,958**	**1,272,548,255**
Depreciation & amortisation expenses	9	614,863,245	587,658,432
Finance cost	24	68,419,105	97,696,319
Finance income	25	(164,977,076)	(137,024,793)
Profit Before Tax		**767,257,684**	**724,218,297**
Tax expenses			
Current tax		282,446,682	260,932,643
Deferred Tax		(58,297,034)	(46,567,109)
Total tax expenses		**224,149,648**	**214,365,534**
Profit for the year		**543,108,036**	**509,852,763**
Earnings per equity share [nominal value of share of ₹ 10/- (31 March 2016: 10/-)]	26		
Basic		**19.68**	19.46
Diluted		**19.67**	18.74
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from operating activities			
Profit before tax		**767,257,684**	**724,218,297**
Adjustments to reconcile profit before tax to net cash flows			
Depreciation		614,863,245	587,658,432
Unrealised foreign exchange loss (net)		(890,081)	(608,409)
Loss on sale and write off of fixed assets		2,824,551	5,406,825
Bad debts written-off		11,932,881	8,330,603
Provision for doubtful debts		11,034,306	9,523,572
Provision for compensated absences		6,517,234	2,755,729
Provision for gratuity		17,172,234	9,841,431
Sundry credit balances written back		(4,538,724)	(5,681,461)
Profit on sale of current investments (net)		(6,663,879)	(6,234,251)
Dividend income		(127,723,596)	(110,354,591)
Interest income		(30,589,601)	(20,435,951)
Interest expense		64,203,336	93,006,819
Operating profit before working capital changes		**1,325,399,590**	**1,297,427,045**
Movements in working capital:			
(Decrease) / Increase in trade payables		75,980,488	(8,948,009)
(Decrease) / Increase in short-term provisions		(23,916,984)	(5,197,567)
(Decrease) / Increase in long-term provisions		19,427,516	-
(Decrease) / Increase in other current liabilities		56,977,678	43,724,941
(Decrease) / Increase in other long-term liabilities		(6,389,103)	(17,720,206)
Decrease / (Increase) in trade receivables		(270,051,990)	(283,467,769)
Decrease / (Increase) in inventories		14,522,420	(14,179,428)
Decrease / (Increase) in short-term loans and advances		(8,757,082)	(72,603,811)
Decrease / (Increase) in other current assets		(17,123,784)	120,716,942
Decrease / (Increase) in long term loans and advances		(47,771,721)	(1,388,997)
Cash generated from operations		**1,118,297,028**	**1,058,363,141**
Direct taxes paid (net of refunds)		(189,718,027)	(285,558,188)
Net cash flow from operating activities	**(A)**	**928,579,001**	**772,804,953**
Cash flow from / (used in) investing activities			
Purchase of fixed assets including intangible, CWIP and capital advances		(543,644,076)	(428,843,249)
Payment of purchase consideration for purchase of subsidiary shares		(50,000,000)	(151,498,117)
Purchase of shares in subsidiary		(140,000,000)	-
Purchase of current investments		(1,331,500,000)	(1,324,000,000)
Sale/redemption of current investments		1,140,535,789	1,300,101,427
Proceeds from sale of fixed assets		14,285,182	11,026,899
Interest received		25,918,366	18,377,004
Dividend received from Subsidiary		127,723,596	110,354,591
Maturity of bank deposits having original maturity more than 3 months (net)		41,064,424	5,614,376
Net cash flow used in investing activities	**(B)**	**(715,616,719)**	**(458,867,069)**

Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from / (used in) financing activities			
Proceeds from issuance of share capital (including premium)		16,485,240	248,946,423
Proceeds from long term borrowings		607,140,450	240,623,216
Repayment of long term borrowings		(657,975,501)	(526,790,741)
Availment / (repayment) of short term borrowings (net)		(117,122)	110,611
Dividend paid on equity shares		(82,853,562)	(137,263,280)
Tax on dividend paid on equity shares		(16,856,621)	(27,991,130)
Interest paid		(65,302,939)	(96,303,728)
Net cash flow used in financing activities	**(C)**	**(199,480,055)**	**(298,668,629)**
Net increase / (decrease) in cash and cash equivalent	**(A + B + C)**	**13,482,227**	**15,269,255**
Cash and cash equivalents at the beginning of the year		78,953,022	63,683,767
Cash and cash equivalents at the end of the year		**92,435,249**	**78,953,022**
Components of cash and cash equivalents			
Cash on hand		188,207	316,841
Balance with banks:			
- on current accounts		92,064,601	78,402,581
- unpaid dividend account*		182,441	233,600
Cash and cash equivalents [refer note 17]		**92,435,249**	**78,953,022**
Summary of significant accounting policies	**2.1**		

Notes:

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements"

*The company can utilize these balances only toward settlement of the respective unpaid dividend.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Notes to financial statements as at and for the year ended 31 March 2017

1. Corporate information

UFO Moviez India Limited (the Company) is a public Company domiciled in India and incorporated on June 14, 2004 under the provisions of the Companies Act, 1956. The Company is into the business of providing digital cinema services.

The equity shares of the Company are listed on the National Stock Exchange of India Limited and The BSE Limited.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, ('the Act') read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for change in accounting policy explained below:

Accounting for Proposed Dividend

Till March 31, 2016, as per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. For the current year, as per AS 4(R), provision for dividend proposed/ declared after the balance sheet date is not created and is disclosed in notes to the financial statements.

Accordingly, the company has not recorded provision for dividend and disclosed dividend proposed by board of directors after the balance sheet date in Note 41.

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 332,196,747/- and short-term provision would have been higher by ₹ 332,196,747/- (including dividend distribution tax of ₹ 56,188,737/-).

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Property Plant and equipment

Property Plant and equipment are stated at cost, net accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property Plant and equipment which takes 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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Subsequent expenditure related to an item of Property Plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of an Property Plant and equipment 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.

Notes to financial statements as at and for the year ended 31 March 2017

The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

From April 01, 2015, based on the provisions of schedule II to the Companies Act 2013, relating to component accounting, the Company has identified and determined cost of each component of the asset separately, if the component has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

As per the transitional provisions of Schedule II , carrying amount of components having zero remaining useful life on 1 April 2015 of ₹ 41,519,692/- (after reducing deferred tax impact of ₹ 21,973,842/-) has been adjusted against the opening reserves as at April 1, 2015 in accordance with the requirement of Schedule II of the Act.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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.

Intangible assets are amortized over their estimated useful life as follows.

	Useful lives as per management's estimate
Computer Software	6

(d) Depreciation on Property Plant and equipment

Depreciation on Property Plant and equipment calculated on a straight-line basis using the rates arrived at based on the useful lives of the assets estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The Company has used the following useful lives to provide depreciation on its property plant and equipment.

	Useful lives as per management's estimate
Exhibition Equipments	7-10
Plant and Machinery	4-6
Computer	3
Furniture and Fixtures	6
Office Equipment	5
Vehicles	5

Except computer and office equipments, useful lives of above fixed assets are different from those prescribed under schedule II. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

(e) Impairment of fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset.



Notes to financial statements as at and for the year ended 31 March 2017

(f) **Leases**

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in property plant and equipment. Lease income on an operating income is recognized in the statement of profit and loss on a straight-line basis over the lease term. 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.

(g) **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(h) **Inventories**

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(i) **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.

Income from services

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognized in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Digitisation income is recognized in the period in which services are rendered.
- Registration fee is recognized in the period in which services are rendered.
- Lease rental income on equipment is recognised as mentioned in note 2.1(f) above.

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Company recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers.

The Company collects service tax and value added tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Notes to financial statements as at and for the year ended 31 March 2017

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the balance sheet date.

(j) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(k) Retirement and other employee benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employee render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation.

The actuarial valuation is done as per projected unit credit method. The Company has an Employees' Gratuity Fund managed by the Life Insurance Corporation of India.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(l) Income taxes

Tax expense comprises of 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. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized for deducted timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be 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 a 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 or virtually certain, as the case may be, that sufficient future taxable income will be available.

Notes to financial statements as at and for the year ended 31 March 2017

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 tax assets and 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 available 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 in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, 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.

(m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(o) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulation 2014 and Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India and in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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.

(p) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(q) Contingent liabilities

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.

Notes to financial statements as at and for the year ended 31 March 2017

(r) Borrowing cost

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 occur.

(s) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 which is equally applicable to schedule III of the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs, finance income and tax expense.

3. Share capital

(In ₹)

	31 March 2017	31 March 2016
Authorised share capital		
45,000,000 (31 March 2016: 45,000,000) equity shares of ₹ 10/- each	450,000,000	450,000,000
1,385,000 (31 March 2016: 1,385,000) preference shares of ₹ 1,000/- each	1,385,000,000	1,385,000,000
	1,835,000,000	**1,835,000,000**
Share capital		
Issued, subscribed and fully paid up shares		
27,600,801 (31 March 2016: 27,499,376) equity shares of ₹ 10/- each fully paid-up	276,008,010	274,993,760
Total issued, subscribed and fully paid up share capital	**276,008,010**	**274,993,760**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March 2017		31 March 2016	
	No.	₹	No.	₹
At the beginning of the year	27,499,376	274,993,760	25,897,669	258,976,690
Issued during the year - ESOP exercised	101,425	1,014,250	1,601,707	16,017,070
Outstanding at the end of the year	**27,600,801**	**276,008,010**	**27,499,376**	**274,993,760**

(b) Terms/rights attached to equity shares

Voting rights:

The Company has only one class of equity shares having per value of ₹ 10/- per share. Each holder of equity shares having a par value of ₹ 10/- per equity share is entitled to one vote per equity share.

Rights as to Dividend:

The equity shareholders have right to receive dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 10/- (March 31, 2016: 8/-) per share.

Notes to financial statements as at and for the year ended 31 March 2017

Rights pertaining to repayment of capital:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the 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:

Name of the shareholder	31 March 2017		31 March 2016	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10/- each fully paid				
P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.03	5,251,608	19.10
3i Research (Mauritius) Limited	-	-	2,664,879	9.69
SBI Magnum Global Fund	2,609,456	9.45	2,407,206	8.75
Valuable Technologies Limited	2,243,657	8.13	2,243,657	8.16
Apollo International Limited	2,266,417	8.21	2,266,417	8.24
Reliance Capital Trustee Co Ltd A/c Reliance Media and Entertainment Fund	2,202,739	7.98	1,861,139	6.77
Valuable Media Limited	1,494,265	5.41	1,494,265	5.43

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has issued total 1,703,132 shares (31 March 2016: 1,601,707) 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.

(e) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 28.

4. Reserves and surplus

(In ₹)

	31 March 2017	31 March 2016
Securities premium account		
Balance as per last financial statements	3,673,280,224	3,440,350,871
Add: Additions on ESOPs exercised	15,470,990	232,929,353
Closing balance	**3,688,751,214**	**3,673,280,224**
Surplus in the statement of profit and loss		
Balance as per last financial statements	466,446,938	262,894,683
Profit for the year	543,108,036	509,852,763
Less: Depreciation adjustment (net of deferred tax) (refer note 2.1(b))	-	(41,519,692)
Less: Appropriation		
Interim dividend on equity shares [per share ₹ Nil (31 March 2016: ₹ 5/-)]	-	(137,496,880)
Dividend distribution tax on interim dividend	-	(27,991,130)
Final dividend on equity shares [per share ₹ Nil (31 March 2016: ₹ 3/-)]	(304,275)	(82,498,128)
Dividend distribution tax on proposed dividend	(61,943)	(16,794,678)
Net surplus in the statement of profit and loss	**1,009,188,756**	**466,446,938**
Total reserves and surplus	**4,697,939,970**	**4,139,727,162**

Notes to financial statements as at and for the year ended 31 March 2017

5. Long-term borrowings (Secured) (In ₹)

	Non-Current portion		Current Maturities	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Term loans				
Rupee loan from banks (secured by first charge on all fixed assets (except vehicles) and all current assets of the Company)				
Term loan 1 from HDFC Bank	-	-	-	4,492,508
Term loan 2 from HDFC Bank	189,589,956	127,924,850	162,505,630	59,042,238
Term loan 3 from Axis Bank	-	-	-	85,416,198
Term loan 4 from Axis Bank	-	102,810,901	-	124,992,000
Term loan 5 from Axis Bank	-	73,917,920	-	56,250,000
Term loan 6 from HDFC Bank	22,355,420	-	56,250,000	-
Term loan 7 from HDFC Bank	9,066,900	-	104,160,000	-
Term loan 8 from Yes Bank	38,824,649	-	8,959,534	-
Sub Total	**259,836,924**	**304,653,671**	**331,875,164**	**330,192,944**
Other Loans				
Vehicle finance from banks (secured against hypothecation of vehicles)				
Vehicle Loan 1 from Axis Bank Ltd.	-	1,804,417	1,730,107	7,626,214
Sub Total	**-**	**1,804,417**	**1,730,107**	**7,626,214**
Amount disclosed under the head "other current liabilities" (refer note 6)	-	-	(333,605,271)	(337,819,158)
Net amount	**259,836,924**	**306,458,088**	**-**	**-**

Term loan 1 having interest of bank base rate plus 2.40% @ 11.70% (March 31,2016: 11.70%) p.a. is repayable in 31 monthly installments of ₹ 9,000,000/- each along with interest from July 31, 2013.

Term loan 2 having interest of bank base rate plus 1.40% @ 10.70% (March 31, 2016: 10.70%) p.a. is repayable in 42 monthly installments on pro rata basis each along with interest from December 31, 2015.

Term loan 3 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 17,083,333/- each along with interest from September 30, 2012.

Term loan 4 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016:11.25%) p.a. is repayable in 48 monthly installments of ₹ 10,416,000/- each along with interest from April 30, 2014. The Company has transferred this loan balance to HDFC bank from October 31, 2016.

Term loan 5 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 4,687,500/- each along with interest from December 31, 2014. The Company has transferred this loan balance to HDFC bank from October 31, 2016.

Term loan 6 have interest of bank 1 year MCLR plus 40 bps @ 9.50% (March 31, 2016: Nil) p.a is repayable in 26 monthly installments of ₹ 4,687,500/- each along with interest from October 31, 2016

Term loan 7 have interest of bank 1 year MCLR plus 40 bps @ 9.50% (March 31, 2016: Nil) p.a is repayable in 26 monthly installments of ₹ 10,416,000/- each along with interest from October 31, 2016

Term loan 8 have interest of bank 1 year MCLR i.e. 9.10% (March 31, 2016: Nil) p.a is repayable in 48 monthly installments starting from July 15, 2017

Vehicle Loan 1 having fixed interest rate from 10.15% to 11.80% p.a is repayable in 48 monthly installments.

Notes to financial statements as at and for the year ended 31 March 2017

6. Trade payables and other liabilities

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Trade payables (refer note 36 for details of dues to micro and small enterprises)	-	-	221,670,812	145,690,324
Other liabilities				
Current maturities of long-term borrowings (refer note 5)	-	-	333,605,271	337,819,158
Interest accrued but not due on borrowings	-	-	5,225,134	6,324,737
Deferred lease rental income	29,022,913	51,861,537	25,177,772	25,256,751
Deferred advertisement income	-	-	8,922,071	13,777,831
Advance from customers	-	-	168,273,712	142,349,923
Investor Education and Protection Fund (refer note (i) below)				
Unpaid dividend	-	-	182,441	233,600
Others				
Deposit from customers and employees	265,141,440	238,733,102	72,091,698	66,060,128
Deposit from related parties (refer note 32)	126,593,897	136,552,714	-	-
Payables for purchase of fixed assets	-	-	27,601,775	72,993,258
Payables for purchase of investments	-	-	24,987,376	74,987,376
Salary and reimbursement payable	-	-	84,554,405	62,171,912
Statutory dues payable				
Employee related liabilities	-	-	5,022,833	4,287,298
VAT payable	-	-	7,746,255	8,768,261
TDS payable	-	-	17,268,541	14,836,309
	420,758,250	427,147,353	780,659,283	829,866,542

(i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2017.

7. Short-term borrowings (secured)

(In ₹)

	31 March 2017	31 March 2016
Cash credit from Axis bank and HDFC Bank Limited	3,804	120,925
	3,804	120,925

Cash credit from HDFC bank Limited was secured by first charge on current assets of the Company, both present & future. Second Pari passu charge on all the fixed assets of the company except vehicles financed by other lenders. The cash credit was repayable on demand and carries interest @ 10% p.a (March 31, 2016: Nil).

Cash credit from Axis bank was secured by first charge on all the fixed assets of the Company except vehicles and first charge on all the current assets. The cash credit was repayable on demand and carried interest @ 11.50% p.a (March 31, 2016: 12.15% p.a).

8. Provisions

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Provision for gratuity (refer note 27)	19,427,516	-	3,262,167	8,269,514
Provision for compensated absences	-	-	30,530,406	25,750,575
Proposed dividend	-	-	-	82,498,128
Dividend distribution tax on proposed dividend	-	-	-	16,794,678
	19,427,516	-	33,792,573	133,312,895

Notes to financial statements as at and for the year ended 31 March 2017

9. Fixed Assets

(In ₹)

	Property, plant and equipment								Intangible Assets	
	Leasehold Improvements	Plant & Machinery (Refer Note 29 for Assets given on lease)	Computer Systems	Office Equipments	Furniture & Fixtures	Electrical Equipments & Installations	Vehicles	Total	Computer software	Grand Total
Cost										
At 1 April 2015	16,158,941	4,654,235,530	26,080,322	28,614,080	5,066,908	2,309,808	92,914,810	4,825,380,399	16,191,635	4,841,572,034
Adjustment (Refer note 2.1(b))	-	124,988,411	-	-	-	-	-	124,988,411	-	124,988,411
Additions	6,088,126	455,718,353	4,782,965	3,645,488	940,752	2,800,435	10,020,767	483,996,886	2,407,716	486,404,602
Disposals	-	52,219,540	30,950	-	-	-	1,008,624	53,259,114	-	53,259,114
At 31 March 2016	22,247,067	4,932,745,932	30,832,337	32,259,568	6,007,660	5,110,243	101,926,953	5,131,129,760	18,599,351	5,149,729,111
Additions	20,686,081	433,741,570	5,641,390	4,472,436	488,950	872,190	38,257,693	504,160,310	2,586,467	506,746,777
Disposals	470,005	44,663,201	5,369,697	1,938,727	681,921	274,153	15,814,638	69,212,342	-	69,212,342
At 31 March 2017	42,463,143	5,321,824,301	31,104,030	34,793,277	5,814,689	5,708,280	124,370,008	5,566,077,728	21,185,818	5,587,263,546
Depreciation/Amortisation										
At 1 April 2015	8,913,627	2,388,686,571	19,593,670	18,672,131	3,036,765	1,370,994	34,857,360	2,475,131,118	14,131,927	2,489,263,045
Adjustment (Refer note 2.1(b))	-	61,494,877	-	-	-	-	-	61,494,877	-	61,494,877
Charge for the year	4,274,908	551,983,230	4,770,594	5,479,122	1,137,316	491,800	18,633,011	586,769,981	888,451	587,658,432
Disposals	-	35,980,611	30,950	-	-	-	813,829	36,825,390	-	36,825,390
At 31 March 2016	13,188,535	2,843,194,313	24,333,314	24,151,253	4,174,081	1,862,794	52,676,542	2,963,580,832	15,020,378	2,978,601,210
Charge for the year	6,589,315	576,225,605	4,882,466	3,878,500	1,061,163	817,745	20,101,818	613,556,612	1,306,633	614,863,245
Disposals	327,848	31,019,080	5,366,178	1,729,859	659,849	201,797	12,797,997	52,102,608	-	52,102,608
At 31 March 2017	19,450,002	3,388,400,837	23,849,602	26,299,894	4,575,395	2,478,742	59,980,363	3,525,034,835	16,327,011	3,541,361,846
Net Block										
At 31 March 2016	9,058,532	2,089,551,619	6,499,023	8,108,315	1,833,579	3,247,449	49,250,411	2,167,548,928	3,578,973	2,171,127,901
At 31 March 2017	23,013,141	1,933,423,463	7,254,428	8,493,383	1,239,294	3,229,538	64,389,645	2,041,042,892	4,858,807	2,045,901,699

Notes to financial statements as at and for the year ended 31 March 2017

10. Non-current Investments

(In ₹)

	31 March 2017	31 March 2016
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries		
1,161,972 (March 31, 2016: 1,161,972) ordinary shares of USD 1/- each fully paid, in Edridge Limited, Cyprus (refer note 42)	573,879,423	573,879,423
10,000 (March 31, 2016: 10,000) ordinary shares of ₹ 10/- each at par, fully paid, in V N Films Private Limited, India. (refer note 42)	100,000	100,000
11,580 (March 31, 2016: 11,580) ordinary shares of ₹ 10/- each fully paid in Valuable Digital Screens Private Limited, India.	49,933,306	49,933,306
701,708 (March 31, 2016: 701,708) ordinary shares of ₹ 10/- each fully paid in Scrabble Entertainment Limited, India	891,851,923	891,851,923
4,298,833 (March 31, 2016: 3,618,716) ordinary shares of ₹ 10/- each fully paid in Southern Digital Screenz India Private Limited, India (refer note 42)	570,160,617	430,160,617
99,600 (March 31, 2016: 99,600) ordinary shares of Nepali Rupee (NPR) 100/- each fully paid, in United Film Organizers Nepal (Private) Limited, Nepal (At cost less provision for other than temporary diminution ₹ 5,000,000/- (March 31, 2016: 5,000,000/-)	1,225,000	1,225,000
Unquoted Preference shares		
Investment in subsidiaries		
59,900 (March 31, 2016: 59,900) ordinary preference shares of NPR 100/- each fully paid, in United Film Organizers Nepal (Private) Limited, Nepal	3,743,750	3,743,750
1,725,000 (March 31, 2016: 1,725,000) 10% optionally convertible preference shares of ₹ 100/- each fully paid, in Southern Digital Screenz India Private Limited, India	172,500,000	172,500,000
	2,263,394,019	**2,123,394,019**
Aggregate amount of unquoted investments	2,268,394,019	2,128,394,019
Aggregate provision for diminution in value of investments	5,000,000	5,000,000

11. Deferred tax assets (net)

(In ₹)

	31 March 2017	31 March 2016
Deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	241,654,643	193,584,744
Provision for doubtful debts	15,683,694	12,101,294
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	18,418,408	11,773,672
Net deferred tax assets	**275,756,745**	**217,459,710**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

12. Loan and advances (Unsecured, considered good, unless otherwise stated)

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Capital advances	446,550	7,200,759	-	-
Security deposit	7,231,500	6,655,763	35,785,223	35,246,690
Security deposit to related parties (refer note 32)	36,633,230	36,477,049	-	-
Loan to related party (refer note 32 and 44)	36,250,000	36,250,000	-	-
Advances recoverable in cash or kind	-	-	5,350,270	3,352,325
Other loans and advances				
Advance income-tax (net of provision for taxation ₹ 795,335,006/- (March 31, 2016: 512,888,324/-))	117,498,418	210,227,072	-	-
Balance with statutory / government authorities	41,827,329	43,667,071	34,267,735	23,489,568
Deposit with Government bodies and others	4,478,182	3,921,526	-	-
Loans and advances to employees (refer note below)	-	-	2,005,520	13,761,661
Prepaid expenses	50,497,612	2,174,723	19,423,050	13,168,414
Others	-	-	1,151,967	208,025
	294,862,820	**346,573,963**	**97,983,765**	**89,226,683**

Loans and advances due by officers

(In ₹)

	Non- current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Loans to employees include				
Dues from officers	-	-	-	4,250,000

13. Other assets (unsecured, considered good unless otherwise stated)

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Non-current bank balances (refer note 17)	119,000	23,921,898	-	-
Unbilled revenue	-	-	84,754,940	67,631,156
Interest accrued on loan to related party (refer note 32)	-	-	11,495,577	6,928,077
Interest accrued but not due on fixed deposit	-	-	288,375	184,640
	119,000	**23,921,898**	**96,538,892**	**74,743,873**

Notes to financial statements as at and for the year ended 31 March 2017

14. Current investments

(In ₹)

	31 March 2017	31 March 2016
Unquoted mutual funds		
Nil units (March 31, 2016: 12,147.475 units) of Axis treasury advantage fund - (growth option)	-	20,073,771
302,260.15 units (March 31, 2016: Nil units) of Birla Sun Life Floating Rate Fund - (long term plan - direct plan)	60,000,000	-
147,803.801 units (March 31, 2016: Nil units) of Birla Sun Life cash Plus - (growth - direct plan)	38,601,246	-
18,723.98 units (March 31, 2016: 3,369.36 units) of HDFC liquid fund - (direct plan - growth option)	60,022,035	10,059,053
97,175.938 units (March 31, 2016: Nil units) of ICICI Prudential Flexible Income Plan - (direct)	30,000,000	-
162,784.711 units (March 31, 2016: Nil units) of ICICI Prudential Liquid Plan Direct Plan - (growth)	39,137,633	-
	227,760,914	**30,132,824**

Aggregate market value of investment in unquoted mutual funds units held by Company based on NAV declared on the balance sheet date by mutual fund is ₹ 228,913,628/- (March 31, 2016: 30,531,147/-).

15. Inventories (valued at lower of cost and net realisable value)

(In ₹)

	31 March 2017	31 March 2016
Traded goods (Lamps)	49,709,338	62,164,553
Consumables and spares	13,222,498	15,289,703
	62,931,836	**77,454,256**

16. Trade receivables (Unsecured)

(In ₹)

		31 March 2017	31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment			
- considered good		142,841,823	142,251,730
- considered doubtful		45,318,116	34,966,753
Provision for doubtful receivables		(45,318,116)	(34,966,753)
	(A)	**142,841,823**	**142,251,730**
Others receivables			
- considered good		873,408,237	626,913,527
	(B)	**873,408,237**	**626,913,527**
TOTAL	**(A + B)**	**1,016,250,060**	**769,165,257**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

17. Cash and bank balances

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	92,064,601	78,402,581
– On unpaid dividend account*	-	-	182,441	233,600
Cash on hand	-	-	188,207	316,841
	-	-	**92,435,249**	**78,953,022**
Other bank balances				
– Deposits with remaining maturity for less than 12 months	-	-	98,899,137	156,253,689
– Deposits with remaining maturity for more than 12 months	-	5,509,655	-	-
	-	**5,509,655**	**98,899,137**	**156,253,689**
– Margin money deposit with remaining maturity for less than 12 months	-	-	69,861,931	29,768,906
– Margin money deposit with remaining maturity for more than 12 months	119,000	18,412,243	-	-
	119,000	**18,412,243**	**69,861,931**	**29,768,906**
Amount disclosed under non - current assets (refer note 13)	(119,000)	(23,921,898)		
	-	-	**261,196,318**	**264,975,617**

Margin money deposits:

Margin money deposits are against guarantees given to statutory authorities and are kept under lien with bank for opening of Letter of Credit.

* The Company can utilize these balances only towards settlement of the respective unpaid dividend.

18. Revenue from operations

(In ₹)

	31 March 2017	31 March 2016
Revenue from operations		
Sale of services		
Advertisement revenue	1,769,771,266	1,537,916,626
Virtual Print Fees - E-Cinema	784,729,901	700,970,982
Virtual Print Fees - D-Cinema	257,382,263	237,363,791
Lease rental income - E-Cinema	657,019,479	617,911,136
Lease rental income - D-Cinema	100,895,188	114,259,418
Digitisation income	61,652,063	59,915,625
Registration fees income	6,796,578	6,712,000
	3,638,246,738	**3,275,049,578**
Sales of products		
Lamp and spares sale	182,058,620	173,887,083
Sale of digital cinema equipments	41,114,543	41,138,594
	223,173,163	**215,025,677**
	3,861,419,901	**3,490,075,255**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

19. Other operating income

(In ₹)

	31 March 2017	31 March 2016
Sundry balance written back	4,538,724	5,681,461
	4,538,724	**5,681,461**

20. Other income

(In ₹)

	31 March 2017	31 March 2016
Miscellaneous income	6,306,681	11,941,564
	6,306,681	**11,941,564**

21. Operating direct cost

(In ₹)

	31 March 2017	31 March 2016
Advertisement revenue share	661,655,777	624,978,264
Repair and maintenance - exhibition equipments	119,087,827	76,417,679
Technical service fees	80,745,220	72,176,562
Bandwidth charges	69,672,021	64,859,782
Purchase of digital cinema equipments	23,060,906	28,814,762
Purchase of lamps	152,519,879	174,170,091
Rent on equipments	-	5,170,967
Content processing charges	19,916,823	11,601,988
Virtual print fees sharing	85,000,105	64,164,204
Other expenses	16,255,227	12,674,081
(Increase) / decrease in inventories of traded goods (lamps)		
Inventories at the beginning of the year	62,164,553	46,492,341
Less: Inventories at the end of the year	(49,709,338)	(62,164,553)
	12,455,215	**(15,672,212)**
Consumables and spares		
Opening stock	15,289,703	16,782,487
Add: purchases	28,095,625	24,069,740
Less: closing stock	(13,222,498)	(15,289,703)
	30,162,830	**25,562,524**
	1,270,531,830	**1,144,918,692**

Details of components and spares consumed

(In ₹)

	31 March 2017	31 March 2016
Projector spares	9,063,196	2,053,060
UPS battery	10,087,535	9,517,573
VSAT spares	7,860,852	9,759,410
Others (individually less than 10%)	3,151,247	4,232,481
	30,162,830	**25,562,524**

Notes to financial statements as at and for the year ended 31 March 2017

Details of inventory (In ₹)

	31 March 2017	31 March 2016
Consumable and spares		
Paper rolls	2,694,526	2,796,200
VSAT spares	1,320,413	2,468,995
Sigma chip	3,775,742	5,628,368
Others	5,431,817	4,396,140
	13,222,498	**15,289,703**

22. Employee benefit expense

(In ₹)

	31 March 2017	31 March 2016
Salaries and wages	563,163,537	461,507,762
Contribution to provident and other funds	28,256,191	24,408,425
Gratuity expenses (refer note 27)	17,172,234	9,841,431
Compensated absences	6,517,234	2,755,729
Staff welfare expenses	41,940,442	36,633,819
	657,049,638	**535,147,166**

23. Other expenses

(In ₹)

		31 March 2017	31 March 2016
Rent		82,537,993	80,394,831
Freight and forwarding charges		42,852,682	43,067,822
Legal, professional and consultancy charges		89,967,909	67,725,924
Directors sitting fees		7,500,000	7,500,000
Commission on advertisement revenue		156,384,383	118,797,930
Commission on other revenue		15,506,006	17,268,423
Corporate social responsibility expenses (refer note 43)		15,000,000	-
Sales promotion expenses		32,794,325	21,761,364
Electricity charges		17,673,545	15,407,910
Rates and taxes		18,277,693	18,858,820
Payment to auditor (please refer (i) below)		6,943,499	5,897,901
Repairs and maintenance			
- Plant and machinery		132,800	1,575,118
- Furniture and fixtures		885,502	469,179
- Others		17,656,063	17,580,156
Insurance		8,700,039	11,556,381
Travelling and conveyance expenses		51,749,765	39,601,701
Communication and courier expenses		19,462,147	16,693,061
Printing and stationery		5,738,286	5,251,404
Bad debts written-off	12,615,824		
Less: Provision utilised	(682,943)	11,932,881	8,330,603
Loss on sale and write off of fixed assets (net)		2,824,551	5,406,825
Provision for doubtful debts		11,034,306	9,523,572
Miscellaneous expenses		43,566,505	40,167,973
Foreign exchange loss (net)		-	2,247,269
		659,120,880	**555,084,167**



Notes to financial statements as at and for the year ended 31 March 2017

(i) **Payment to auditor** (In ₹)

	31 March 2017	31 March 2016
As Auditor		
Audit fee	3,600,000	3,500,000
Tax audit fee	350,000	350,000
Limited review	2,400,000	1,500,000
Reimbursement of expenses	143,499	7,900
In other capacity		
Other services (certification fees)	450,000	540,001
	6,943,499	**5,897,901**

24. Interest and finance expense (In ₹)

	31 March 2017	31 March 2016
Interest on		
Term loan	62,961,335	90,956,507
Others	1,242,001	2,050,312
Bank charges	2,465,769	2,189,500
Other borrowing costs	1,750,000	2,500,000
	68,419,105	**97,696,319**

25. Finance income (In ₹)

	31 March 2017	31 March 2016
Interest received		
Bank deposits	16,383,993	15,347,047
Others	14,205,608	5,088,904
Dividend income		
From non-current investments	127,723,596	110,354,591
Profit on sale of current investments (net)	6,663,879	6,234,251
	164,977,076	**137,024,793**

UFO MOVIEZ INDIA LIMITED

UFO digital cinema

Notes to financial statements as at and for the year ended 31 March 2017

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: (In ₹)

	31 March 2017	31 March 2016
Basic		
Net profit after tax as per statement of profit and loss for calculation of basic EPS	543,108,036	509,852,763
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Earning per share	**19.68**	**19.46**
Diluted		
Net profit for calculation of basic EPS	543,108,036	509,852,763
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Effect of dilutions on stock options granted under ESOP	5,929	1,000,959
Weighted average number of shares outstanding (including dilution)	27,597,838	27,204,545
Earning per share	**19.67**	**18.74**

27. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summaries 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 respective plans.

Net employee benefit expense recognized in the employee cost (In ₹)

	Gratuity	
	31 March 2017	31 March 2016
Current service cost	13,469,548	10,761,092
Interest cost on benefit obligation	3,595,591	3,165,892
Expected return on plan assets	(2,203,405)	(1,686,384)
Net actuarial (gain) / loss recognized in the year	2,310,500	(2,399,169)
Net benefit expense	**17,172,234**	**9,841,431**
Actual return on plan assets	**1,984,390**	**1,981,504**

Balance sheet (In ₹)

Benefit asset/ liability	31 March 2017	31 March 2016
Present value of defined benefit obligation	52,766,816	35,493,761
Fair value of plan assets	30,077,133	27,224,247
Plan liability	**22,689,683**	**8,269,514**

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Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Changes in the present value of the defined benefit obligation are as follows:	31 March 2017	31 March 2016
Opening defined benefit obligation	35,493,761	24,228,825
Current service cost	13,469,548	10,761,092
Interest cost	3,595,591	3,165,892
Benefits paid	(2,583,637)	(557,999)
Actuarial (gain) / losses on obligation	2,791,552	(2,104,049)
Closing defined benefit obligation	**52,766,815**	**35,493,761**

(In ₹)

Changes in the fair value of plan assets are as follows:	31 March 2017	31 March 2016
Opening fair value of plan assets	27,224,247	21,328,200
Expected return	2,521,320	1,686,384
Contributions by employer	3,114,218	4,472,542
Benefits paid	(2,583,637)	(557,999)
Actuarial gain on plan assets	(199,015)	295,120
Closing fair value of plan assets	**30,077,133**	**27,224,247**

The principal assumptions used in determining gratuity as shown below:

	Gratuity	
	31 March 2017	31 March 2016
Discount rate	6.70%	7.80%
Expected rate of return on assets	8%	8%
Employee turnover	15%	15%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current year and four years are as follows: (In ₹)

Gratuity	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined benefit obligation	52,766,816	35,493,761	22,711,964	17,583,653	13,171,256
Plan assets	30,077,133	27,224,247	21,328,200	16,308,310	9,746,594
Deficit	22,689,683	8,269,514	2,900,625	1,275,343	3,424,662
Experience adjustments on plan liabilities	1,847,833	(2,324,946)	1,312,235	1,379,949	1,532,494
Experience adjustments on plan assets	(219,015)	295,120	-	-	-

The Company expects to contribute ₹ 3,262,167/- to the gratuity fund in the next year (March 31, 2016: 3,116,860/-)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Gratuity	31 March 2017	31 March 2016
Investments with insurer	100%	100%

Notes to financial statements as at and for the year ended 31 March 2017

28. Employee stock option plans

During the year ended March 31, 2017, the Company's three equity settled ESOP Schemes viz., ESOP Scheme 2006, ESOP Scheme 2010 and ESOP Scheme 2014 were in existence.

Employee Stock Option Scheme 2006 ('ESOP Scheme 2006')

All Options granted under ESOP Scheme 2006 are vested. The Exercise Period of the Options granted under ESOP Scheme 2006 are for the employees while in employment of the Company is within one year from the date on which the shares of the Company get listed on a recognized stock exchange and for the retired employees, termination due to permanent disability, death is within six months from the date of listing of Company's shares with a recognised stock exchange.

The details of activity under the Scheme 2006 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,736	100.18	211,051	100.18
Granted during the year	-	-	-	-
Exercised during the year	(2,736)	100.18	(208,315)	100.18
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	-	-	2,736	100.18
Exercisable at the end of the year	-	-	2,736	100.18
Weighted average remaining contractual life (in months)	-	-	2	-

Employee Stock Option Scheme 2010 ('ESOP Scheme 2010')

Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the modification in vesting period of 82,157 options from being vested equally over a period of 4 years from the date of grant to one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the change in exercise period of all vested options under this scheme from two year to one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange in case of the employees in employment of the Company. For the retired employees, termination due to permanent disability, death, all vested options may be exercised within six months from the date of listing of Company's shares with a recoganised stock exchange.

The details of activity under the Scheme 2010 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	98,689	164.60	1,503,489	163.74
Granted during the year	-	-	-	-
Exercised during the year	(98,689)	164.26	(1,393,392)	163.71
Forfeited during the year	-	-	(11,408)	165.44
Outstanding at the end of the year	-	-	98,689	164.60
Exercisable at the end of the year	-	-	98,689	164.60
Weighted average remaining contractual life (in months)	-	-	2	

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Notes to financial statements as at and for the year ended 31 March 2017

Employee Stock Option Scheme 2014 ('ESOP Scheme 2014'):

The Compensation Committee recommended the new ESOP Scheme 2014 and the Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

As per the ESOP Scheme 2014, 25% of the options shall vest equally at the end of each year from the date of grant.

The exercise period of these options is as follows:

i) For the employees while in employment of the Company: Within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: Within six months from the date of retirement, termination due to physical disability and death respectively.

The details of activity under the Scheme 2014 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	902,070	600	929,750	600
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(48,551)	600	(27,680)	600
Outstanding at the end of the year	853,519	600	902,070	600
Exercisable at the end of the year	426,760	600	225,518	-
Weighted average remaining contractual life (in months)	27		39	

There is no effect of the employee share-based payment plans on the statement of profit and loss and on its financial position.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to detemine compensation, its profit after tax and earning per share reported would have been same as follows:

(In ₹)

	31 March 2017	31 March 2016
Net profit for calculation of basic EPS	543,108,036	509,852,763
Less: Employee stock compensation under fair value method	-	-
Proforma profit	**543,108,036**	**509,852,762**
Earnings per share		
Basic		
- As reported	19.68	19.46
- Proforma	19.68	19.46
Diluted		
- As reported	19.68	18.74
- Proforma	19.68	18.74

Notes to financial statements as at and for the year ended 31 March 2017

29. Investments during the previous year

(a) Southern Digital Screenz India Private Limited (SDS)

During the year ended March 31, 2017, the Company acquired additional 15.82% stake 680,117 equity shares in Southern Digital Screenz India Private Limited (SDS) from the minority shareholders for ₹ 140,000,000/-. Post this investment, the Company holds 100% of equity share capital of SDS.

30. Leases

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases taken for Office Premises, Stores & Digital equipment's. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the Digital equipments on lease generally is for 36 to 72 months.

(In ₹)

	31 March 2017	31 March 2016
Lease payments for the year	82,537,993	85,565,798

Operating lease commitments – Company as lessor

The Company has leased out Digital Cinema Equipment to theaters, franchisees and subsidiary companies on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters and franchisees have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement.

(In ₹)

	31 March 2017	31 March 2016
Gross carrying amount	3,956,443,859	3,669,235,685
Accumulated depreciation	1,781,215,589	1,404,368,301
Depreciation recognized in the statement of profit and loss	457,290,699	429,269,838

31. Segment reporting

The Company is engaged in the business of Digital Cinema Services and sale of digital cinema equipments ancillary to sale of services, which are subject to same risk and rewards and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Company's operations are based in same geographical segment, India.

32. Related party disclosure

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiaries	Edridge Limited, Cyprus (refer note 42)
	V N Films Private Limited (refer note 42)
	Scrabble Entertainment Limited
	Valuable Digital Screens Private Limited
	Southern Digital Screenz India Private Limited (refer note 42)
	United Film Organisers Nepal Private Limited, Nepal
Step-down Subsidiaries	UFO International Limited, Cyprus (refer note 42)
	Scrabble Entertainment DMCC, UAE
	UFO Lanka Private Limited, Sri Lanka
	Scrabble Entertainment (Lebanon) Sarl, Lebanon
	UFO Software Technologies Private Limited
	Scrabble Digital Inc.,USA

Notes to financial statements as at and for the year ended 31 March 2017

	Scrabble Entertainment Mauritius Limited, Mauritius
	Scrabble Entertainment Israel Limited, Israel*
	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius
*Under voluntary liquidation	
Names of other related parties with whom transactions have taken place during the year	
Key management personnel	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director
	Mr. Ashish Malushte - Chief Financial Officer
	Mr. Rajesh Mishra - Chief Executive Officer
	Mr. Sameer Chavan - Company Secretary
Relatives of Key management personnel	Ms. Apeksha Agarwal
Enterprises owned or significantly influenced by key management personnel or their relatives	
	Media Infotek Park
	Shree Enterprises
	Valuable Media Limited
	Valuable Technologies Limited
	Valuable Edutainment Private Limited
	Valuable Infotainment Private Limited
	Qwik Entertainment India Limited
	Impact Media Exchange Limited
	Nifty Portfolio Services Private Limited
	Advent Fiscal Private Limited
Associate of Subsidiary	Scrabble Digital Limited
	Mukta VN Films Limited (from April 1, 2016)
Joint venture of Subsidiary	Mukta VN Films Limited (till March 31, 2016)

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
1	**Subsidiaries Companies**		
A	**Virtual print fees (Income)**		
	i) Southern Digital Screenz India Private Limited	124,462,110	140,828,415
	ii) VN Films Private Limited	8,035	12,548
	iii) Scrabble Entertainment Limited	219,093,322	237,363,790
B	**Lease rental income**		
	i) Southern Digital Screenz India Private Limited	198,803,712	210,656,210
	ii) Scrabble Entertainment Limited	91,265,928	101,495,378
C	**Interest income on loans**		
	i) V N Films Private Limited	5,075,000	5,088,904
D	**Rent income (Miscellaneous receipts)**		
	i) Scrabble Entertainment Limited	444,391	467,527
	ii) Southern Digital Screenz India Private Limited	915,780	345,842

Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Advertisement revenue share (expense)**		
	i) Southern Digital Screenz India Private Limited	190,084,796	199,991,649
F	**Recovery of expenses**		
	i) Southern Digital Screenz India Private Limited	535,054	1,833,734
	ii) Scrabble Entertainment Limited	852,432	413,836
G	**Rent paid**		
	i) Southern Digital Screenz India Private Limited	1,385,966	1,163,640
	ii) Scrabble Entertainment Limited	835,926	687,520
H	**Virtual print fee sharing (expenses)**		
	i) Scrabble Entertainment Limited	27,943,883	30,653,558
I	**Lease rental expenses**		
	i) Scrabble Entertainment Limited	9,054,721	5,427,852
J	**Security Deposit received back**		
	i) Scrabble Entertainment Limited	10,300,000	14,350,000
K	**Security Deposit paid**		
	i) Southern Digital Screenz India Private Limited	Nil	497,692
	ii) Scrabble Entertainment Limited	154,392	207,817
L	**Security Deposit received**		
	i) Southern Digital Screenz India Private Limited	Nil	652,714
	ii) Scrabble Entertainment Limited	156,181	Nil
M	**Security Deposit paid back**		
	i) Scrabble Entertainment Limited	Nil	200,000
N	**Reimbursement of expenses**		
	i) Southern Digital Screenz India Private Limited	465,000	Nil
	ii) Scrabble Entertainment Limited	553,000	62,211
O	**Sale of equipments and Lamps**		
	i) Scrabble Entertainment Limited	8,527	Nil
	ii) Valuable Digital Screens Private Limited	4,521,291	976,054
P	**Dividend Income**		
	i) Scrabble Entertainment Limited	127,723,596	110,354,591
Q	**Corporate Guarantee given on borrowing (Refer Note 34(c))**		
	i) Valuable Digital Screens Private Limited	Nil	238,400,000
2	**Step-down Subsidiaries**		
A	**Sale of assets**		
	i) Scrabble Entertainment DMCC, UAE	3,591,592	6,822,704
3	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Expenses reimbursed**		
	i) Media Infotek Park	9,301,839	9,513,840
B	**Technical services fees (expense)**		
	i) Valuable Technologies Limited	80,745,220	72,176,562
C	**Operating direct expenses (License fees on 3D movie)**		
	i) Valuable Technologies Limited	506	46,229



Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
D	**Operating direct expenses (Licensee fees – Impact)**		
	i) Impact Media Exchange Limited	7,200,000	7,200,000
E	**Licensee fee- (Other income Club X)**		
	i) Valuable Media Limited	873,227	1,467,106
F	**Rent paid (expense)**		
	i) Media Infotek Park	49,005,996	46,198,944
G	**Rent income (Miscellaneous receipts)**		
	i) Valuable Media Limited	341,465	Nil
	ii) Valuable Edutainment Private Limited	116,412	Nil
	iii) Valuable Infotainment Private Limited	24,420	Nil
H	**Consultancy & reimbursement expenses**		
	i) Shree Enterprises	569,033	631,600
I	**Security Deposit received**		
	i) Valuable Media Limited	147,706	Nil
	ii) Valuable Edutainment Private Limited	32,935	Nil
	iii) Valuable Infotainment Private Limited	6,150	Nil
J	**Sale of equipments**		
	i) Valuable Media Limited	Nil	5,027,180
K	**Dividend Paid**		
	i) Valuable Media Limited	4,482,795	7,471,325
	ii) Valuable Technologies Limited	6,730,971	11,218,285
	iii) Nifty Portfolio Services Private Limited	1,626,408	2,710,680
	iv) Advent Fiscal Private Limited	2,211,546	3,685,910
4	**Associates of Subsidiary**		
A	**Content processing charges (expenses)**		
	i) Scrabble Digital Limited	12,858,000	5,895,000
5	**Key managerial personnel and their relatives**		
A	**Remuneration to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	32,500,000	25,000,000
	ii) Mr. Kapil Agarwal	32,500,000	25,000,000
	iii) Mr. Ashish Malushte	10,514,570	7,676,512
	iv) Mr. Rajesh Mishra	13,622,049	7,744,896
	v) Mr. Sameer Chavan	1,795,203	2,424,986
B	**Remuneration to relatives of key managerial personnel**		
	i) Ms. Apeksha Agarwal	Nil	768,576
C	**Salary advance to key managerial personnel**		
	i) Mr. Ashish Malushte	Nil	1,600,000
	ii) Mr. Rajesh Mishra	Nil	2,650,000

Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
D	**Dividend paid to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	791,391	1,318,985
	ii) Mr. Kapil Agarwal	1,118,082	1,863,470
	iii) Mr. Ashish Malushte	55,272	217,120
	iv) Mr. Rajesh Mishra	85,947	285,745

Note: 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.

Balance outstanding at the year end.

(In ₹)

Sr. No.	Particulars	31 March 2017	31 March 2016
1	**Subsidiaries Companies**		
A	**Loan given**		
	i) V N Films Private Limited	36,250,000	36,250,000
B	**Trade receivables**		
	i) Southern Digital Screenz India Private Limited	10,527,474	Nil
	ii) Valuable Digital Screens Private Limited	6,067,543	1,005,717
	iii) Scrabble Entertainment Limited	13,946,279	Nil
C	**Advance from Customers**		
	i) Southern Digital Screenz India Private Limited	Nil	10,411,433
	ii) V N Films Private Limited	Nil	4,689
	iii) Scrabble Entertainment Limited	Nil	8,636,220
D	**Deposit receivable**		
	i) Southern Digital Screenz India Private Limited	497,692	497,692
	ii) Scrabble Entertainment Limited	363,998	207,817
E	**Deposit payable**		
	i) Scrabble Entertainment Limited	125,754,392	135,900,000
	ii) Southern Digital Screenz India Private Limited	652,714	652,714
F	**Interest accrued on loans**		
	i) V N Film Private Limited	11,495,577	6,928,077
G	**Unbilled revenue**		
	i) Scrabble Entertainment Limited	44,412,012	51,155,898
	ii) Southern Digital Screenz India Private Limited	330,007	Nil
H	**Provision for expenses**		
	i) Southern Digital Screenz India Private Limited	Nil	Nil
I	**Corporate guarantee given to bank for borrowing (Refer Note 34(c))**		
	i) Valuable Digital Screens Private Limited	238,400,000	238,400,000

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Notes to financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars	31 March 2017	31 March 2016
2	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Amount receivable**		
	i) Valuable Media Limited	677,856	123,249
	ii) Valuable Infotainment Private Limited	34,233	Nil
	iii) Valuable Edutainment Private Limited	166,810	Nil
B	**Deposit receivable**		
	i) Media infotek Park	35,771,540	35,771,540
C	**Deposit payable**		
	i) Valuable Media Limited	147,706	Nil
	ii) Valuable Infotainment Private Limited	6,150	Nil
	iii) Valuable Edutainment Private Limited	32,935	Nil
D	**Trade Receivables**		
	i) Qwik Entertainment India Limited	496,397	496,397
E	**Bank guarantee given (Refer Note 34 (b))**		
	i) Impact Media Exchange Limited	10,000,000	10,000,000
3	**Key management personnel**		
A	**Salary advance receivable**		
	i) Mr. Ashish Malushte	Nil	1,600,000
	ii) Mr. Rajesh Mishra	Nil	2,650,000
4	**Associates of Subsidiary**		
A	**Corporate guarantee given to bank for borrowing (Refer Note 34 (a))**		
	i) Mukta V N Films Limited	30,000,000	70,000,000
B	**Amount Payable**		
	i) Scrabble Digital Limited	6,936,300	Nil
C	**Provision for expenses**		
	i) Scrabble Digital Limited	1,413,000	Nil

33. Capital and other commitments (In ₹)

	31 March 2017	31 March 2016
Capital commitments	65,522,907	92,222,205
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))		
Other commitments	37,143,726	19,961,481
	102,666,634	**112,183,686**

a) As at March 31, 2017, the Company holds 11,580 equity shares representing 80% of equity share capital of VDSPL for a consideration of ₹ 44,006,316/-. The Company also incurred ₹ 5,926,990/- towards acquisition cost of this Investment.

The Company will acquire the remaining 20% equity of VDSPL from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.

Notes to financial statements as at and for the year ended 31 March 2017

34. Contingent liabilities

(In ₹)

	31 March 2017	31 March 2016
Corporate Guarantee (refer note a)	30,000,000	70,000,000
Corporate Guarantee (refer note b)	10,000,000	10,000,000
Corporate Guarantee (refer note c)	109,678,911	150,821,646
Pending litigations / matters (refer note f)		
(i) In respect of Income Tax matters		
Income Tax matters	5,787,019	6,240,033
(ii) In respect of Indirect Tax matters		
Service Tax matters (refer note e)	220,111,033	220,111,033
VAT matters	4,775,215	4,775,215
	380,352,178	**461,947,927**

Notes:

a) As at March 31, 2017, the Company has provided Corporate guarantee to bank for Overdraft facility of ₹ 70,000,000/- taken by Mukta VN Films Limited, associate of subsidiary (March 31, 2016: Mukta VN Films Limited, Joint venture). Subsequently to the year ended March 31, 2017 the corprorate guarantee has been reduced to ₹ 30,000,000/-. The outstanding balance of this facility is ₹ 61,454,301/- at March 31, 2017 (March 31, 2016: 70,000,000/-) assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

b) As at March 31, 2017, the Company has provided bank guarantee of ₹ 10,000,000/- to Chief Secretary, Revenue Department, Government of Maharashtra on behalf of Impact Exchange Media Private Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra in connection with the business of operating satellite based ticketing system managed by the Company.

c) The Company has provided Corporate guarantee to bank for Term Loan and Cash Credit facility of ₹ 238,400,000/- taken by subsidiary assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable. The outstanding term loan of the subsidiary Company as on March 31, 2017 is ₹ 109,678,911/- (March 31, 2016: 165,677,182/-)

d) The Company has issued a letter of comfort to a bank for term loan of ₹ 300,000,000/- (March 31, 2016: 300,000,000/-) and cash credit facility of ₹ 30,000,000/- (March 31, 2016: 30,000,000/-) taken by subsidiary company, assuring that it will take all necessary steps so that the repayment of the loan by the subsidiary is honored as and when due and payable. The outstanding term loan of subsidiary company as on March 31, 2017 is ₹ 29,499,961/- (March 31, 2016: 135,499,860/-)

e) During the year ended March 31, 2016, the Company has received an order from the Commissioner of Service Tax Mumbai ('the Order') which includes demand for following matters aggregating to ₹ 466,543,240/-, excluding interest and penalty, which was subject matter of show cause notice from service tax authorities in the year ended March 31, 2016.

   i) ₹ 246,432,207/-, excluding interest and penalty, for service tax on rentals from leasing of Digital Cinema Equipments for the period April 2008 to March 2014. Based on legal opinion obtained, the Company believes that the lease rental revenues are subject to state-wise Value Added Tax which the Company is paying since the beginning of operations. Accordingly, the Company believes that its position will likely be upheld in the appellate process and that it is unlikely that the liability will arise to the Company out of this matter.

   ii) ₹ 220,111,033/-, excluding interest and penalty, on account of disallowance of CENVAT Credit on Capital Goods (Digital Cinema Equipments) claimed by the Company for the period April 2008 to March 2014 as the possession of the equipments is not with the Company. Based on legal opinion obtained, the Company is of the view that these equipments are used for providing taxable output services and hence should be entitled to avail CENVAT credit and is therefore contesting this demand. The Company believes that its position is likely to be upheld in the appellate process and accordingly no provision has been considered necessary in these financial Statements.

Notes to financial statements as at and for the year ended 31 March 2017

f) The Company is contesting the demand/matter relating to pending litigations listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

35. Particulars of unhedged foreign currency exposure at the reporting date (In ₹)

Particulars of un-hedged exposure	31 March 2017	31 March 2016
Import trade payable (USD)	₹ 32,158,033 (USD 495,960 @ Closing rate of 1 USD = ₹ 64.84)	₹ 63,444,553 (USD 956,457 @ Closing rate of 1 USD = ₹ 66.33)
Advance to suppliers(USD)	₹ 34,689 (USD 535 @ Closing rate of 1 USD = ₹ 64.84)	₹ 522,040 (USD 7,870 @ Closing rate of 1 USD = ₹ 66.33)
Import trade receivables(USD)	Nil	₹ 2,322 (USD 35 @ Closing rate of 1 USD = ₹ 66.33)

36. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the management, there is no amount due to micro, small scale and medium enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.

37. Value of imports calculated on CIF basis (In ₹)

	31 March 2017	31 March 2016
Traded goods (lamp)	161,954,745	170,077,765
Consumable, stores and spares	18,660,759	2,857,010
Capital goods	372,269,444	371,262,353
	552,884,948	**544,197,128**

38. Expenditure in foreign currency (accrual basis) (In ₹)

	31 March 2017	31 March 2016
Equipment maintenace charges	20,535,600	9,112,426
Foreign travel expenses	7,276,204	2,698,561
Others	1,578,620	Nil
	29,390,424	**11,810,987**

39. Imported and indigenous raw materials, components and spare parts consumed

	31 March 2017		31 March 2016	
	% of total consumption	Value (In ₹)	% of total consumption	Value (In ₹)
Components				
Imported	89	174,038,293	87	160,270,996
Indigenously obtained	11	21,099,631	13	23,789,407
	100	**195,137,924**	**100**	**184,060,403**



Notes to financial statements as at and for the year ended 31 March 2017

40. Earnings in foreign currency (accrual basis)

(In ₹)

	31 March 2017	31 March 2016
Exports at C.I.F. value	3,591,592	6,822,704
	3,591,592	**6,822,704**

41. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1,583 lakhs determined to be in excess of the limits specified under section 197 read with schedule V of the Companies Act, 2013 for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of employees stock options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the managing and joint managing director during the year ended March 31, 2016.

Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of section 197 read with schedule V of the Companies Act, 2013. Accordingly, the Company is in compliance with section 197 of the Companies Act, 2013 for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the application filed with the Central Government. Accordingly, no adjustments have been made to the financial statements for the year ended March 31, 2017.

42. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 01, 2016 and for SDS, the appointed date is July 01, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.

The shareholders of the Company approved the Scheme at the court convened meeting held on January 16, 2017.

The Scheme is conditional upon and subject to the following:

a) Filing of the certified copy of the order of Bombay High Court (and now NCLT) sanctioning the Scheme with the Registrar of Companies, Maharashtra.

b) Compliance by EL and UIL, the Cypriot transferor companies of all necessary and applicable provisions of the laws of Cyprus.

The Company has, till date, received the approval from Cyprus Court for the merger of the Cypriot transferor companies. Pursuant to notification of section 234 of the Companies Act, 2013 on April 13, 2017, the NCLT has given direction to the Company to secure approval from Reserve Bank of India (RBI) for the merger of the Cypriot subsidiary and step-down subsidiary with itself. The Company is in the process of obtaining approval from RBI. The approvals from RBI and NCLT are pending as at date and hence, the Scheme is not effective as at March 31, 2017 and as at date. Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

43. Corporate social responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibilities expenditures are as follows:

Particulars	31 March 2017	31 March 2016
Gross amount required to be spent	9,609,582	7,582,823
Spent during the year towards advertisement activity, (towards Swatch Bharat Abhiyan)	15,000,000	-
Balance unspent during the year	-	7,582,823

Notes to financial statements as at and for the year ended 31 March 2017

44. Loans and advances in the nature of loans given to subsidiaries in which directors are interested

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013

(In ₹)

Sr. No.	Name of the loanee	Purpose	Rate of Interest	Terms	31 March 2017	31 March 2016
1	V N Films Private Limited	Working capital and / or capital expenditure and / or general corporate purpose	14%	Repayable on demand	36,250,000	36,250,000
					36,250,000	**36,250,000**

45. Disclosure on Specified Bank Notes (SBNs):

As per requirement of the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) and other notes held and transacted during the period from November 8, 2016 to December 30, 2016, is given below:

(In ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	405,500	2,508	408,008
(+) Permitted receipts	-	711,587	711,587
(-) Permitted payments	-	562,567	562,567
(-) Amount deposited in Bank	405,500	2,550	408,050
Closing cash in hand as on December 30, 2016	-	148,978	148,978

46. Events subsequent to balance sheet date

(a) Proposed dividend

The Board proposed dividend on equity shares as follows, subject to approval by the members in Annual General Meeting.

(In ₹)

Particulars	31 March 2017	31 March 2016
Proposed dividend on equity shares for the year ended on 31 March 2017: ₹ 10/- per share (31 March 2016: 3/- per share)	276,008,010	82,498,128
Dividend distribution tax on proposed dividend	56,188,737	16,794,678
	332,196,747	**99,292,806**

(b) On May 17, 2017, the Board of Directors have approved the acquisition of 66,609 equity shares of Scrabble Entertainment Limited (SEL), a subsidiary of the Company, from the other equity shareholders of SEL for a total consideration of ₹ 145,340,838/-. This acquisition is likely to be completed in the quarter ended June 30, 2017, consequent to which SEL will become a wholly owned subsidiary.

47. Previous year figures have been regrouped / reclassified, where necessary, to conform to current year classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants
per Govind Ahuja
Partner
Membership No.: 48966

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

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UFO
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UFO MOVIEZ INDIA LIMITED

(CIN: L22120MH2004PLC285453)
Registered and Corporate Office: Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India
Phone: +91 (22) 4030 5060 **Fax:** +91 (22) 4030 5110
Email: investors@ufomoviez.com **Website:** www.ufomoviez.com

ATTENDANCE SLIP

13TH ANNUAL GENERAL MEETING ON SEPTEMBER 26, 2017

(To be signed and handed over at the entrance of the meeting venue)

I / We hereby record my / our presence at the 13th Annual General Meeting of the Company on Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059.

Signature of 1st Holder | Signature of 2nd Holder | Signature of 3rd Holder

Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Venue. Attendance Slips shall also be issued at the Venue.
2. Electronic copy of the Annual Report for the year ended March 31, 2017 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for the year ended March 31, 2017 and Notice of the Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose e-mail Id is not registered

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password / PIN

Note: Please read the instructions for remote e-voting given alongwith Annual Report. The remote e-voting period starts from September 21, 2017 (9.00 a.m.) and ends on September 25, 2017 (5.00 p.m.). The e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

UFO MOVIEZ INDIA LIMITED

UFO MOVIEZ INDIA LIMITED

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UFO MOVIEZ INDIA LIMITED

(CIN: L22120MH2004PLC285453)
Registered and Corporate Office: Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India
Phone: +91 (22) 4030 5060 **Fax:** +91 (22) 4030 5110
Email: investors@ufomoviez.com **Website:** www.ufomoviez.com

PROXY FORM

[Pursuant to Section 105(6) of Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): .....

Registered address: .....

E-mail Id: .....

Folio No./ DP ID No.: ..... Client Id No.: .....

I / We, being the member(s) of ..... Equity Shares of UFO Moviez India Limited, hereby appoint.

(1) Name ..... Address .....
Email Id: ..... Signature ..... or failing him/her;

(2) Name ..... Address .....
Email Id: ..... Signature ..... or failing him/her;

(3) Name ..... Address .....
Email Id: ..... Signature .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Resolutions
1.	To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2.	To declare a dividend of ₹ 10 per equity share.
3.	To appoint a Director in place of Mr. Ameya Hete (DIN No. 01645102), who retires by rotation, and being eligible, offers himself for re-appointment.
4.	To appoint S.R. Batliboi & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No. 101049W) as Statutory Auditors of the Company for the Company's financial year ending March 31, 2018 to hold office from the conclusion of ensuing Annual General Meeting (AGM) until the conclusion of next AGM of the Company subject to the provisions of the Companies Act, 2013 and to authorise the Board to fix their remuneration.
5.	Re-appointment of Mr. Sanjeev Aga (DIN: 00022065) as an Independent Director.
6.	Re-appointment of Ms. Lynn de Souza (DIN: 01419138) as an Independent Director
7.	Re-appointment of Mr. S. Madhavan (DIN: 06451889) as an Independent Director
8.	Approval of the fees for delivery of documents through specific mode of delivery on request of the member(s).

Signed this ..... day of 2017

Signature of shareholder .....

Signature of Proxy holder(s) .....

Affix ₹1/- Revenue stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

UFO MOVIEZ INDIA LIMITED

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If undelivered, please return to:

UFO MOVIEZ INDIA LIMITED
Valuable Techno Park
Plot No.53/1, Road No.7,
MIDC, Marol, Andheri (East),
Mumbai - 400093
Tel: +91 22 4030 5060

www.sapprints.com

UFO MOVIEZ INDIA LIMITED

Annexure - 7(1)

UFO
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Date: September 08, 2017

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Fax: 022 – 2272 3121
Email: corp.relations@bseindia.com

BSE Scrip Code: **539141**

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East),Mumbai- 400 051
Fax : 022- 2659 8237/ 38
Email: cmlist@nse.co.in

NSE Symbol: **UFO**

Dear Sir / Ma'am,

Sub: Outcome of the Board Meeting held on September 08, 2017 – Financial Results for the quarter ended June 30, 2017.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the standalone and consolidated unaudited financial results of the Company prepared in accordance with the IND-AS for the quarter ended June 30, 2017, approved by the Board of Directors of the Company at its meeting held on September 08, 2017 alongwith the Limited Review Report issued by the Statutory Auditors of the Company on standalone and consolidated financial results for the quarter ended June 30, 2017.

We also enclosed herewith press release on the said results of the Company.

The said board meeting commenced at 02:00 p.m. and concluded at 02:55 p.m.

Thanking you.

Yours faithfully,

For **UFO Moviez India Limited**

S S Chavan

Sameer Chavan
Company Secretary
M. No.: F7211

Encl: a/a

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Limited Review Report – Consolidated Financial Results

Review Report to
The Board of Directors
UFO Moviez India Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of UFO Group comprising UFO Moviez India Limited (the 'Company') comprising its subsidiaries and associates (together referred to as 'the Group'), for the quarter ended June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement 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 Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue express a conclusion 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 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. We have not audited or reviewed the accompanying consolidated financial results and other financial information as of and for the year ended March 31, 2017, for the three months ended March 31, 2017 and June 30, 2016 which have been presented solely based on the information compiled by Management.

5. We did not review the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of Rs 12,135 lakhs and net assets of Rs 3,687 lakhs as at June 30, 2017, and total revenues of Rs 3,866 lakhs for the quarter ended on that date. These financial statements and other financial information have been reviewed by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

6. We did not review the financial statements and other financial information, in respect of nine subsidiaries, whose financial statements include total assets of Rs. 1,296 lakhs and net assets of Rs. 8,020 lakhs as at June 30, 2017, and total revenues of Rs.0.82 lakhs for the quarter ended on that date. These financial statements and other financial information are based on management certified accounts provided to us. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 110 lakhs for the quarter ended June 30, 2017, as considered in the consolidated Ind AS financial statements, in respect of five associates, whose financial results and other financial information have been furnished to us by the Management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and associates is based solely on these accounts.

   Certain subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted

auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us.

7. Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of subsidiaries and associates, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

A majmudar

per Amit Majmudar
Partner
Membership Number: 36656

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: September 08, 2017

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Limited Review Report

Review Report to
The Board of Directors
UFO Moviez India Limited

We have reviewed the accompanying statement of unaudited standalone financial results of UFO Moviez India Limited (the 'Company') for the quarter ended June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement 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 Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our 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. 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.

We have not audited or reviewed the accompanying financial results and other financial information as of and for the year ended March 31, 2017, for the three months ended March 31, 2017 and June 30, 2016 which have been presented solely based on the information compiled by Management.

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 the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amajmudar

per Amit Majmudar
Partner
Membership No.: 36656

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: September 08, 2017

UFO digital cinema

UFO MOVIEZ INDIA LIMITED

STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2017

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended			Year ended	Quarter ended			Year ended
		30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17	30-Jun-17	31-Mar-17	30-Jun-16	31-Mar-17
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	**Income from operations**								
	Net sales / income from operations	9,740	9,599	8,869	38,734	15,368	15,466	13,493	59,895
	Other income	51	28	23	87	72	69	46	170
	Total income from operations (net)	9,791	9,627	8,892	38,821	15,440	15,535	13,539	60,065
2	**Expenses**								
	(a) Operating direct costs								
	- Cost of consumables and spares consumed	87	76	81	302	112	103	80	389
	- Purchases of digital cinema equipment and lamps	473	309	494	1,756	2,444	2,347	1,377	6,757
	- Changes in inventories	64	131	(6)	124	286	(34)	(133)	(167)
	- Advertisement revenue share	1,887	1,570	1,535	6,616	1,510	1,244	1,209	5,158
	- Virtual print fees sharing	238	208	212	849	1,388	1,643	1,839	7,272
	- Other operating direct cost	836	830	718	3,057	1,443	1,210	1,469	5,340
	(b) Employee benefits expense	1,646	1,686	1,405	6,541	2,040	2,012	1,792	8,112
	(c) Other expenses	1,638	1,568	1,684	6,596	2,131	2,049	2,191	8,515
	Total expenses	6,869	6,378	6,123	25,841	11,354	10,574	9,824	41,376
3	**Earnings before interest,tax,depreciation and amortisation (EBITDA) (1-2)**	2,922	3,249	2,769	12,980	4,086	4,961	3,715	18,689
4	Depreciation and amortisation expense	(1,558)	(1,546)	(1,509)	(6,149)	(2,052)	(2,078)	(2,458)	(9,161)
5	Finance cost	(166)	(178)	(227)	(802)	(263)	(299)	(389)	(1,372)
6	Finance income	112	60	192	1,662	231	168	284	800
7	**Profit before tax and share of profit from associates**	1,310	1,585	1,224	7,691	2,002	2,752	1,152	8,956
8	Share of profit of associates (net of taxes)	-	-	-	-	110	216	164	678
9	**Profit before tax and after share of profit from associates**	1,310	1,585	1,224	7,691	2,112	2,968	1,316	9,634
10	**Tax expense**								
	- Current tax	614	642	621	2,824	758	1,003	860	4,335
	- Deferred tax	(170)	(87)	(182)	(571)	(48)	(12)	(252)	(714)
	Total tax expense	444	555	439	2,254	710	991	608	3,621
11	**Profit for the period (9 - 10)**	866	1,030	785	5,437	1,402	1,977	708	6,013
12	**Other Comprehensive Income (OCI)**								
	A (i) Items that will not be reclassified to profit or loss	(6)	(45)	6	(63)	(5)	(85)	6	(68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2	16	(2)	22	2	29	(2)	23
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	(3)	(248)	73	(118)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
13	**Total Comprehensive Income for the period**	862	1,001	789	5,396	1,396	1,673	785	5,850
14	**Net Profit attributable to**								
	a) Equity shareholders of the company					1,374	1,937	752	6,051
	b) Non-controlling interest					28	40	(44)	(39)
15	**Other comprehensive income attributable to**								
	a) Equity shareholders of the company					(7)	(283)	71	(152)
	b) Non-controlling interest					1	(21)	6	(10)
16	**Total Comprehensive Income for the period attributable to**								
	a) Equity shareholders of the company					1,367	1,654	823	5,899
	b) Non-controlling interest					29	19	(38)	(49)
17	Paid-up equity share capital (Face Value of Rs. 10 each)	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760
18	**Earnings per share of Rs. 10 each (for the quarters, not annualised):**								
	(a) Basic	3.14	3.73	2.85	19.71	4.98	7.02	2.73	21.93
	(b) Diluted	3.14	3.73	2.85	19.70	4.98	7.02	2.73	21.93

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

UFO MOVIEZ INDIA LIMITED

NOTES:

1. The above standalone and consolidated results of UFO Moviez India Limited ('the Company') and its subsidiaries, associates (collectively referred to as "the Group") have been reviewed by Audit Committee of the board and taken on record at the Meeting of the Board of Directors held on September 8, 2017.
   Statutory auditors have carried out Limited Review on the standalone and consolidated financial results for the quarter ended June 30, 2017.
   Pursuant to notification issued by Ministry of Corporate Affairs dated, February 16, 2016 notifying the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted Indian Accounting Standards ("Ind AS") applying a transition date of April 1, 2016. Accordingly, the results for the quarter ended June 30, 2017 are in compliance with the recognition and measurement principles of Ind AS (prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016), with effect from April 1, 2017. Based on the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the Company has opted to present the results for the comparative periods, being the quarter ended June 30, 2016 and the quarter and year ended March 31, 2017, restated under Ind AS to make them comparable. Such comparative information in the accompanying statement of unaudited financial results have not been subjected to limited review or audit as permitted by the aforesaid circular. However, the management has exercised due diligence to ensure that the financial results presents a true and fair view of its affairs.

2. On August 24, 2017, the Company received an order from Customs Excise and Service Tax Appellate Tribunal ('CESTAT') dated August 18, 2017 ('the Order'), where in the demand raised by the Commissioner of Service Tax Mumbai of Rs. 2,201 Lakhs, excluding interest and penalty on account of disallowance of CENVAT Credit claimed on Capital Goods (Digital Cinema Equipments) by the Company for the period
   April 2008 to March 2014 and demand of Rs. 937 Lakhs , excluding interest and penalty on account of service tax on equipment rental income of the Company for the period April 2008 to September 2011 has been dropped.
   Further, CESTAT remanded the matter relating to demand of Rs. 1,526 Lakhs , excluding interest and penalty on account of service tax on equipment rental income of the Company for the period October 2011 to March 2014 for reconsideration to the Adjudicating authority viz, the Commissioner of Service Tax Mumbai.

3. On May 17, 2017, the Board of Directors have approved the acquisition of 66,609 equity shares of Scrabble Entertainment Limited (SEL), a subsidiary of the Company, from the other equity shareholders of SEL for a total consideration of Rs 1,454 Lakhs. This transaction was consumated on August 11, 2017, consequent to which SEL has become a wholly owned subsidiary of the Company.

4. On September 1, 2017, the Company has entered into a share purchase and shareholder's agreement to acquire 76% equity stake of Sujav Entertainment Private Limited (SEPL) from the existing equity shareholder(s) of SEPL at a total consideration of Rs. 75 Lakhs. SEPL is in the business of online ticketing with online web platform, namely www.fastticket.in.

5. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 01, 2016 and for SDS, the appointed date is July 01, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act, 2013 ('the Act') on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.
   The shareholders of the Company approved the Scheme at the court convened meeting held on January 16, 2017.
   The Scheme is conditional upon and subject to the following:
   a. Filing of the certified copy of the order of Bombay High Court (and now NCLT) sanctioning the Scheme with the Registrar of Companies, Maharashtra, Maharashtra.
   b. Compliance by EL and UIL, the Cypriot transferor companies of all necessary and applicable provisions of the laws of Cyprus.
   The Company has, till date, received the approval from Cyprus Court for the merger of the Cypriot transferor companies. Pursuant to notification of section 234 of the Act on April 13, 2017, the NCLT has given direction to the Company to secure approval from Reserve Bank of India (RBI) for the merger of the Cypriot subsidiary and step-down subsidiary with itself. The Company is in the process of obtaining approval from RBI. The approvals from RBI and NCLT are pending as at date and hence, the Scheme is not effective as at June 30, 2017 and as at date. Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

UFO MOVIEZ INDIA LIMITED

UFO digital cinema

6. Consequent to transition from the Previous GAAP to Ind AS, the reconciliation of profit is provided as below for the previous periods in accordance with the requirements of paragraph 32 of Ind AS 101 - First time adoption of Ind AS:

(Rs. in Lakhs)

Particulars	Standalone		
	Quarter ended		Year ended
	31-Mar-17	30-Jun-16	31-Mar-17
Net profit attributable to Equity shareholders of the company under IGAAP	1,018	801	5,431
Impact on account of:			
Fair value of Financial instruments	10	(10)	0
Actuarial (gain)/loss on employee defined benefit plans	12	(6)	30
Income tax (including deferred tax)	(6)	2	(12)
Others	(4)	(2)	(12)
Net profit attributable to Equity shareholders of the company under Ind AS	1,030	785	5,437
Other comprehensive income/(expense) (net of taxes)	(29)	4	(41)
Total comprehensive income attributable to Equity shareholders of the company under Ind AS	1,001	789	5,396

Particulars	Consolidated		
	Quarter ended		Year ended
	31-Mar-17	30-Jun-16	31-Mar-17
Net profit attributable to Equity shareholders of the company under IGAAP	1,949	982	6,316
Impact on account of:			
Fair value of Financial instruments	48	27	173
Actuarial (gain)/loss on employee defined benefit plans	34	(4)	23
Impact of Business combination accounting	-	(358)	(722)
Allocation of losses in subsidiaries to Noncontrolling interest	74	104	342
Income tax (including deferred tax)	(115)	5	(16)
Others	(53)	(4)	(65)
Net profit attributable to Equity shareholders of the company under Ind AS	1,937	752	6,051
Other comprehensive income/(expense) (net of taxes)	(283)	71	(152)
Total comprehensive income attributable to Equity shareholders of the company under Ind AS	1,654	823	5,899

7. Previous year/period figures have been regrouped / reclassified, where necessary, to conform to current period classification.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Kapil Agarwal
Joint Managing Director

Place of signature: Mumbai
Date: September 8, 2017

UFO MOVIEZ INDIA LIMITED

Annexure - 8

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Independent Auditor's Certificate on Accounting Treatment in the Proposed Draft Composite Scheme of Amalgamation and Arrangement

To
The Board of Directors
UFO Moviez India Limited
Valuable Techno Park
Plot No. 53/1 Road No.7
Marol, MIDC
Andheri (East)
Mumbai – 400 093

Certified True Copy
For UFO Moviez India Limited
S. S. Bonde
Company Secretary

1. This Certificate is issued in accordance with the terms of the Master Engagement Agreement (the "MEA") dated February 06, 2015 and the Service scope letter (the "SSL") dated October 31, 2017 which serves as an addendum to the MEA. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

2. At the request of the management ,we, the statutory auditors of UFO Moviez India Limited (hereinafter referred to as "UFO" or "the Company"), have examined the proposed accounting treatment in the books of the Company specified in clause 32 and clause 37 of the proposed "Composite Scheme of Arrangement and Amalgamation" between UFO and Qube Cinema Technologies Private Limited and Qube Digital Cinema Private Limited and Moviebuff Private Limited and PJSA Technosoft Private Limited their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (the "Act") (the "Proposed Scheme") with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and Other Generally Accepted Accounting Principles.

3. The Proposed Scheme is prepared by the Company which is required to be submitted by the Company to the National Company Law Tribunal (NCLT) as per section 232 of the Act and with BSE Limited, the National Stock Exchange of India Limited and Securities and Exchange Board of India (SEBI) pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and initialed by us for identification purposes.

Management's Responsibility

4. The responsibility for the preparation of the Proposed Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Auditors' Responsibility

5. Pursuant to the requirements of provisions of sections 230 to 232 and other applicable provisions of the Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the Scheme complies with the applicable Accounting Standards prescribed under section 133 of the Act , read with Companies (Indian Accounting Standards) Rules, 2015 ,as amended and Other Generally Accepted Accounting Principles.

reasonable assurance engagement includes performing procedures to obtain sufficient appropriate idence on the reporting criteria. Accordingly, we have performed the following procedures in relation the Certificate:

i. Read the Proposed Scheme and the proposed accounting treatment specified in clause 32 and clause 37 therein in the books of the Company.

ii. Noted that the accounting treatment described in clauses 32 and 37 of the Scheme is in compliance of the principles described in the various accounting standards specified by the Central Government under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 ,as amended and Other Generally Accepted Accounting Principles.

7. Our examination did not extend to any aspects of a legal or propriety nature covered in the clauses 32 and 37 of the Proposed Scheme.

8. We performed procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

10. Based on our examination and according to the information and explanations given to us, we confirm that the Accounting Treatment in the books of the Company contained in clauses 32 and 37 of the Proposed Scheme is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and applicable Accounting Standards notified by the Central Government under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and Other Generally Accepted Accounting Principles.

Restriction on Distribution and Use

11. This Certificate is issued at the request of the UFO Moviez India Limited pursuant to the requirements of the Act and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited, The National Stock Exchange of India Limited, SEBI and NCLT. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
Firm Registration No.: **101049W/E300004**

Amajmudar

per Amit Majmudar
Partner
Membership No.: 36656

Place: Mumbai
Date: November 1, 2017

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

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ANNEXURE III

Compliance Report

It is hereby certified that the composite scheme of arrangement and amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

For **UFO Moviez India Ltd.**

S. Chavan

Company Secretary
Sameer Chavan

For **UFO Moviez India Ltd.**

Gaikwad

Managing Director
Sanjay Gaikwad

Date: 24th November, 2017

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Certified that the transactions / accounting treatment provided in the composite scheme of arrangement and amalgamation between UFO Moviez India Limited, Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited, Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors are in compliance with all the Accounting Standards applicable to a listed entity.

For **UFO Moviez India Ltd.**

Chief Financial Officer
Ashish Malushte

For **UFO Moviez India Ltd.**

Managing Director
Sanjay Gaikwad

Date: 24th November, 2017

Annexure - 10

S.R. BATLIBOI & CO. LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Independent Auditor's Report on Computation of Minimum Price for the proposed Preferential Allotment of equity shares in accordance with Regulation 70(1)(b) read with Regulation 76(1) of the Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009 (as amended) and SEBI Circular CFD/DIL3/CIR/2017/26 dated March 23, 2017

November 22, 2017

To
The Board of Directors
UFO Moviez India Limited
Valuable Techno Park
Plot No. 53/1 Road No.7
Marol, MIDC
Andheri (East)
Mumbai – 400 093

1. This Certificate is issued in accordance with the terms of the Master Engagement Agreement (the "MEA") dated February 06, 2015 and the Service scope letter (the "SSL") dated November 03, 2017 which serves as an addendum to the MEA. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

2. UFO Movies India Limited ("the Company" or "UFO") has requested us to issue certificate in connection with the allotment of equity shares to shareholders of Qube Digital Cinema Private Limited ("QDCPL"), pursuant to the proposed "Composite Scheme of Arrangement and Amalgamation" between UFO and QDCPL and Qube Cinema Technologies Private Limited and Moviebuff Private Limited and PJSA Technosoft Private Limited, their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (the "Act") (the "Proposed Scheme") on the accompanying 'Statement of Computation of Minimum Price for the proposed allotment' ("the Statement") in accordance with Regulation 70(1)(b) read with Regulation 76(1) of the Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009 (as amended) and SEBI Circular CFD/DIL3/CIR/2017/26 dated March 23, 2017 ("SEBI ICDR Regulations").

3. The accompanying Statement has been prepared by management of the Company for obtaining approval under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. We have initialed the Statement for identification purposes only.

Management's Responsibility

4. The preparation of the Statement is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Auditor's Responsibility

6. The Company is required to submit a pricing certificate as per Chapter VII of the SEBI ICDR Regulations for obtaining approval under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Accordingly, it is our responsibility to provide a reasonable assurance in the form of an opinion; whether the minimum price, as detailed in the Statement, for the proposed issue of the aforesaid security by the Company is in accordance with the SEBI ICDR Regulations.

7. We conducted our examination in accordance with the Revised Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. In addition to the foregoing, our scope of work did not include verification of compliance with other requirements of the SEBI ICDR Regulations, other circulars, notifications, etc. as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria mentioned in paragraph 6 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:

    i. Obtained and read certified true copy of minutes of the meeting of the Board of Directors held on November 01, 2017 and noted that the Company has determined November 01, 2017 as the 'Relevant Date' as per provisions of SEBI ICDR Regulations.

    ii. Obtained and reviewed the Company's analysis of the stock exchange to be considered to determine the volume weighted average prices in the Statement. Verified the volume of turnover on National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE') from data downloaded from NSE and BSE website. We noted that the Company had identified the NSE as the recognized stock exchange for the determination of the volume weighted average price based on the volume traded therein.

    iii. Reviewed the computation of the minimum issue price determined by management, which is the higher of the following:

        (a) The average of the weekly high and low of the volume weighted average price of the Company quoted on the NSE during the twenty six weeks preceding the 'Relevant Date' i.e. period from May 03, 2017 to October 31, 2017, based on the data obtained from the official NSE website, is Rs. 388.99 as given in the Statement:

        (b) The average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the NSE during the two weeks preceding the 'Relevant Date' i.e. period from October 18, 2017 to October 31, 2017, based on the data obtained from the official NSE website, is Rs. 400.13 as given in the Statement:



iv. Downloaded the data, of weekly high and low of the closing prices and volume of equity shares of the Company from official National Stock Exchange ('NSE') website and Bombay Stock Exchange ('BSE') website and re-computed the average of weekly high and low of the volume weighted average price on NSE as detailed in point (ii) and (iii) above.

v. Checked the arithmetical accuracy of the average prices detailed in the Statement.

vi. Performed necessary enquiries and obtained necessary representations from management confirming compliance with the requirements of continuous listing of equity shares as specified in the listing agreement and other necessary representations relevant to the proposed issue;

Opinion

11. Based on the procedures performed by us as above, and the information and explanations given to us, in our opinion, the minimum price of Rs. 400.13 per share for the proposed allotment, as computed by the management in the attached Statement, has been computed in accordance with SEBI ICDR Regulations.

Restriction on use

12. This report is intended solely for the use of the management of the Company for the purpose of submission to the government regulatory authorities including Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Securities Exchange Board of Board of India, Registrar of Companies (if required) in connection with the proposed allotment of equity shares by the Company to shareholders of QDCPL pursuant to the Proposed Scheme under SEBI ICDR Regulations and is not to be used for any marketing, sale or any other offer of securities or referred to any other purpose of distributed to any other person without our prior consent

13. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration No.: 101049W/E300004

per Amit Majmudar
Partner
Membership No.: 36656

Place: Mumbai
Date: November 22, 2017

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UFO Moviez India Limited
Statement of Computation of Minimum Price for the proposed allotment

1] Volume of turnover of the equity shares of UFO Moviez India Ltd ON Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) during the last twenty six weeks preceding the relevant date (considering relevant date as 1-Nov-2017)

Weeks	From	To	Total Turnover on NSE	Total Turnover on BSE
1	3-May-17	9-May-17	220,992,940	40,620,270
2	10-May-17	16-May-17	121,654,738	25,394,553
3	17-May-17	23-May-17	160,048,447	31,909,641
4	24-May-17	30-May-17	150,781,284	28,949,371
5	31-May-17	6-Jun-17	100,377,607	17,528,915
6	7-Jun-17	13-Jun-17	287,513,411	168,077,528
7	14-Jun-17	20-Jun-17	204,085,396	56,315,442
8	21-Jun-17	27-Jun-17	68,074,039	16,602,441
9	28-Jun-17	4-Jul-17	68,436,623	20,289,372
10	5-Jul-17	11-Jul-17	142,662,541	27,322,257
11	12-Jul-17	18-Jul-17	66,689,515	22,302,166
12	19-Jul-17	25-Jul-17	65,896,130	15,498,063
13	26-Jul-17	1-Aug-17	59,956,255	11,847,703
14	2-Aug-17	8-Aug-17	64,691,653	10,032,904
15	9-Aug-17	15-Aug-17	113,414,907	13,641,616
16	16-Aug-17	22-Aug-17	49,793,019	14,235,851
17	23-Aug-17	29-Aug-17	42,200,481	4,312,572
18	30-Aug-17	5-Sep-17	74,204,668	10,423,185
19	6-Sep-17	12-Sep-17	332,716,934	33,591,342
20	13-Sep-17	19-Sep-17	117,221,154	10,489,157
21	20-Sep-17	26-Sep-17	97,732,944	6,740,274
22	27-Sep-17	3-Oct-17	31,889,520	11,058,265
23	4-Oct-17	10-Oct-17	44,277,088	4,366,179
24	11-Oct-17	17-Oct-17	91,561,967	10,818,252
25	18-Oct-17	24-Oct-17	55,210,020	10,349,221
26	25-Oct-17	31-Oct-17	210,489,859	26,772,071
		Total	**3,042,573,140**	**649,488,611**

Higher turnover in the twenty six weeks preceding the relevant date is in the National Stock Exchange.

2] Computation of the minimum issue price

A] Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares of UFO Moviez India Ltd quoted on the National Stock Exchange during the last twenty six weeks preceding the relevant date (considering relevant date as 1-Nov-2017)

Weeks	From	To	High	Low	Average
1	3-May-17	9-May-17	444.55	435.07	439.81
2	10-May-17	16-May-17	441.21	432.44	436.83

SIGNED FOR IDENTIFICATION BY
S.R. BATLIBOI & ASSOCIATES LLP
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3	17-May-17	23-May-17	441.47	400.47	420.97
4	24-May-17	30-May-17	388.55	374.87	381.71
5	31-May-17	6-Jun-17	380.98	377.61	379.29
6	7-Jun-17	13-Jun-17	400.21	380.04	390.12
7	14-Jun-17	20-Jun-17	426.48	414.18	420.33
8	21-Jun-17	27-Jun-17	415.35	400.16	407.75
9	28-Jun-17	4-Jul-17	395.73	389.30	392.51
10	5-Jul-17	11-Jul-17	400.22	385.70	392.96
11	12-Jul-17	18-Jul-17	394.63	389.70	392.17
12	19-Jul-17	25-Jul-17	397.12	388.77	392.94
13	26-Jul-17	1-Aug-17	386.83	375.82	381.32
14	2-Aug-17	8-Aug-17	372.14	365.44	368.79
15	9-Aug-17	15-Aug-17	357.29	326.21	341.75
16	16-Aug-17	22-Aug-17	347.08	337.29	342.19
17	23-Aug-17	29-Aug-17	345.41	340.00	342.70
18	30-Aug-17	5-Sep-17	375.92	356.69	366.31
19	6-Sep-17	12-Sep-17	407.67	377.78	392.73
20	13-Sep-17	19-Sep-17	404.07	397.04	400.56
21	20-Sep-17	26-Sep-17	399.25	376.31	387.78
22	27-Sep-17	3-Oct-17	390.73	384.65	387.69
23	4-Oct-17	10-Oct-17	392.29	378.66	385.48
24	11-Oct-17	17-Oct-17	377.03	360.27	368.65
25	18-Oct-17	24-Oct-17	395.37	385.12	390.25
26	25-Oct-17	31-Oct-17	429.07	390.93	410.00
			Average Price		**388.99**

B] Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares of UFO Moviez India Ltd. quoted on the National Stock Exchange during the last two weeks preceding the relevant date (considering relevant date as 1-Nov-2017)

Weeks	From	To	High	Low	Average
1	18-Oct-17	24-Oct-17	395.37	385.12	390.25
2	25-Oct-17	31-Oct-17	429.07	390.93	410.00
			Average Price		**400.13**

A] Average of 26 weeks high low of the VWAP	388.99
B] Average of 2 weeks high low of the VWAP	400.13
Applicable Minimum Price (Higher of the A or B)	**400.13**

For UFO Moviez India Limited

S. Sharma

Authorised Signatory

SIGNED FOR IDENTIFICATION BY Pmajmmdar
S. R. BATLIBOI & ASSOCIATES LLP
MUMBAI

Annexure -11

Private & Confidential

This Disclosure Document consists of 7 printed pages
November 24, 2017
For shareholders of UFO Moviez India Limited only

FOR PRIVATE CIRCULATION TO THE SHAREHOLDERS OF UFO MOVIEZ INDIA LIMITED ONLY

QUBE DIGITAL CINEMA PRIVATE LIMITED

Please see below the applicable information pertaining to Qube Digital Cinema Private Limited in accordance with circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017, issued by the Securities and Exchange Board of India ("**SEBI**").

Qube Digital Cinema Private Limited was incorporated on October 11, 2017 as a private limited company

Registered and corporate office: 42, Dr. Ranga Road, Mylapore, Chennai 600 004, India.
Telephone: 044- 42041505; **Fax:** 044-43488881; **Email:** Senthil@qubecinema.com;
Website: www.qubecinema.com
Contact Person – Mr. Senthil Kumar
Telephone: 044- 42041505; **Fax:** 044-43488881; **Email**: Senthil@qubecinema.com
CIN: U93000TN2017PTC119019

In the nature of a Disclosure Document containing salient features of the scheme of amalgamation and arrangement inter alia between UFO Moviez India Limited (hereinafter referred to as the "**Issuing Company**" or "**UFO**") and Qube Digital Cinema Private Limited ("**QDCPL**") and their respective shareholders and creditors under sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder and also read with Section 2(1B) and other relevant provisions of the Income-Tax Act, 1961 in connection with the merger of QDCPL into UFO (hereinafter referred to as the "**Scheme**"). This Disclosure Document discloses applicable information of the unlisted entity, i.e. QDCPL, in compliance with SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the "**SEBI Circular**") relating to the Scheme.

PROMOTERS OF QDCPL

V. Senthil Kumar and Vandana Gopikumar are the promoters of QDCPL. Post the Scheme being effective, the existing promoters of UFO would continue to be the promoters of UFO and the promoters of QDCPL will not be classified as promoters of UFO.

SCHEME DETAILS AND LISTING

The salient features of the Scheme are as follows:

1. The Scheme provides for the following:

(a) Demerger of the entire business of Qube Cinema Technologies Private Limited ("**QCTPL**") except business relating to certain identified contracts with overseas studios into QDCPL on a going concern basis ("**Demerged Business**") and the issuance of equity shares by QDCPL to the shareholders of QCTPL ("**Ruby Demerger**");

(b) Amalgamation of Moviebuff Private Limited ("**MPL**") into QDCPL and the issuance of equity shares by QDCPL to the shareholders of MPL and consequent dissolution of MPL without winding up ("**MPL Merger**");

(c) Upon the completion of the actions set out in (a) and (b) above, specific existing non-promoter shareholders of QCTPL, who no longer wish to participate in the demerged undertaking of QDCPL, to sell their holding in QDCPL aggregating to 53.20% of the share capital of QDCPL to UFO and India Advantage Fund S4 I, a fund managed by ICICI Venture Funds Management Company Limited;

Certified True Copy
For UFO Moviez India Limited

S.S.Choz

Company Secretary

(d) Amalgamation of QDCPL into UFO and the issuance of equity shares by UFO to the shareholders of QDCPL and consequent dissolution of QDCPL without winding up ("**QDCPL Merger**"), pursuant to the transfer of the shares of QDCPL (as set out in (c) above); and

(e) Slump Sale of the business relating to certain new software, technologies and processes of QCTPL which are currently in the process of commercialization from UFO (post transfer to UFO pursuant to the QDCPL Merger) into PJSA Technosoft Private Limited ("**PJSA**"), a wholly owned subsidiary of UFO, and payment of a lump sum consideration by PJSA to UFO ("**Slump Sale**").

2. As consideration for the QDCPL Merger, shareholders of QDCPL (except UFO) shall be issued 13 equity shares of INR 10 each of UFO for every 17 equity shares of INR 10 each held by such equity shareholder in QDCPL (as on the record date fixed under the Scheme). UFO shall grant 13 employee stock options to the employees of QDCPL for every 17 employee stock option of QDCPL held by such employees. As consideration for the Slump Sale, PJSA shall pay UFO an aggregate lump sum amount of Rs. 235,000,000, subject to adjustments. The consideration shall be discharged by PJSA by issuing equity shares of INR 10 to UFO.

3. The Scheme is subject to the approvals and sanctions as mentioned in the Scheme.

Pursuant to the Scheme, there is no issue of equity shares by UFO to the public at large except to the shareholders of QDCPL. The equity shares so issued by UFO will be listed on the Stock Exchanges under Regulation 19 of Securities Contracts (Regulation) Rules, 1957, as amended.

ELIGIBILITY

- In compliance with the SEBI Circular and subsequent SEBI circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 and in accordance with the disclosure rules for an abridged prospectus format as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI Regulations**"), to the extent applicable;
- The equity shares sought to be listed are proposed to be allotted by the Issuing Company to the holders of securities of unlisted entities pursuant to a Scheme to be sanctioned by NCLT (Mumbai and Chennai benches) under sections 230 to 232 of the Companies Act, 2013;
- The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity in the post scheme shareholding pattern of the merged company shall not be less than 25%.

INDICATIVE TIMELINE

This Disclosure Document is filed pursuant to the Scheme, and is not an offer to the public. Given that the Scheme requires approvals of various regulatory authorities, including and primarily, the NCLT, the exact time frame cannot be established with certainty.

COMPANY'S ABSOLUTE RESPONSIBILITY

QDCPL, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Document contains all information with regard to QDCPL and this Scheme, which is material in the context of this Scheme, that the information contained in the Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make the Disclosure Document as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

Name of Merchant Banker and contact details	Name of Statutory auditor and contact details
Axis Capital Limited. Address: 1st Floor, Axis House, C-2, Wadia International Centre P. B. Marg, Worli Mumbai 400 025 Contact Person: Mr. Ankit Bhatia Telephone: +91 22 4325 2183 Fax: +91 22 4325 3000E-mail: ufo@axiscap.in Website: www.axiscapital.co.in SEBI Registration Number: MB/INM000012029	**Abhay U Jain & Associates** Address: 164, Linghi Chetty Street, Singapore Plaza, 2nd Floor, Parrys, Chennai – 600 001 Telephone: 044-42620512 Fax: 044-4260090 Registration number: 11045S Email:caakjain@gmail.com

PROMOTERS OF QDCPL

V. Senthil Kumar and Vandana Gopikumar are the promoters of QDCPL.

V. Senthil Kumar has over 30 years of experience in technology in the film, audio and video domains. He established Media Artists in 1986 which is a former division of QCTPL and a state of the art recording and audio post production studio. He is the co-founder of QCTPL and director in MPL and QDCPL. He has completed his bachelor of engineering in computer science.

Vandana Gopikumar is the co-founder of The Banyan and BALM (The Banyan Academy of Leadership in Mental Health). She is a professor in the Integrated Social Work Practice at Tata Institute of Social Sciences. She has completed her doctorate of philosophy (Ph.D) in mental health, poverty and homelessness, masters in social work and B.A. in English literature. She has an experience of around 24 years.

There are no listed group companies of QDCPL as per the SEBI (ICDR) Regulations, 2009.

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

The Memorandum of Association of QDCPL authorizes it to undertake the following activities:

1. Production, distribution, exhibition and exploitation of educational, industrial, motivational, sports, documentary, advertisement and feature films, tele-films, animation films, cartoon films, electronic-cinema, entertainment through music/dance/drama/movie/TV/other media, television serials, features and programmes and video and radio spots and programmes.
2. To buy, manufacture, assemble, produce and market educational, commercial, audio, visual, audio-visual electronic systems and aids. To carry on research and development work in the field of audio visual and film support solutions, electronic systems, computer graphics, information storage and retrieval systems and create special effects modules for motion picture, television and entertainment industry.
3. To buy, produce, distribute, market, sell and lease educational, industrial, advertisement and feature films and video in all formats.
4. To act as consultants, technical advisers, surveyors and in any other professional capacity in

respect of the business carried on by QDCPL.

5. To carry on the business of manufacturers, buyers, sellers, assemblers, dealers, distributors, importers, exporters, designers, developers and manufacturers of specialized and any other varieties of computers and electronic equipments. To buy, sell, manufacture, assemble, import, export, distribute, service, repair, deal in, trade, develop, apply for patents, lease out, act as agents in all or any of the following: electronics equipments, computers micro processor based systems, computer components and computers peripherals including printers, key boards, visual display units (VDUs), magnetic and optical encoders and magnetic and optical character and code reading systems and such other hardware developments that may come into existence from time to time.
6. To undertake the designing and development of systems and applications software either for its own use or for sale in India or for export outside India and to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital / electronic equipments in India or elsewhere in the world.

As on the date of this notice, QDCPL does not carry on any business activity. Pursuant to the Scheme becoming effective, it will be engaged in the demerged business of QCTPL and the amalgamated business of MPL, *i.e.* inter alia the business of providing solutions and services for the media and entertainment domain, with a dominant focus on digital cinema.

BOARD OF DIRECTORS			
Sr. No.	**Name**	**Designation**	**Experience**
1.	V. Senthil Kumar	Non-Executive Director	V. Senthil Kumar has around 30 years of Experience and had set up Media Artists Film and Video-Production Centre in Chennai in 1986 which is a former division of QCTPL and a state of the art recording and audio post production studio. He is the co-founder of QCTPL and director in MPL. He has completed his bachelor of engineering in computer science. He currently works on strategy and product development for QCTPL.
2.	Vandana Gopikumar	Non-Executive Director	Vandana Gopikumar is the co-founder of The Banyan and BALM (The Banyan Academy of Leadership in Mental Health). She is a professor in the Integrated Social Work Practice at Tata Institute of Social Sciences . She has completed her doctorate of philosophy (Ph.D) in mental health, poverty, homelessness, masters in social work, medical and psychiatric social work and B.A. in English literature. She has an experience of around 24 years. She is also a director in MPL and Digital Film Technologies Private Limited.
3.	Harsh Krishna Rohatgi	Additional Non-Executive Director	Harsh Krishna Rohatgi's expertise lies in the domains of broadcast and digital media, business strategy and marketing, and his expertise spreads across programming, business operations, revenue

			management and general management in the broadcast industry. He has completed his B.A. (Hons) in economics and post graduate diploma in management. He has been associated with QCTPL for the last 5 years and at QCTPL he spearheads the national digital cinema roll out initiatives. His mandate also includes assisting the company in evolving business ideas and strategies for newer service offerings. He is currently designated as the chief operating officer of QCTPL. He is also a director in Homeveda Media Labs Pvt. Ltd. and MPL.

OBJECTS OF THE ISSUE

To amalgamate with a listed company

The object is to amalgamate QDCPL into UFO as a result of which, shareholders of QDCPL shall directly hold equity shares in UFO.

QCTPL and UFO are engaged in similar businesses. Under the Scheme, the entire business of QCTPL excluding certain contracts shall be demerged into QDCPL, a company owned by one of the promoters of QCTPL and his relative. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, the proposed consolidation of the business of QDCPL (pursuant to the QCTPL Demerger and MPL Merger) with UFO will lead to robust growth opportunities in India and globally. The amalgamation of QDCPL into UFO would inter alia have the following benefits: (a) housing of all the complementary technologies in UFO and UFO being in a position to offer its clients a comprehensive bouquet of services; (b) provision of better and more efficient services to all the stakeholders in the industry; (c) substantial growth of the advertising business of UFO; and (d) synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances would be unified.

SHAREHOLDING PATTERN OF QDCPL AS ON NOVEMBER 24, 2017 IS AS FOLLOWS:

Sr. No.	Particulars	No. of Equity Shares prior to Scheme becoming effective	% holding	No. of Equity Shares post Scheme becoming effective	% holding
1	V. Senthil Kumar	5,000	50%	N.A.	N.A.
2	Vandana Gopikumar	5,000	50%	N.A.	N.A.
	Total	**10,000**	**100.00%**	N.A.	N.A.

Post-merger QDCPL will cease to exist.

AUDITED FINANCIALS

(in INR million unless stated otherwise)

Particulars	Latest stub period - October 11, 2017 to October 31, 2017
Total income from operations (net)	-
Net Profit / (Loss) before tax and extraordinary items	-5895
Net Profit / (Loss) after tax and extraordinary items	-5895
Equity Share Capital	100,000
Reserves and Surplus	-5895
Net Worth	94,105
Basic Earnings Per Share (in INR)	(0.59)
Diluted Earnings Per Share (in INR)	(0.59)
Return on Net Worth (%)	-6.26%
Net Asset Value Per Share (in INR)	9.41

Authorized	Issued / Subscribed / Paid-up capital
10,000 Equity Shares of Rs. 10 each	10,000 Equity Shares of Rs. 10 each fully paid up

INTERNAL RISK FACTOR

The Scheme is subject to approval of (i) shareholders of UFO, QDCPL, MPL, QCTPL and PJSA; (ii) sanction by the National Company Law Tribunal, Mumbai and Chennai bench in accordance with Section 230-232 of the Companies Act, 2013and (iii) in-principle and final approvals from the Stock Exchanges for listing and trading of equity shares. In case any of these required approvals or sanctions are not received, the Scheme will not be completed.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. **Total number of outstanding litigations against QDCPL and amount involved** — None.

B. **Brief details of top 5 material outstanding litigations against QDCPL and amount involved:**

564

Sr. No	Brief Particulars	Litigation filed by	Current Status	Amount Involved (in INR million)
	N.A.	N.A.	N.A.	N.A.

C. **Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in the last five financial years including outstanding action, if any:** None.

D. **Brief details of outstanding criminal proceedings against Promoter:** None

DECLARATION BY THE COMPANY
We hereby declare that all the relevant applicable provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct. Place: Mumbai Date: November 24, 2017

Annexure - 12

UFO digital cinema

CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF UFO MOVIEZ INDIA LIMITED AT ITS MEETING HELD ON 1ST NOVEMBER, 2017 AT MUMBAI

"**RESOLVED THAT** pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and subject to the requisite approval of the shareholders and creditors of the Company and subject to other requisite approvals (as may be necessary) being obtained, the consent of the Board of Directors be and is hereby accorded to the composite scheme of Arrangement and Amalgamation between the Company, Qube Cinema Technologies Private Limited ("QCTPL"), Qube Digital Cinema Private Limited ("QDCPL"), Moviebuff Private Limited ("MPL") and PJSA Technosoft Pvt. Limited ("PJSA") and their respective shareholders and creditors (the "**Scheme**"), as placed before this Board, which provides for the demerger of the QCTPL Business of QCTPL into QDCPL, merger of MPL into QDCPL, purchase of QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamation of QDCPL with the Company and thereafter slump sale of the IP Business from the Company into PJSA pursuant to this Scheme.

RESOLVED FURTHER THAT the draft Scheme, as recommended by the Audit and Risk Management Committee of the Board, placed before the Board and initialled by the Chairman of the meeting for the purposes of identification, be and is hereby approved.

RESOLVED FURTHER THAT appointment of AZB & Partners, Advocates & Solicitors as the legal advisors and legal counsel, to advise and act for the Company in relation to the Scheme thereon be and is hereby ratified.

RESOLVED FURTHER THAT appointment of Walker Chandiok & Co. LLP by the management for working out and recommending the share exchange ratio of shares to be issued in consideration of the proposed amalgamation of QDCPL (post demerger of the Demerged Undertaking 2 (*as defined in the Scheme*) from QCTPL into QDCPL and merger of MPL into QDCPL) with the Company and the net asset value of the Transferred Undertaking as on September 30, 2017 (with respect to the slump sale of the IP Business 2 (*as defined in the Scheme*) from UFO to PJSA, post merger of QDCPL into UFO) and appointment of Axis Capital Limited by the management for giving their fairness opinion thereon be and is hereby ratified.

RESOLVED FURTHER THAT the valuation reports dated November 1, 2017 of Walker Chandiok & Co. LLP and the Fairness Opinion dated November 1, 2017 of Axis Capital Limited be and are hereby accepted and approved."

RESOLVED FURTHER THAT upon coming into effect of this Scheme, the QDCPL Sale Shares acquired in QDCPL and held by the Company on the Effective Date 2 (*as defined in the Scheme*) shall be extinguished or shall be deemed to be extinguished and all such QDCPL Sale Shares held by the Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed.

RESOLVED FURTHER THAT the share exchange ratio for the Scheme as recommended by Walker Chandiok & Co. be and is hereby accepted and approved and in terms of the Scheme and upon the same coming into effect, the consideration for the amalgamation be discharged by the Company by way of issue and allotment to the equity shareholders of QDCPL, 13 new

equity shares of Rs. 10 /- each of the Company credited as fully paid up for every 17 equity share of Rs. 10 /- each of QDCPL held by them in the capital of QDCPL as on the QDCPL Merger Record Date (*as defined in the Scheme*).

RESOLVED FURTHER THAT the consideration, for the transfer and vesting of the Transferred Undertaking (*as defined in the Scheme*) from the Company to PJSA, being an aggregate lump sum amount of Rs. 235 Mn, subject to any adjustment as on the Effective Date 3 (*as defined in the Scheme*), based on the net asset value of the Transferred Undertaking as on September 30, 2017, which shall be discharged by PJSA by issuing and allotting to the Company equity shares of INR 10/- each fully paid up of PJSA, be and is hereby accepted and approved.

RESOLVED FURTHER THAT for the purposes of the SEBI Circular read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate dated November 1, 2017 issued by M/s. S.R. Batliboi and Associates LLP, statutory auditors of the Company certifying the accounting treatment contained in the draft Scheme is in compliance with all accounting standards, as placed before the Board, and initialled by the Chairman for the purposes of identification, be and is hereby accepted and approved.

RESOLVED FURTHER THAT in the opinion of the Board, the draft Scheme will be of advantage and be beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT Mr. Sanjay Gaikwad, Managing Director, Mr. Kapil Agarwal, Joint Managing Director , Mr. Ameya Hete, Director and Mr. Varun Laul, Directors hall constitute a committee ("**Scheme Implementation Committee**") and that the Scheme Implementation Committee be and is hereby severally authorized to make and agree to such modifications or alterations or amendments to the draft Scheme which do not amount to a material change to the substance of the Scheme and which (a) may otherwise be considered necessary, desirable, expedient or appropriate; or (b) may be necessary to comply with any conditions or limitations that any regulatory authorities (including but not limited to the relevant stock exchanges, the Securities and Exchange Board of India ("**SEBI**"), and the National Company Law Tribunal ("**Tribunal**")) may deem fit to direct or impose; or (c) may finalise, approve and issue the Notice of the Tribunal convened meeting of shareholders and creditors (if required) along with the Explanatory Statement thereto as may be directed by the Tribunal ((including the applicable information pertaining to the unlisted entity/ies involved in the Scheme in the format specified for abridged prospectus as provided in Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009); or (d) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (e) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT (i) Mr. Sanjay Gaikwad, Managing Director; (ii) Mr. Kapil Agarwal, Joint Managing Director; (iii) Mr. Rajesh Mishra, CEO, Indian Operations; (iv) Mr. Ashish Malushte, CFO; (v) Mr. Sushil Agrawal, Chief, Corporate Affairs; (vi) Mr. Praveen Sugandh, Senior Vice President - Ad Sales (North & East Region); and (vii) Mr. Praveen Pahuja, Senior Vice President, Enterprise Sales (North & East) ("**Authorized Persons**"), be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any local or foreign governmental or regulatory authorities (including but not limited to the relevant stock

exchanges, the Securities and Exchange Board of India ("**SEBI**"), and the National Company Law Tribunal ("**Tribunal**")) in connection with the Scheme (collectively the "**Approvals**") and the Authorised Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all steps necessary in connection with the following:-

(a) Making appropriate applications, filings and (as applicable) to notify, obtain no-objection/ observation letter or approval from and/or represent before the relevant stock exchanges, SEBI, Registrar of Companies, Ministry of Corporate Affairs, RBI, Official Liquidator, Regional Director, Income Tax authorities or any other regulatory authority(ies), in India or abroad, for approval and for the purpose of carrying into effect the Scheme;

(b) Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the Tribunal or such other competent authority(ies) seeking directions as to convening / asking for dispensation of the meetings of the shareholders of the Company as may considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;

(c) Convening and conducting of shareholders meetings as may be directed by the Tribunal;

(d) Filing of petitions, if required, for confirmation and sanction of the Scheme by the Tribunal or such other competent authority(ies);

(e) Engaging and instructing advocates and if considered necessary, also engage services of counsel(s), legal experts and other concerned authority(ies), to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports, and sign and issue public advertisements and notices;

(f) Obtaining approval for the implementation and consummation of the Scheme from and represent before the relevant stock exchanges, SEBI, Tribunal, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Official Liquidator, Income Tax authorities and all such other authorities and parties including the shareholders, bankers, financial institution(s), etc. as may be considered necessary;

(g) Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the Tribunal or any other appropriate authority, as may be required;

(h) Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;

(i) Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;

(j) Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;

(k) Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions (including but not limited to from the Tribunal and for this purpose, to appear in person and/or represent the Company before the Tribunal or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the Tribunal or any other authority;

(l) Incur such expenses as may be necessary in relation to the above or the transaction;

(m) Taking all procedural steps for having the Scheme sanctioned by the Tribunal including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and

(n) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto."

RESOLVED FURTHER THAT the Company hereby appoints BSE Limited as the Designated Stock Exchange for all its communications with SEBI for the purpose of seeking necessary approval to the Scheme."

Certified to be true

For **UFO Moviez India Limited**

Sameer Chavan
Company Secretary

Annexure -13

ANNEXURE V

Brief particulars of the transferee/resulting and transferor/demerged companies

Particulars	Transferee/ Resulting Company	Transferor/ Demerged Company	Transferor/ Demerged Company	Transferor/ Demerged Company
Name of the Company	UFO Moviez India Limited	Qube Digital Cinema Private Limited	Moviebuff Private Limited	Qube Cinema Technologies Private Limited
Date of Incorporation & details of name changes, if any	**Date of Incorporation**: June 14, 2004 **Details of Name Change:** 1) From Valuable Media Private Limited to UFO India Private Limited w.e.f. August 1, 2006 2) UFO India Private Limited to UFO India Limited w.e.f. November 10, 2006 3) UFO India Limited to UFO Moviez India Limited w.e.f. June 20, 2008	**Date of Incorporation**: October 11, 2017 **Details of Name Change:** Nil	**Date of Incorporation**: November 4, 1996 **Details of Name Change:** 1. From South Beach Software Private Limited to Moviebuff Private Limited w.e.f 2nd November, 2015	**Date of Incorporation**: January 1, 1986 **Details of Name Change:** 1. From Media Artists Private Limited to Real Image Media Technologies Private Limited w.e.f 17.04.2000 2. Real Image Media Technologies Private Limited to Qube Cinema Technologies Private Limited w.e.f 12th January, 2017
Registered Office	Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093 Maharashtra	No.42, Dr. Ranga Road, Mylapore, Chennai - 600 004	No.42, Dr. Ranga Road, Mylapore, Chennai - 600 004	No.42, Dr. Ranga Road, Mylapore, Chennai - 600 004
Brief particulars	Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited (UFO) and Qube Cinema Technologies Private Limited (QCTPL) and Qube Digital Cinema Private Limited (QDCPL) and Moiebuff Private Limited and PJSA Technosoft Private Limited (PJSA) and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013.			

of the Scheme	This Composite Scheme of Arrangement and Amalgamation ("**Scheme**") is presented pursuant to the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Sections 2(19AA), 2(1B), Section 2(42C) and other relevant provisions of the Income-Tax Act, 1961, as applicable for the: (i) Demerger of the Demerged Undertaking of Qube Cinema Technologies Private Limited ("**QCTPL**" or "**Demerged Company**") into Qube Digital Cinema Private Limited ("**QDCPL**" or "**Resulting Company**") on a going concern basis; (ii) Amalgamation of Moviebuff Private Limited ("**MPL**" or "**Transferor Company 1**" into QDCPL ("**Transferee Company 1**") and consequent dissolution of MPL without winding up; (iii) Amalgamation of QDCPL ("Transferor Company 2") into UFO Moviez India Limited ("UFO" or "Transferee Company 2") and consequent dissolution of QDCPL without winding up; and (iv) Slump Sale of the Transferred Undertaking of UFO ("Transferor Company 3") into PJSA Technosoft Private Limited ("PJSA" or "Transferee Company 3").
Rationale for the scheme	1. Qube Cinema Technologies Private Limited (QCTPL) and UFO Moviez India Limited (UFO) are engaged in similar business. Considering the existing entertainment and advertising market dynamics in India and global markets and growth opportunities thereof, QCTPL and UFO believe that the proposed consolidation of the QCTPL Business with UFO will lead to robust growth opportunities in India and globally. 2. UFO has developed an efficient satellite delivery mechanism for delivery of content into theatres using MPEG4 technology. QCTPL, on the other hand, uses MPEG2 technology and has also developed its own DCI compliant servers. The resultant entity will thus have all the complementary technologies at its disposal and will be in a position to offer its clients a comprehensive bouquet of services. Additionally, based on evaluation of technologies, the resultant entity will be able to use best features of these technologies for growth of its business in a competitive manner. 3. Neither QCTPL nor UFO is currently able to provide a comprehensive advertising solution to its clients across the length and breadth of the country. 4. While QCTPL has a very strong presence in southern regions of India, UFO has a higher number of its screens in northern regions with reasonable presence in southern regions of India. Thus, the proposed restructuring will ensure an all India presence for the combined entity thereby facilitating provision of a wholesome offering across the country to its advertising clients. This will help in substantial growth of the advertising business for the resultant entity.

5. Further, this Scheme would bring about synergy of operations and benefit of scale since duplication of administrative efforts and legal and regulatory compliances will be unified.

6. This Scheme will facilitate exit of private equity investors from the QCTPL Business who have stayed invested in QCTPL for a long time. The private equity investors will continue to remain invested in the Studio DPS Business of QCTPL.

7. This Scheme will provide an opportunity to employees and shareholders of QCTPL to become part of a listed entity.

8. The resultant entity will be able to provide better and more efficient and comprehensive services to all the stakeholders of the industry such as exhibitors, distributors, advertisers etc.

9. As part of this Scheme, all businesses of QCTPL which are synergic with UFO will be demerged into Qube Digital Cinema Private Limited (QDCPL), a company owned by QCTPL Promoter 1 and his relative, leaving behind businesses in QCTPL that are not synergic or have limited growth potential. Further, it is also proposed to merge MPL, a company controlled by QCTPL Promoters and which holds various intellectual properties, into QDCPL, thereby consolidating and combining the businesses of QCTPL and MPL in QDCPL. QDCPL will then be merged with UFO.

10. QCTPL has developed certain new software, technologies and processes ("**QCTPL Products**") which are currently in the process of commercialization. UFO, in addition to its screen network in India, also has a network of screens overseas. QCTPL Products have global application and the combined network post amalgamation will allow faster monetization of QCTPL Products not only in India but overseas as well. Post merger of QDCPL into UFO, the business relating to the QCTPL Products i.e. IP Business will be hived off into PJSA Technosoft Private Limited (PJSA), a wholly subsidiary of UFO, thereby creating a pure technology play. The IP Business derives value significantly from the technical expertise and talent of the QCTPL Promoters. Further, synergies will be derived from such talent acquisitions pursuant to the Scheme. Accordingly, the continual support of the QCTPL Promoters would be required upon implementation of the Scheme for the technology aspects. This will also facilitate hiring of relevant technical talent which is a challenge currently for both QCTPL and UFO.

Thus, with the aforesaid objectives, it is proposed to demerge the QCTPL Business of QCTPL into QDCPL, merge MPL into QDCPL, undertake the purchase of the QDCPL Sale Shares of the Sellers who no longer wish to participate in the QCTPL Business, amalgamate QDCPL with UFO and thereafter slump sale the IP Business from UFO into PJSA pursuant to this composite Scheme. For the avoidance of any doubt, it is stated that each of the aforesaid transactions form an integral and indivisible part of this composite Scheme and the said transactions shall be deemed to occur in the sequence set out in the scheme and none of the said transactions shall be considered to be consummated, unless each of the other transactions are also consummated and this Scheme is approved by the SEBI, the Stock Exchanges and the NCLTs, as the case may be.

	This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.			
Date of resolution passed by the Board of Director of the company approving the scheme	November 1, 2017	November 1, 2017	November 1, 2017	November 1, 2017
Date of meeting of the Audit Committee in which the draft scheme has been approved	November 1, 2017	Not Applicable	Not Applicable	Not Applicable
Appointed Date	**Appointed Date 2** means Effective Date 2, being the date with effect from which Part IV of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme. **Effective Date 2** means 1 (one) calendar day after the completion of the sale and purchase of the QDCPL Sale	**Appointed Date 1** means Effective Date 1, being the date with effect from which Part II and Part III of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.	**Appointed Date 1** means Effective Date 1, being the date with effect from which Part II and Part III of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme.	**Appointed Date 1** means Effective Date 1, being the date with effect from which Part II and Part III of this Scheme shall be deemed to be effective, in the manner described in Para (D) of this Scheme. **Effective Date 1** means the date which is the later of (i) the date on which the certified copies of the last of the NCLT

	Shares in the manner as mutually agreed between the Sellers, UFO and New Investor. Reference in this Scheme to 'upon Part IV of the Scheme becoming effective" shall mean the Effective Date 2.	**Effective Date 1** means the date which is the later of (i) the date on which the certified copies of the last of the NCLT Order(s) is filed with the relevant RoC; and (ii) 2 (two) Business Days from the date on which the final approval to the Scheme from the Stock Exchanges and SEBI is obtained. Reference in this Scheme to 'upon Part II of the Scheme becoming effective" or "upon Part III of the Scheme becoming effective" shall mean the Effective Date 1.	**Effective Date 1** means the date which is the later of (i) the date on which the certified copies of the last of the NCLT Order(s) is filed with the relevant RoC; and (ii) 2 (two) Business Days from the date on which the final approval to the Scheme from the Stock Exchanges and SEBI is obtained. Reference in this Scheme to 'upon Part II of the Scheme becoming effective" or "upon Part III of the Scheme becoming effective" shall mean the Effective Date 1.	Order(s) is filed with the relevant RoC; and (ii) 2 (two) Business Days from the date on which the final approval to the Scheme from the Stock Exchanges and SEBI is obtained. Reference in this Scheme to 'upon Part II of the Scheme becoming effective" or "upon Part III of the Scheme becoming effective" shall mean the Effective Date 1.
Name of Exchanges where securities of the company are listed	a) BSE Limited b) National Stock Exchange of India Limited	Not Applicable	Not Applicable	Not Applicable
Nature of Business	UFO is engaged in the business of digital cinema distribution, in-cinema advertising and electronic ticketing.	QDCPL, which was incorporated under the Companies Act, 2013 on Oct	It is engaged in the business of operating a backend platform for	QCTPL is engaged in the business of providing technology in film, video and audio, including digital cinema

		11, 2017, shall be engaged in the demerged business of QCTPL and the amalgamated business of MBPL i.e. the business of provision of solutions and services for the media and entertainment domain, with a dominant focus on digital cinema, involving, inter alia, (a) the manufacture, sale and deployment of digital cinema equipment and provision of support, content mastering, content delivery and key management services in connection therewith; (b) operation of platforms to enable digital rights management and dissemination of digital cinema content; (c) acquisition and marketing of cinema advertising rights and providing content mastering, dissemination, scheduling and management services in connection therewith; (d) sale and distribution of software and hardware for audio/video post-production and broadcast and providing associated services; (e) operating a backend platform	dynamically creating and playing back customised content at scheduled times.	distribution, editing, production and sound.

		for dynamically creating and playing back customised content at scheduled times; and (f) exploitation of all commercial opportunities that may be available based on the deployment and use of the intellectual property developed and owned by QCTPL. The dominant focus of the business is to provide end to end solutions to cinema producers, distributors and theatres to enable exhibition of films digitally, both in India and globally, With the suite of technology solutions and services available to it and QCTPL's history of having both introduced and developed innovative technologies in the media and entertainment domain as well as deploying the technology to provide end to end services around it, QDCPL intends to deploy new technology solutions that have global application and build a services model around it.		

Capital before the scheme (No. of equity shares as well as capital in rupees)	**Authorised Share Capital** No. of Equity Shares – 45,000,000 Rs. - 450,000,000/- No. of Preference Shares – 1,385,000 Rs. – 1,385,000,000/- **Total - Rs. 1,835,000,000/-** **Issued, Subscribed and Paid-Up Share Capital** No. of Equity Shares – 27,600,801 Rs. 276,008,010/- No. of Preference Shares – Nil **Total: -** **No. of Equity Shares – 27,600,801** **Rs. 276,008,010/-**	**Authorised Share Capital** No. of Equity Shares – 10,000 Rs. 100,000/- **Issued, Subscribed and Paid-Up Share Capital** No. of Equity Shares – 10,000 Rs. 100,000/-	**Authorised Share Capital** 850,000 Equity Shares of Rs. 10 each – Rs.85,00,000/- **Issued, Subscribed and Paid up Share Capital** 10,212 Equity Shares of Rs. 10 each – Rs. 1,02,120/-	**Authorised Share Capital** 16,500,000 Equity Shares of Rs. 10 each – Rs. 165,000,000/- 7,500,000 Compulsorily Convertible Preference Shares of Rs. 10 each – Rs. 75,000,000/- Total – Rs. 240,000,000/- **Issued, Subscribed and Paid up Share Capital** 9,940,858 Equity Shares of Rs. 10 each fully paid up – Rs. 99,408,580/- 7,443,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up – Rs. 74,436,110/- Total – Rs. 173,844,690/-
No. of shares to be issued	15,782,085 shares to be issued to shareholders of QDCPL	780,000 share to be issued to the shareholders of MPL on Merger with QDCPL 19,858,114 shares to be issued to shareholders of QCTPL in QDCPL upon demerger	Not Applicable	Not Applicable
Cancellation of shares on account of cross holding, if any	2,963,641	Nil	Nil	Nil

Capital after the scheme (No. of equity shares as well as capital in rupees)	**Authorised Share Capital** No. of Equity Shares – 45,860,000 Rs. 458,600,000/- No. of Preference Shares – 1,385,000 Rs. – 1,385,000,000/- **Total - Rs. 1,835,000,000/-** **Issued, Subscribed and Paid-Up Share Capital** No. of Equity Shares – 40,419,245 Rs. 404,192,450/-	Not Applicable	Not Applicable	**Authorised Share Capital** 16,500,000 Equity Shares of Rs. 10 each – Rs. 165,000,000/- 7,500,000 Compulsorily Convertible Preference Shares of Rs. 10 each – Rs. 75,000,000/- Total – Rs. 240,000,000/- **Issued, Subscribed and Paid up Share Capital** 9,940,858 Equity Shares of Rs. 10 each fully paid up – Rs. 99,408,580/- 7,443,611 Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up – Rs. 74,436,110/- Total – Rs. 173,844,690/-
Net Worth Pre Post	(Rs. In crores) Rs. 419.12 Rs. 932.03	Not Applicable	Not Applicable	Not Applicable
Valuation by independent Chartered Accountant – Name of the valuer/valuer firm and Regn no.	Walker Chandiok & Co LLP Chartered Accountants ICAI Firm Registration No. 001076N / N500013 Name of the partner signing the Report: Mr. Riaz Thingna M. No.: 034864	**Demerger Swap Ratio – Valuation Report** VSS & Co, Chartered Accountants, Name of the partner signing the Report: Mr. Sanjay Jain M. No. : 207975 **MPL Share Swap Ratio – Valuation Report**	**MPL Share Swap Ratio – Valuation Report** VSS & Co, Chartered Accountants, Name of the partner signing the Report: Mr. Sanjay Jain M. No. : 207975	**Demerger Swap Ratio – Valuation Report** VSS & Co, Chartered Accountants, Name of the partner signing the Report: Mr. Sanjay Jain M. No. : 207975

		VSS & Co, Chartered Accountants, Name of the partner signing the Report: Mr. Sanjay Jain M. No. : 207975 **Merger with UFO:** Valuation Report Walker Chandiok & Co LLP Chartered Accountants ICAI Firm Registration No. 001076N / N500013.		
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report
Fair value per shares	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report
Exchange ratio	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report	Refer Valuation Report
Name of Merchant Banker	Axis Capital Limited	N.A.	N.A.	N.A.

giving fairness opinion																
Shareholding pattern	**Pre**		**Post**		**Pre**		**Post**		**Pre**		**Post**		**Pre**		**Post**	
	No. of Shares	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	7765452	28.13	7765452	19.21	10000	100	0	0	10212	100	0	-	5523091	31.77	5523091	31.77
Public	19835349	71.87	32653793	80.79	0	-	0	-	0	-		-	Part A– Equity 4417767 (Including ESOP Trust) Part B- CCPS – Series A, B and C 7443611 Total: 11861378	68.23	Part A– Equity 4417767 (Including ESOP Trust) Part B- CCPS – Series A, B and C 7443611 Total: 11861378	68.23
Custodian	0	--	0	--	0	-	0	-	0	-	0	-	0	-	0	-
TOTAL	**27600801**	**100**	**40419245**	**100**	**10000**	**-**	**100**	**-**	**10212**	**100**	**0**	**-**	**17384469**	**100**	**17384469**	**100**

No. of Shareholder	30748	30781	Pre:2	Post - Nil	Pre: 3	Post - Nil	Pre: 207 (Includes the employees in the trust and it excludes 4 ESOP Options holders)	Post: 207 (Includes the employees in the trust and it excludes 4 ESOP Options holders)
Names of the Promoters	**Promoter** • Mr. Sanjay Gaikwad • Apollo International Limited • Valuable Technologies Limited • Valuable Media Limited **Promoter Group** • Mr. Uday Gaikwad • Mr. Ameya Hete • Advent Fiscal Private Limited • Nifty Portfolio Services Private Limited		**Promoter** Mr. V. Senthil Kumar Mrs. Vandana Gopikumar		**Promoter** Mr. V. Senthil Kumar Mr. P. Jayendra		**Promoter & Group** Mr. V. Senthil Kumar Mr. P. Jayendra Mr. Arun Veerappan Mrs. Meena Veerappan Mrs. Vee Vijayalakshmi Mr. V. Sivakumar Mr. Raja Enok Mrs. Julie Enok Mr. P.C. Sreeram Mr. S. Gunaseelan Mr. D. Ashok Kumar Transglobal Technologies Inc Real Image LLP	
Names of the Board of Directors	• Mr. Sanjeev Aga • Mr. Kapil Kumar Agarwal • Mr. Raaja Kanwar • Mr. Sanjay Shankar Gaikwad • Ms. Lynn de Souza • Mr. Ameya Hete • Mr. Varun Laul • Mr. S. Madhavan		• Mr. V. Senthil Kumar • Mrs. Vandana Gopikumar • Mr. Harsh Krishna Rohatgi		• Mr. V. Senthil Kumar • Mr. P. Jayendra • Mrs. Vandana Gopikumar • Mr. Harsh Krishna Rohatgi		• Mr. V. Senthil Kumar • Mr. P. Jayendra • Mr. Willie Wong • Mr. Atsushi Okabe • Mr. Anirudh Raj Sarathy • Mr. M.G. Parameswaran	

UFO MOVIEZ (INDIA) LIMITED

Please specify relation among the companies involved in the scheme, if any	No Relation with QCTPL, QDCPL and MPL	QCTPL, QDCPL and MPL are part of Qube Group. There are common Directors in the Board of QCTPL, QDCPL and MPL.	QCTPL, QDCPL and MPL are part of Qube Group. There are common Directors in the Board of QCTPL, QDCPL and MPL.	QCTPL, QDCPL and MPL are part of Qube Group. There are common Directors in the Board of QCTPL, QDCPL and MPL.
Details regarding change in management control in listed or resulting company seeking listing if any	Not Applicable			

For **UFO Moviez India Limited**

S S Chavan

Sameer Chavan
Company Secretary

Date: November 24, 2017

Jagdish B. Shetty
B. Com., F. C. A., D. I. S. A.(ICAI), L. L. B.(Gen.

Santosh J. Naik
B. Com., L. L. B., F. C. A., D. I. S. A.(ICAI)

SNA
SHETTY NAIK & ASSOCIATES
Chartered Accountants

31, Madhuban Industrial Estate, Plot No. 30, Off Mahakali Caves Road, Andheri (E), Mumbai - 400 093.
Tel.: 022 4214 8484 / 6149 8484 (15 Lines) Fax : 022 4214 8485 Email : sna@snachartereds.com www.snachartereds.com

CERTIFICATE OF NETWORTH

The Board of Directors of UFO Moviez India Limited at its meeting held on November 01, 2017 passed a resolution to approve the Scheme of Arrangement and Amalgamation between UFO Moviez India Limited and Qube Cinema Technologies Private Limited, Qube Digital Cinema Private Limited and Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors ("Scheme"). This Scheme is subject to requisite approvals in terms of Sections 230 to 232 of the Companies Act, 2013.

On the basis of the said Scheme and information and explanation given to us, we certify that the net worth of UFO Moviez India Limited prior to the Scheme and provisional net worth of UFO Moviez India Limited, post the proposed Scheme based on the consolidated financial statements certified by the management for the period from April 2017 to June 2017 is Rs. in '000: 41,91,225 and 93,20,269 respectively.

		INR in '000	
Sr.No		**Pre Scheme**	**Post Scheme**
1	Share Capital	2,76,008	4,04,192
2	Reserves	39,15,217	89,16,077
	a) Legal Reserve	18,291	18,291
	b) Security Premium Account	37,37,941	87,38,801
	c) Employee Stock Options Outstanding	32	32
	d) Foreign Currency Translation Reserve	(11,375)	(11,375)
	e) Capital Reserve	(5,86,877)	(5,86,877)
	f) Surplus in the Statement of Profit and Loss	7,57,205	7,57,205
	Net Worth	**41,91,225**	**93,20,269**

For the above purpose, "Net Worth" means the sum total of the paid-up equity share capital, capital reserves, securities premium account and free reserves including legal reserve and foreign currency translation reserve.

Note:

1. Our work was not designed to verify the accuracy or reliability of the information provided to us and nothing in this report should be taken to imply that we have conducted procedures, audits or investigations in an attempt to verify or confirm any of the information supplied to us.

SHETTY NAIK & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

SNA SHETTY NAIK & ASSOCIATES
Chartered Accountants

2. We have relied upon the Consolidated Financial Statements duly certified by the management for the period from April 2017 to June 2017.

M/s. Shetty Naik & Associates,
Chartered Accountants,
Firm Registration No: - 124851W.

CA. Jagdish B. Shetty
(Partner)

Place : Mumbai
Date : 22nd November, 2017

Certificate No. : 73/2017-18

Annexure - 15(a)

QUBE DIGITAL CINEMA PRIVATE LIMITED
CIN: U93000TN2017PTC119019
Regd. Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
E-mail: divya.venkat@qubecinema.com Tel: +91 (44) 4204-1505

ANNEXURE VI

Details of Capital evolution of Qube Digital Cinema Private Limited

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
Initial Subscription Shares allotted at the First Booard Meeting of the Company held on 23rd October, 2017	10,000	Rs. 10/- per share	Initial Subscription	10,000	The Company is unlisted

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For Qube Digital Cinema Pvt. Ltd.

V. Senthil Kumar
Director
DIN: 00320535

Annexure - 15Cb

UFO digital cinema

Annexure VI

Details of Capital evolution of the transferee/resulting and transferor/demerged companies:

UFO Moviez India Limited

Sr. No.	Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
1	01 September 2004	10,000	10.00	Subscription to Memorandum of Association	10,000	Yes
2	09 July 2005	12,25,570	10.00	Preferential Allotment	12,35,570	Yes
3	15 July 2005	1,50,000	10.00	Preferential Allotment	13,85,570	Yes
4	18 July 2005	8,04,120	90.00	Preferential Allotment	21,89,690	Yes
5	28 September 2005	60,310	90.00	Preferential Allotment	22,50,000	Yes
6	13 February 2006	2,25,000	200.00	Rights Issue on the ratio of 10:1	24,75,000	Yes
7	17 July 2008	48,06,037	-	Pursuant to the Scheme of Amalgamation	49,70,677	Yes
8	27 March 2009	4,97,068	603.54	Preferential Allotment	54,67,745	Yes
9	18 November 2009	4,39,418	503.00	Rights Issue	59,07,163	Yes
10	08 January 2010	57,600	503.00	Rights Issue	59,64,763	Yes
11	10 March 2010	2,55,009	549.00	Pursuant to the conversion of Preference Shares	62,19,772	Yes
12	16 March 2010	1,24,39,544	-	Bonus Issue in the ratio of 2:1	1,86,59,316	Yes
13	04 August 2010	1,06,899	503.00	Conversion of Warrants	1,87,66,215	Yes
14	04 August 2010	2,13,798	-	Adjustment on conversion of Warrants pursuant to bonus issue in the ratio of 2:1	1,89,80,013	Yes
15	09 September 2010	5,47,431	167.67	Preferential Allotment	1,95,27,444	Yes
16	21 October 2010	2,07,642	503.00	Conversion of Warrants	1,97,35,086	Yes
17	21 October 2010	4,15,284	-	Adjustment on conversion of Warrants pursuant to bonus issue in the ratio of 2:1	2,01,50,370	Yes
18	17 August 2011	549	100.18	Exercise of options under ESOP 2006	2,01,50,919	
19	29 March 2012	57,46,750	275.46	Conversion of Preference Shares	2,58,97,669	
20	03 December 2015	24,125	100.18	ESOP allotment under ESOP Scheme 2006	2,59,21,794	Yes
21	03 December 2015	2,11,398	161.87	ESOP allotment under ESOP Scheme 2010	2,61,33,192	Yes
22	03 December 2015	51,157	178.17	ESOP allotment under ESOP Scheme 2010	2,61,84,349	Yes
23	12 January 2016	1,84,190	100.18	ESOP allotment under ESOP Scheme 2006	2,63,68,539	Yes
24	12 January 2016	5,82,335	161.87	ESOP allotment under ESOP Scheme 2010	2,69,50,874	Yes
25	12 January 2016	58,000	178.17	ESOP allotment under ESOP Scheme 2010	2,70,08,874	Yes
26	02 February 2016	8,908	161.87	ESOP allotment under ESOP Scheme 2010	2,70,17,782	Yes
26	09 March 2016	4,35,594	161.87	ESOP allotment under ESOP Scheme 2010	2,74,53,376	Yes
27	09 March 2016	46,000	178.17	ESOP allotment under ESOP Scheme 2010	2,74,99,376	Yes
28	03 May 2016	2,736	100.18	ESOP allotment under ESOP Scheme 2006	2,75,02,112	Yes
29	03 May 2016	84,189	161.87	ESOP allotment under ESOP Scheme 2010	2,75,86,301	Yes
30	03 May 2016	14,500	178.17	ESOP allotment under ESOP Scheme 2010	2,76,00,801	Yes

For **UFO Moviez India Limited**

S S Chavan

Sameer Chavan
Company Secretary

UFO MOVIEZ INDIA LIMITED

Date: November 24, 2017
Place: Mumbai

UFO
digital cinema

ANNEXURE VII

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Composite Scheme of Arrangement and Amalgamation between UFO Moviez India Limited and Qube Cinema Technologies Private Limited and Qube Digital Cinema Private Limited and Moviebuff Private Limited and PJSA Technosoft Private Limited and their respective shareholders and creditors

In connection with the above application, we hereby confirm that:

a) The proposed scheme of amalgamation/ arrangement~~/merger/reconstruction/ reduction of capital etc.~~ to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and BSE Limited.

b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose:

   i) the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern and

   ii) the "fairness opinion" obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.

   iii) Information about unlisted companies involved in the scheme as per the format provided in Part D of Schedule VII of the ICDR Regulations, the Complaint report as per Annexure III.

iv) The observation letter issued by the stock exchange

c) The draft scheme of amalgamation/ arrangement together with all documents mentioned in Para I(A)(7)(a) of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, has been disseminated on company's website as per Website link given hereunder:
http://www.ufomoviez.com/IR_Merger.aspx

d) The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.

e) The company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting. Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it. ~~**(if applicable)**~~

f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

For **UFO Moviez India Limited**

Sameer Chavan
Company Secretary

Date: November 24, 2017

Annexure - 17(a)

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly Real Image Media Technologies Private Limited)

Registered Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
CIN: U92490TN1986PTC012536 Email ID: preethi@realimage.com

NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty Second Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 24th August 2017 at 11.00 A.M. at the Registered Office of the Company at No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004, to transact the following Business:-

ORDINARY BUSINESS:

ITEM NO.1

To receive, consider and adopt the reports of the Directors and the Auditors and the Audited Statement of Profit and Loss of the Company for the financial year ended 31st March 2017, and the Balance Sheet as at that date.

ITEM NO.2

To receive, consider and adopt the report of the Auditors and the Consolidated Audited Statement of Profit and Loss for the financial year ended 31st March 2017 including that of the Company and its subsidiaries, and the Balance Sheet as at that date.

ITEM NO.3

To appoint of M/s. B S R & Co. LLP, Chartered Accountants, Chennai, as the Auditors of the Company in place of M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai, by passing the following resolution:

"**RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof), M/s. B S R & Co. LLP, Chartered Accountants, Chennai, (Firm Registration No. 101248W / W-100022) be and are hereby appointed as Auditors of the Company [in place of M/s. Deloitte, Haskins & Sells, Chartered Accountants, Chennai, (Firm Registration No. 008072s) who are retiring as Auditors of the Company at the conclusion of this Annual General Meeting], for a period of five years i.e. from the conclusion of the Thirty Second Annual General Meeting till the conclusion of the Thirty Seventh Annual General Meeting of the Company, subject to annual ratification by the Shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company.

FURTHER RESOLVED that the Board of the Directors, Chief Legal Officer and the Company Secretary of the Company, be and are hereby ***severally*** authorized to take on behalf of the Company all necessary steps for giving effect to the resolution including filing of necessary returns in this regard".

By Order of the Board
For **Qube Cinema Technologies Pvt. Ltd.**

N. Preethi

Preethi Nayaganti
Company Secretary

Place: Chennai
Date: 18th May 2017

NOTE:
A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. Proxy must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

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For Qube Cinema Technologies Pvt. Ltd.

V. Sankar

Director

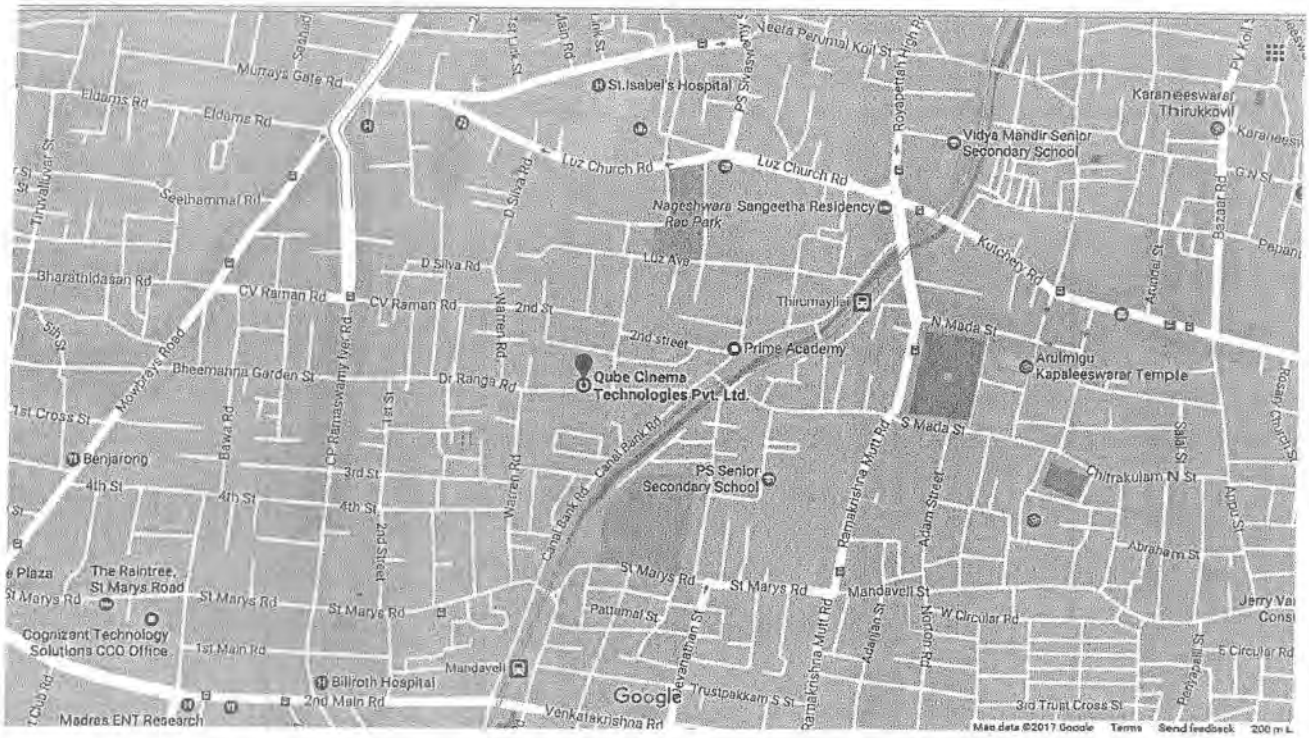
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QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly Real Image Media Technologies Private Limited)

Registered Office: No. 42, Dr. Ranga Road, Mylapore, Chennai – 600 004
CIN: U92490TN1986PTC012536 Email ID: preethi@realimage.com

ROUTE MAP



Qube Cinema Technologies Private Limited

Thirty Second Annual Report - 2016-17

Directors' Report

Your Directors have pleasure in presenting to you the Thirty Second Annual Report of the Company for the financial year ended March 31, 2017.

Financial Results

The financial performance of the Company for the financial year ended 31st March 2017 is as under:

(Rs. in Mn)

Year ended March 31	2017	2016
Revenue from Operations	3527	3029
Profit Before Depreciation Interest, Exchange Gain/Loss, Non-recurring items and Tax	912	841
Profit Before Tax and exceptional items	564	502
Add: Exceptional item*	-	(12)
Profit Before Tax and after exceptional items	564	490
Profit After Tax	373	314
Exceptional item represents loss on account of inventory damage during the heavy rains & floods in Chennai in December 2015		

Business during the year

The year under review saw a 16% growth in Operating Revenue and a 15% increase in the operating profit before tax. The growth in revenues was primarily led by equipment sales while the Services segment of Digital Cinema, especially advertising saw a significant fall in growth rate, primarily impacted by demonetization, which was announced in the peak 3rd quarter and the impact of which continued through the rest of the year under review. This resulted in a marginal growth in PBDIT from Rs.841Mn to Rs.912Mn, a growth of 8%.

The Company's financial position continued to be strong with overall net debt of Rs.486 Mn (FY16: 487Mn) and a PBDIT to Net Debt ratio of 1.88 (FY16: 1.73)

ROLLOUT:

Your Company's screen base on the roll-out models stood at 3454 as at March 31, 2017, with 3011 under the Media Model [Previous Year - 2837] and 443 under the Pay Per Use Model [Previous Year - 417]. The Company also contracted non-deployment based and/ or limited media rights for 330 screens.

In addition to maintaining its lead position in the South, your Company expanded its media based deployment screens in the rest of the country too.

The year saw an increase of over 10% in VPF and Mastering, which, notwithstanding the macro pressure, continued to outpace the growth in network size. Continuing the trend of preference for DCI systems, both new installs and conversions to DCI from non-DCI happened in significant measure and your Company was well placed to cater to this.

QCN:

The coverage of QCN at the financial year end under the media model on the theatre front reached 2890 operational theatres out of 3011 signed up theatres.

While revenues grew at 16% over the previous year notwithstanding the macro pressures, the year saw continued strong interest from private advertisers, accounting for 53% of the overall business. Both in terms of customer breadth and depth of engagement of some of the brands, the year saw significant growth.

OTHERS:

The traditional business of Technology Marketing, though it continues to account for a small proportion of the overall revenues, continues to be cash positive and provides a diversified presence, visibility and business linkages & Synergies to your Company in the media technology domain.

The Company recently beta launched Qube Wire, a state of the art web-based, self-service integrated platform for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys. Commercial launch is planned for the second half of FY18.

Among the other new initiatives, your Company is in the process of developing a platform for just-in-time Digital Cinema Package creation (Slydes) and the immediate proposed service offering around this envisages integrating this with scheduling capabilities to offer greeting card functionality for cinemas (Cheers), which are planned for launch in the coming year.

Subsidiaries

1) Qube Cinema Inc., USA - During the year under review, your Company's wholly-owned subsidiary, Qube Cinema Inc., USA, earned revenues of USD 0.78 Mn and incurred a net loss of USD 0.28 Mn. This was reflective of subdued activity in the key target markets of the subsidiary.

2) Justickets Pvt. Ltd.- During the year under review, your Company's subsidiary in India, Justickets Pvt. Ltd. earned a gross revenue of Rs.69.28 Mn and incurred a net loss of Rs.96.03Mn. Justickets has enhanced its footprint to cover 19 states including tie-ups with national cinema chains.

Details of the Subsidiary Companies in form AOC 1 is annexed herewith marked as **Annexure A** and forms part of this report.

Name Change

Your Company has changed its name from Real Image Media Technologies Pvt. Ltd. to Qube Cinema Technologies Pvt. Ltd. effective 12th January 2017. The Office of the Registrar of Companies have issued the revised Certificate of Incorporation in this regard.

Names of Companies which have become or ceased to be its Subsidiary(ies), Joint Ventures or Associate Companies during the year - NIL

Material changes and commitments, if any, affecting the financial position of the Company which has occurred since 31st March 2017 till the date of report

There are no material changes and commitments affecting the financial position of the company which has occurred since 31st March 2017 till the date of this report.

Change in the nature of business if any

There was no change in the nature of the business during the year under review.

Transfer to Reserves – NIL

Dividend - NIL

Deposits

Your Company has not accepted any public deposits during the financial year nor has any outstanding unclaimed or unpaid public deposits as on 31st March 2017.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

(i) ***Directors***

Mr. Anirudh Raj Sarathy was appointed as Nominee Director representing StreetEdge Capital LP in place and stead of Mr. Vasu R. Devan on 25th August 2016. No other change took place in the Board of Directors during the financial year.

(ii) ***Key Managerial Personnel***

Mrs. Preethi Nayaganti was appointed as Company Secretary of the Company in place and stead of Mr. P. Murali Krishna, Chief Legal Officer on 1st December 2016.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act 2013

There are no loans, guarantees or investments exceeding the limits prescribed under Section 186 of the Companies Act 2013. During the year under review, your Company made an investment of Rs. 45.59 Mn in the equity share capital of Justickets Pvt. Ltd. and an amount of Rs. 32.77 Mn in the equity share capital of Qube Cinema Inc. both of them being the subsidiaries of the Company.

Net Worth of the Company

(Amount in Rs.mn)

	As on 31.03.2017	As on 31.03.2016
Net-worth of the Company	2540.33	2164.63

Board Meetings held during the financial year

5 (Five) Board Meetings were held during the financial year on 8th June 2016, 25th August 2016, 1st December 2016, 17th February 2017 and 23rd March 2017.

Attendance details of Directors

Name of Directors	Number of Board Meetings attended during the year
P. Jayendra	5
V. Senthil Kumar	5
Vasu R Devan*	Nil
Willie Long Chi Wong	4
Atsushi Okabe	3
M.G. Parameswaran	2
Anirudh Raj Sarathy*	2

*Mr. Anirudh Raj Sarathy was appointed as Nominee Director of StreetEdge Capital LP in place and stead of Mr. Vasu R Devan on 25th August 2016.

Details of Meetings of Board Committees held during the year

- One Corporate Social Responsibility Committee Meeting (CSR) was held on 23rd March 2017.
  Attendance Details of Directors
  Mr. P. Jayendra
  Mr. V. Senthil Kumar
  Dr. M.G. Parameswaran

- The members of the Compensation Committee Meeting (CC) are as follows **Attendance Details of Directors**
  Mr. Willie Wong
  Dr. M.G. Parameswaran
  Mr. Alok Bajoria (Non-Voting Observer)

There was no meeting of the Compensation Committee held during the year 2016-17.

Details of Policies developed by the Company:

a) **Corporate Social Responsibility Policy**

The Board has, on the recommendation of the CSR Committee, approved the CSR Policy. The Company's CSR Policy is available on the Company's website www.realimage.com. Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith marked as **Annexure B** and forms part of this report.

b) **Risk Management Policy**

Business Risk Evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Management of the Company has framed a Risk Management Policy for the key elements of risk affecting the core business of your Company. In respect of these, the Company has in place a mechanism to identify, assess, monitor and mitigate with a view to achieving key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis and it is towards this end that your Company has obtained ISO / IEC 27001:2013 certification for its processes underlying the core businesses of digital cinema mastering and content licensing. Generally and as part of this framework, the Company has not identified any element of risk which may threaten the existence of the Company.

c) **Vigil Mechanism/Whistle Blower Policy**

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach the Vigilance and Ethics Officer to ensure adequate safeguards against victimization. This policy would help create an environment wherein individuals feel free and secure to raise an alarm, whenever any fraudulent activity takes place or is likely to take place. It will also ensure that complainant(s) are protected from retribution, whether within or outside the organization. The Board has elected Mr. P Murali Krishna, Chief Legal Officer & Company Secretary as the Vigilance and Ethics Officer under the vigil mechanism policy. The details of establishment of the Vigil Mechanism Policy are displayed on the website of the Company www.realimage.com.

In terms of Section 177 (9) of the Companies Act 2013, your Company has established a policy with regard to vigil mechanism for directors and employees to report their genuine concerns in respect to the following areas:-

a. Financial irregularities, including fraud or suspected fraud.
b. Wastage or misappropriation of company money or assets
c. Abuse of authority

d. Misbehavior with stakeholders such as employees, lenders, project members & their family members, etc.
e. Manipulation of company data/records/register
f. Accused or convicted in any criminal offence
g. Non-compliance with / violation of organization rules & regulations or statutory requirements
h. Any other unethical, dishonest or biased happenings

Details pursuant to employee stock options

Issue of employee stock options

Pursuant to Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, following are the details regarding Employees Stock Option Scheme:-

Table A

Options Granted	12,14,158
Options Vested	12,14,158
Options Exercised	9,14,158
Total Number of shares arising as a result of exercise of Options	9,14,158
Options lapsed	NIL
Exercise Price	Rs.10/- per Option
Variation of Terms of Options	NIL
Money realized by exercise of Options	NIL
Total number of Options in force	3,00,000
Employee-wise details of Options granted to -	
i) Key Managerial Personnel	Mr. Arvind Ranganathan, CEO – 180,000 Options
ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during the year	NIL
iii) Identified employees who were granted Option, during any	NIL

	one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	

Table B

Options Granted	50,000
Options Vested	50,000
Options Exercised	-
Total Number of shares arising as a result of exercise of Options	-
Options lapsed	NIL
Exercise Price	Rs.130/- per Option
Variation of Terms of Options	NIL
Money realized by exercise of Options	NIL
Total number of Options in force	50,000
Employee-wise details of Options granted to -	
i) Key Managerial Personnel	NIL
ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Mr. Harsh Rohatgi President (Digital Cinema) - 50,000 options
iii) Identified employees who were granted Option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time	NIL

of grant	

Particulars of Employees

Particulars of employees as required under Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are annexed herewith marked as **Annexure C** and forms part of this report.

Extract of the annual return

An extract of the Annual Return in form MGT 9 as required under the provisions of the Companies Act 2013 is annexed to the report, marked as **Annexure D** and forms part of this Report.

Adequacy of Internal Financial Controls

Your Company has adequate internal financial controls with reference to preparation of financial statements, commensurate with the size of operations of the company.

Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

There were no complaints on sexual harassment during the year under review.

As part of orientation program all the new recruits have been made aware on this subject. Your Company has also conducted programs to all support staff at Chennai, Mumbai and Hyderabad refreshing them the awareness on this subject.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There were no such instances during the financial year.

Particulars of contracts or arrangements with related parties

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto in Form No. AOC-2 is annexed herewith marked as **Annexure E** and forms part of this report.

Auditors

At the Thirty First Annual General Meeting of the Shareholders of the Company held on 25th August 2016, your Company's Auditors, Deloitte Haskins & Sells, Chartered Accountants, Chennai, who

have been appointed as the Auditors of the Company at the Twenty Ninth Annual General Meeting of the Company to hold the office from the conclusion of the said Annual General Meeting until the conclusion of the Thirty Second Annual General Meeting, was ratified in terms of Section 139 of the Companies Act 2013. As your Company is required to comply with the provisions of Section 139 of the Companies Act 2013 regarding rotation of the existing Auditors, Deloitte Haskins & Sells will retire as Auditors at the conclusion of the ensuing Annual General Meeting.

Qualification(s) of Auditors in their Report

There are no adverse remarks or observations in the Auditors' Report which require clarification from the Board.

***Appointment of* B S R & Co. LLP**

Your Directors, subject to the approval of the Shareholders at the ensuing Annual General Meeting, approved appointment of BSR & Co. LLP., Chartered Accountants, having their office at 10, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034, as auditors for a period of 5 years commencing from the conclusion of the ensuing Thirty Second Annual general Meeting until the conclusion of the Thirty Seventh Annual General Meeting. Your Company, pursuant to the provisions of Section 139 of the Companies Act 2013, obtained necessary consent and certificate from the said Auditors in connection with their appointment as Auditors.

The Board takes this opportunity to place on record its appreciation of the valuable guidance provided and contribution made by Deloitte Haskins & Sells during their tenure as auditors.

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

Particulars as required under Section 134(3) (m) of the Companies Act, 2013 are annexed herewith marked as **Annexure F** and forms part of this report.

Directors' Responsibility Statement

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis; and

e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors wish to place on record their sincere thanks and appreciation to its Company Investors, shareholders, suppliers, customers, employees, bankers and also the Central and State governments for their continued co-operation and support.

For and on behalf of the Board of Directors

P. Jayendra
Chairman

18th May 2017

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTORS' REPORT – 2016-17

Annexure A

Form AOC- I
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S.No	Particulars		
1	Name of the subsidiary	Qube Cinema Inc. USA	Justickets Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD/64.8386	INR
4	Share capital	303,120,455	165,183,460
5	Reserves & Surplus	(288,055,077)	(103,298,117)
6	Total Assets	35,607,998	110,684,358
7	Total Liabilities	20,542,619	19,968,058
8	Investments	Nil	Nil
9	Turnover	50,398,784	69,293,257
10	Profit before taxation	(18,418,312)	(96,630,456)
11	Provision for taxation	53,557	NIL
12	Profit after taxation	(18,471,869)	(96,630,456)
13	Proposed Dividend	NIL	NIL
14	% of shareholding	100	39

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - **NIL**
2. Names of subsidiaries which have been liquidated or sold during the year - **NIL**

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)
DIRECTORS' REPORT – 2016-17

Part "B"

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - NOT APPLICABLE AS THERE ARE NO ASSOCIATE COMPANIES AND JOINT VENTURES

1. Names of associates or joint ventures which are yet to commence operations. **NIL**
2. Names of associates or joint ventures which have been liquidated or sold during the year. - **NIL**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For & On behalf of the Board

P. Jayendra
Chairman

V. Senthil Kumar
Whole Time Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place: Chennai
Date: 18th May 2017

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT – 2016-17

Annexure B

Corporate Social Responsibility (CSR) Policy

Based on the recommendations of CSR Committee, your Board of Directors has approved a CSR Policy –

To contribute 2% of the average net profits of your Company for the preceding three years (currently in vogue under the provisions of the Companies Act, 2013) -

A. to the institutions/organizations/trust(s) who are engaged in –

i) providing assistance/financial support/relief to the people who are affected by hunger, poverty, ill-health, disablement;
ii) promoting education including special education, employment enhancing vocation skills among children, women, elderly persons;
iii) setting up homes and hostels for women and orphans, old age homes, day care centres for senior citizens;
iv) taking measures for reducing inequalities faced by socially and economically backward groups;

and

B. for such other activities as enshrined in Schedule VII to the Companies Act 2013, as modified/amended from time to time.

Annexure B

Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is also attached herewith as **Annexure C** and forms part of this report.

Your Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company with the following as its Members:-

a) Mr. P. Jayendra
b) Mr. V. Senthil Kumar
c) Dr. M.G. Parameswaran

The CSR Committee has been constituted to carry out a transparent monitoring mechanism for implementation of CSR activities undertaken by the Company, pursuant to the provisions contained under Section 135 of the Companies Act 2013 read with Schedule VII.

The CSR policy is also available in the website of the Company www.realimage.com under the link http://www.realimage.com/corporate/corporate-social-responsibility

The CSR Committee of the Board of Directors hereby confirm that the Company has implemented and monitored the CSR Policy in compliance with the objectives and Policy of the Company.

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT – 2016-17

The average net profits of the Company for last three financial years, details of CSR spent, and amount un-spent, if any, during the year are shown below:

Profit Before Tax for the financial year	(Rs. In Mn)
2013-14	208.46
2014-15	568.95
2015-16	490.45
Total	1,267.86
Less:	
1. Profit arising out to overseas branch	-
2. Dividend received from other companies in India complying with CSR Provisions	-
Total Net Profit for preceding 3 years	1,267.86
Average Net Profit	422.62
Amount to be spent on CSR for 2016-17 @ 2% of average Net Profit	8.45
CSR spent for FY 2016-17	8.45

Amount to be spent during the financial year under review: Rs.8.45 Mn.
Amount spent during the financial year under review: Rs.8.45 Mn.

Details of which are as shown in the following table:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl.No	**CSR Project / Activity identified**	**Sector in which the Project is covered**	**Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or program wise (Rs.)**	**Amount spent on the projects/ programs Subheads: 1. Direct expenditure on Projects or programs 2. Overheads (Rs.)**	**Cumulative expenditure upto the reporting period (Rs.)**	**Amount spent Direct / through implementing agency**
1	Bhoomika Trust	Promoting Education	Towards their Projects for promoting education	10,00,000	10,00,000	10,00,000	Implementing Agency
2	Rajalakshmi Public Charitable Trust	Preventive Health Care	Towards their projects on maintenance of Old Age Homes	6,00,000	6,00,000	16,00,000	Implementing Agency

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT – 2016-17

			and provision of such other facilities				
3	Bhoomika Trust	Preventive Health Care	Towards organizing a Seminar on Aphasia awareness	10,00,000	10,00,000	26,00,000	Implementing Agency
4	BALM Trust (Banyan)	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	8,00,000	8,00,000	34,00,000	Implementing Agency
5	Sri Krishna Sevashram	Preventive Health Care	Towards School Mid-day meal scheme	2,50,000	2,50,000	36,50,000	Implementing Agency
6	CANCARE FOUNDATION	Preventive Health Care	Towards providing health care to the under-privileged	2,50,000	2,50,000	39,00,000	Implementing Agency
7	INCARE	Preventive Health Care	Towards providing veterinary and shelter expenses for Animal Welfare	2,50,000	2,50,000	41,50,000	Implementing Agency
8	TATA Institute of Social Sciences (Banyan)	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	2,00,000	2,00,000	43,50,000	Implementing Agency
9	Single Teacher Schools (a unit of Swami Vivekananda Rural Development Society)	Promoting Education	Towards their Projects for promoting education	15,000	15,000	43,65,000	Implementing Agency
10	Vyakti Vikas Kendra	Preventive Health Care	Towards 'Gift a smile' project for providing sanitation, education etc for under privileged children	1,00,000	1,00,000	44,65,000	Implementing Agency
11	Bhoomika Trust	Preventive Health Care	Towards organizing a Seminar on Aphasia	8,00,000	8,00,000	52,65,000	Implementing Agency

			awareness				
12	Banyan	Preventive Health Care	Towards their Projects on setting up infrastructural facilities for Women and Children	5,00,000	5,00,000	57,65,000	Implementing Agency
13	Jeevan Blood Bank	Promoting Education	Towards their projects on promoting Health Care	7,50,000	7,50,000	65,15,000	Implementing Agency
14	Sri Krishna Sevashram	Promoting Education	Towards School Mid-day meal scheme	2,50,000	2,50,000	67,65,000	Implementing Agency
15	Rajalakshmi Public Charitable Trust	Promoting Education	Towards their Projects on promotion of Education, Health Care and Sanitation	6,00,000	6,00,000	73,65,000	Implementing Agency
16	Altius	Promoting Education	Towards their Projects for supporting the education of rural under privileged children	10,00,000	10,00,000	83,65,000	
17	BALM Trust	Promoting Education	Towards their Projects for supporting the education of rural under privileged children	85,000	85,000	84,50,000	
	TOTAL			**84,50,000**	**84,50,000**		

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Pvt. Ltd.)

DIRECTORS' REPORT 2016-17

Annexure C

DETAILS OF EMPLOYEES AND REMUNERATION DETAILS

Details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Details of Employee, who

• if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees

(All amounts in Rs. Lakhs)

1	Name of the Employee	Arvind Ranganathan	P. Jayendra	V. Senthil Kumar	Harsh Rohatgi	Raja Enok	P. Venkatesh	M.S. Rajagopalan
2	Designation of the employee	Chief Executive Officer	Whole Time Director	Whole Time Director	President (Digital Cinema)	Chief Marketing Officer	Chief Financial Officer	President - QCN Marketing
3	Remuneration received	126.00	139.24	139.24	142.50	86.40	60.00	72.00
4	Nature of employment, whether contractual or otherwise	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment	Permanent employment
5	Qualification	B.Tech (Chemical Engineering), M.B.A (Marketing & Systems)	B.Sc (Chemistry)	B.E (Computer Science)	B.A (Economics), PGDM (Marketing) - IIM (A)	B.E (Mechanical Engineering)	B.Com(H), ACS, ACMA, M.B.A (Financial Management)	B.Tech, PGDM
6	Experience	25 years	30 years	30 years	16 years	28 years	25 Years	34 years
7	Date of commencement of employment	01.04.2006	28.09.2000	28.09.2000	03.10.2012	01.09.1998	16.10.2010	02.05.2011
8	Age of such employee	53 years	59 years	53 years	42 years	53 years	47 years	58 years
9	Last employment held by such employee before joining the company	Shasun Chemicals & Drugs Limited	Not applicable	Not applicable	Turner General Entertainment Networks	Skyline Communications	Fingrid Business Solutions Pvt. Ltd.	Brand - Comm, Bangalore
10	Percentage of equity shares held by the employee in the company by himself or along with his spouse and dependent children, being not less than two percent of the equity shares of the company	NIL	3.6	5.56	NIL	0.45	0.03	NIL
11	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No	No	No	No	No	No	No

• if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month

1	Name of the Employee	Sanjeev Anil Mehta
2	Designation of the employee	National Sales Head-QPN
3	Remuneration received	42.50
4	Nature of employment, whether contractual or otherwise	Permanent employment
5	Qualification	B.Com
6	Experience	21 Years
7	Date of commencement of employment	01.11.2016
8	Age of such employee	44 years
9	Last employment held by such employee before joining the company	Red FM 93.5, Mumbai
10	Percentage of equity shares held by the employee in the company by himself or along with his spouse and dependent children, being not less than two percent of the equity shares of the company	NIL
11	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No

• if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Annexure D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

of

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Private Limited)

[Pursuant to Section 92(3) *of the Companies Act, 2013 and* rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: U92490TN1986PTC012536

ii) Registration Date: 01/01/1986

iii) Name of the Company: Qube Cinema Technologies Private Limited

(Formerly known as Real Image Media Technologies Private Limited)

iv) Category / Sub-Category of the Company: Company Limited by Shares/Indian Non-Government Company

v) Address of the Registered office and contact details: No. 42, Dr. Ranga Road, Mylapore Chennai - 600 004. Phone: +91 (44) 4204-1505

vi) Whether listed company Yes / No: No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Motion picture, video and television programme post-production activities, providing end to end digital cinema solutions including advertisement services	5912	79
2	Sale of Computer Based Systems etc.	5912	21

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Qube Cinema Inc	NA	Wholly owned subsidiary	100%	
2	Justickets Pvt. Ltd.	U74900TN2013PTC092047	Subsidiary by way of controlling the composition of the Board of Directors	39%	2(87)(i)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual / HUF	-	2,067,400	2,067,400	20.80%	-	2,067,400	2,067,400	20.80%	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	2,462,225	2,462,225	24.77%	-	2,462,225	2,462,225	24.77%	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub –total (A)(1)	-	**4,529,625**	**4,529,625**	**45.57%**	-	**4,529,625**	**4,529,625**	**45.57%**	-
(2) Foreign									
(a) NRI Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub –total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	**4,529,625**	**4,529,625**	**45.57%**	-	**4,529,625**	**4,529,625**	**45.57%**	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	1,240,323	1,240,323	12.48%	-	1,240,323	1,240,323	12.48%	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	628,318	1,598,092	2,226,410	22.40%	6,28,318	1,598,092	2,226,410	22.40%	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub –total (B)(1)	**628,318**	**2,838,415**	**3,466,733**	**34.87%**	**628,318**	**2,838,415**	**3,466,733**	**34.87%**	-
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	-	6,790	6,790	0.07%	-	6,790	6,790	0.07%	-
(ii) Overseas	-	455,766	455,766	4.58%	-	455,766	455,766	4.58%	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	34,172	34,172	0.34%	-	34,172	34,172	0.34%	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	38,820	598,710	637,530	6.41%	38,820	598,710	637,530	6.41%	-
c) Others (specify)									
(i) RIMT Employees Trust*	-	810,242	810,242	8.15%	-	810,242	810,242	8.15%	-
Sub –total (B)(2)	**38,820**	**1,905,680**	**1,944,500**	**19.56%**	**38,820**	**1,905,680**	**1,944,500**	**19.56%**	-
Total Public Shareholding	**667,138**	**4,744,095**	**5,411,233**	**54.43%**	**667,138**	**4,744,095**	**5,411,233**	**54.43%**	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B) = (B)(1)+(B)(2)									
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	667,138	9,273,720	9,940,858	100.00%	667,138	9,273,720	9,940,858	100.00%	-

**** RIMT employees Trust is a Non-Promoter, Non-Public Shareholding.***

(ii)Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	*V. Senthil Kumar*	553,100	5.56	NIL	553,100	5.56	NIL	NIL
2	*Meena Veerappan*	503,800	5.07	NIL	503,800	5.07	NIL	NIL
3	*Arun Veerappan*	295,000	2.97	NIL	295,000	2.97	NIL	NIL
4	*P Jayendra*	357,750	3.60	NIL	357,750	3.60	NIL	NIL
5	*P C Sreeram*	357,750	3.60	NIL	357,750	3.60	NIL	NIL
6	*Real Image LLP*	2,462,225	24.77	NIL	2,462,225	24.77	NIL	NIL
	Total	**4,529,625**	**45.57**	-	**4,529,625**	**45.57**	-	

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4,529,625	45.57	4,529,625	45.57
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	4,529,625	45.57	4,529,625	45.57

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	5,195,800	52.27	5,195,800	52.27
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year (or on the date of separation, if separated during the year)	5,195,800	52.27	5,195,800	52.27

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
(i)	**Mr. P. Jayendra**				
	At the beginning of the year	357,750	3.60	357,750	3.60
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	357,750	3.60	357,750	3.60
(ii)	**Mr. V. Senthil Kumar**				
	At the beginning of the year	5,53,100	5.56%	5,53,100	5.56%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	5,53,100	5.56%	5,53,100	5.56%

(iii)	**Mr. P. Venkatesh**				
	At the beginning of the year	3,000	0.03%	3,000	0.03%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	3,000	0.03%	3,000	0.03%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	(INR in Mn)			
Indebtedness at the beginning of the financial year				
i) Principal Amount	*345.98*	*307.16*	-	*653.14*
ii) Interest due but not paid	*3.47*	-	-	*3.47*
iii) Interest accrued but not due	-	*10.68*	-	*10.68*
Total (i+ii+iii)	***349.45***	***317.84***	-	***667.29***
Change in Indebtedness during the financial year				
• Addition	*151.83*	-	-	*151.83*
• Reduction	*159.45*	*117.68*	-	*277.13*
Net Change	***(7.62)***	***(117.68)***	-	***428.96***
Indebtedness at the end of the financial year				
i) Principal Amount	*339.07*	*200.16*	-	*539.23*
ii) Interest due but not paid	*2.76*	-	-	*2.76*
iii) Interest accrued but not due	-	*1.16*	-	*1.16*
Total (i+ii+iii)	***341.83***	***201.32***	-	***543.15***

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

INR (Rs. Lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1.	Gross salary	**V Senthil Kumar**	**P Jayendra**	
	(a) Salary as per provisions			

	contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	139.24	139.24	278.48
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission o as % of profit o others, specify	-	-	-
	Total (A)	**139.24**	**139.24**	**278.48**
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	**M.G. Parameswaran (Independent Director)**	**Rs.2.25 lakhs**
2.	Total (1)		**Rs.2.25 lakhs**
3.	Other Non-executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify		-
4.	Total (2)		**Rs.2.25 lakhs**
5.	Total (B)=(1+2)		**Rs.2.25 lakhs**
6.	Total Managerial Remuneration		
7.	Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		P. Murali Krishna Company Secretary (1st April 2016 – 30th November 2016)	Preethi Nayaganti Company Secretary (1st December 2016 – 31st March 2017)	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	**13.16**	**4.00**	**17.16**

2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify			
5.	Others, please specify			
	Total	**13.16**	**4.00**	**17.16**

VII. **PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Annexure E – AOC -2

(Pursuant to clause (h) of sub-section 3 of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of Contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso

Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts / arrangements/transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any:	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Nil

Details of material contracts or arrangement or transactions at arm's length basis

S.No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Justickets Pvt. Ltd. [a subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and has Directors in Common]	Providing certain backend support including personnel, administrative, marketing, software development and any other support services		As per the terms contained in the Shared Services Agreement dated 7th January 2015 and Addendum to Share Service Agreement dated 27th March 2017. Value: Rs.4,15,18,586/-	27th November 2014	Nil
2	Qube Cinema Inc., USA [(a wholly-owned subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and a Body Corporate accustomed to act under the Directions of Qube Cinema Technologies Pvt. Ltd.]	Sale of Digital Cinema Equipment	Until Termination	As per the terms contained in the Transfer Pricing Agreement and the subsequent Amendments entered into between the Parties. Value: Rs. 1,26,62,209/-	Not applicable as the Transfer Price Agreement and the subsequent Amendments were entered into prior to the commencement of the Companies Act 2013, and the applicable Rules made thereunder	Nil

3	Qube Cinema Inc., USA [(a wholly-owned subsidiary of Qube Cinema Technologies Pvt. Ltd. (formerly known as Real Image Media Technologies Pvt. Ltd.) and a Body Corporate accustomed to act under the Directions of Qube Cinema Technologies Pvt. Ltd.]	Reimbursement of certain marketing and related expenses	NA	Reimbursement of certain marketing and related expenses. Value: Rs. 2,84,87,934/-	Not applicable as the Transfer Price Agreement and the subsequent Amendments were entered into prior to the commencement of the Companies Act 2013, and the applicable Rules made thereunder	Nil
4	P. Jayendra (Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.6,00,000/-	16th February 2012	Nil
5	V. Senthil Kumar (Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.10,80,000/-	13th August 2015	Nil
6	M.G.Parameswaran (Independent Director)	Providing Professional services	NA	Payment of Professional Fees for attending the Board/Committee Meetings of the Company during the Financial Year 2016-17. Value: Rs.2,25,000/-	Approved at the Annual General Meeting held on 14th July 2011	Nil
7	Vee. Vijayalakshmi (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Vehicle Lease	1 year	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.3,60,000/-	10th March 2016	Nil
8	Arun Veerappan (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Remuneration	NA	Terms and Conditions as per the Employment Agreement. Value: Rs.24,05,739/-	19th September 2008	Nil
9	Meena Veerappan (Relative of Mr. V. Senthil Kumar, Whole Time Director)	Vehicle Lease	5 years	Terms and Conditions as per the Vehicle Lease Agreement. Value: Rs.7,80,000/-	25th August 2016	Nil
10	Sudha Panchapakesan (Relative of Mr. P. Jayendra, Whole Time Director)	Remuneration	NA	Terms and Conditions as per the Employment Agreement. Value: Rs.34,02,012/-	Approved at the Annual General Meeting held on 4th July 2001	Nil

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED

(Formerly known as Real Image Media Technologies Private Limited)

DIRECTOR'S REPORT - 2016-17

Annexure F

Conservation of energy, technology absorption, foreign exchange earnings and outgo

(A) Conservation of energy: Not applicable

(B) Technology absorption: Not applicable

(C) Foreign exchange earnings and Outgo

Inflows/Earnings: Rs.150.77 mn.

Expenditure/Outgo: *Rs. 816.44 mn. break up of which is as under:-*

1	Purchase of goods	367.98
2	Purchase of capital goods	388.44
3	Consulting /Legal Fees	8.24
4	Travelling expenses	11.96
5	Freight and Clearing Charges	24.41
6	Interest	15.41
	Total	**816.44**

18th May 2017

For and on behalf of the Board of Directors

P. Jayendra
Chairman

Deloitte Haskins & Sells

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar, Chennai - 600 017
India

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Fax: +91 (044) 6688 5050

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (Formerly known as Real Image Media Technologies Private Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (formerly known as Real Image Media Technologies Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our 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 of the standalone financial statements 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 standalone financial statements are free from material misstatement.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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, as amended, in our opinion and to the best of our information and according to the explanations given to us:



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Haskins & Sells

i. The Company has disclosed the impact of pending litigations on its standalone financial position in its financial statements – Refer Note 35 to the financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

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Haskins & Sells

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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")

We have audited the internal financial controls over financial reporting of **Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)** ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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". 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.

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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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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, to the best of our information and according to the explanations given to us, the Company has, 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 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"

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties of freehold or leasehold land and building as at balance sheet date and hence reporting under clause (i) (C) of the CARO 2016 is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) 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 Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Excise Duty, Value Added Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

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(c) Details of dues of Excise duty, Service tax, Value added tax and Income Tax which have not been deposited as on 31st March 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute	Period to which the Amount Relates	Amount Involved (Rs.) in lakhs	Amount Unpaid (Rs.) in lakhs
Central Excise Act, 1944	Excise Duty	CESTAT, Chennai	2008-09	23,715,784	11,857,892
Finance Act, 1994	Service Tax	CESTAT, Chennai	2008-09 to 2013-14	58,776,065	57,834,878
APVAT Act, 2005	Value Added Tax	Appellate Deputy Commissioner	2009-10, 2010-11	8,330,864	7,289,505
Maharashtra VAT Act, 2002	Value Added Tax	Deputy Commissioner of Sales Tax	2006-07, 2009-10	3,647,936	3,504,936
Tamil Nadu VAT Act, 2006	Value Added Tax	High Court of Madras	2008-09 to 2014-15	5,298,491	5,298,491
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (appeals), Chennai	Financial year 2008-09 to 2013-14	20,589,771	18,136,339

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

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(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934

For **Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration No. 008072S)

Ananthi Amarnath

Partner

Membership No. 209252

Place: Chennai

Date: May 18, 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Balance Sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	16,57,42,270	16,57,42,270
(b) Reserves and Surplus	4	2,37,45,90,760	1,99,88,90,063
		2,54,03,33,030	**2,16,46,32,333**
2. Non-Current Liabilities			
(a) Long-Term Borrowings	5	31,15,89,647	39,30,05,403
(b) Deferred Tax Liabilities (Net)	34	13,94,62,005	12,88,95,766
(c) Other Long-Term Liabilities	6	24,55,14,606	17,96,66,198
		69,65,66,258	**70,15,67,367**
3. Current Liabilities			
(a) Short-Term Borrowings	7	27,22,74,361	19,15,01,913
(b) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	8	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		36,26,70,964	34,89,00,477
(c) Other Current Liabilities	9	55,57,56,771	55,94,16,358
(d) Short-Term Provisions	10	3,57,13,180	4,05,15,893
		1,22,64,15,276	**1,14,03,34,641**
TOTAL		**4,46,33,14,564**	**4,00,65,34,341**
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11A	2,35,47,30,986	2,13,11,17,998
(ii) Intangible Assets	11B	2,26,72,557	2,28,02,775
(iii) Capital Work-in-Progress		6,25,00,707	2,04,53,941
(iv) Intangible Assets under Development	11C	10,85,09,141	3,70,14,457
		2,54,84,13,391	**2,21,13,89,171**
(b) Non-Current Investments	12	11,98,12,620	4,14,40,980
(c) Long-Term Loans and Advances	13	7,88,73,640	6,45,52,124
(d) Other Non-Current Assets	14	3,13,08,182	2,23,85,257
		2,77,84,07,833	**2,33,97,67,531**
2. Current Assets			
(a) Inventories	15	34,05,95,971	40,34,13,053
(b) Trade Receivables	16	75,40,99,500	68,77,18,405
(c) Cash and Cash Equivalents	17	32,54,21,436	35,73,70,056
(d) Short-Term Loans and Advances	18	20,45,98,969	13,50,07,135
(e) Other Current Assets	19	6,01,90,855	8,32,58,160
		1,68,49,06,731	**1,66,67,66,809**
TOTAL		**4,46,33,14,564**	**4,00,65,34,341**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date : 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Statement of Profit and Loss for the Year Ended 31 March 2017

Particulars	Note No.	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
I. INCOME			
(a) Revenue from Operations	20	3,52,74,23,227	3,02,92,58,579
(b) Other Income	21	3,22,79,330	2,14,89,358
TOTAL (I)		**3,55,97,02,557**	**3,05,07,47,937**
II. EXPENSES			
(a) Purchases of Traded Goods	22.a	55,88,25,700	42,38,15,843
(b) Changes in Inventories of Stock-in-Trade	22.b	6,28,17,082	5,35,52,947
(c) Employee Benefits Expense	23	62,00,41,246	55,90,09,964
(d) Finance Costs	24	6,74,16,912	8,65,56,007
(e) Depreciation and Amortisation Expense	11	26,73,69,956	23,24,06,896
(f) Other Expenses	25	1,41,91,16,580	1,19,30,57,357
TOTAL (II)		**2,99,55,87,476**	**2,54,83,99,014**
III. PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		**56,41,15,081**	**50,23,48,923**
IV. Exceptional Item (Expense/(Income))		-	1,18,99,134
V. PROFIT BEFORE TAX		**56,41,15,081**	**49,04,49,789**
VI. TAX EXPENSE:			
- Current Tax Expense		18,00,00,000	14,70,00,000
- Deferred Tax	34	1,05,66,239	2,96,49,185
Net Tax Exepense		19,05,66,239	17,66,49,185
VII. PROFIT AFTER TAX		**37,35,48,842**	**31,38,00,604**
Earnings Per Equity Share of Rs. 10 Each (face value)			
- Basic	31	40.91	34.37
- Diluted	31	18.83	15.82

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date : 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Cash Flow Statement for the Year Ended 31 March 2017

Particulars	Year Ended 31 March 2017 Amount in Rs.	Year Ended 31 March 2016 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit Before Tax	56,41,15,081	49,04,49,789
Adjustments for:		
Depreciation and Amortisation Expense	26,73,69,956	23,24,06,896
Finance Costs	6,74,16,912	8,65,56,007
Provision for Doubtful Trade Receivables	1,66,52,250	1,90,09,704
Amortisation of Foreign Currency Monetary Translation Difference Account	21,51,855	38,75,017
Interest Income from Deposits	(2,09,80,455)	(1,69,61,388)
Profit on Sale/Retirement of Fixed Assets (Net)	(72,97,430)	(39,26,421)
Net Exchange loss/(Gain) (Unrealised)	5,50,701	(28,11,298)
Operating Profit before Working Capital Changes	**88,99,78,870**	**80,85,98,306**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	6,28,17,082	8,73,19,590
Trade Receivables	(8,23,45,896)	(21,26,93,929)
Short Term Loans and Advances	(6,95,91,834)	(4,08,70,206)
Long Term Loans and Advances	(10,23,73,630)	(7,42,85,600)
Other Current Assets	2,22,30,608	(5,04,57,610)
Other Non-Current Assets	(89,22,925)	1,86,75,060
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	1,24,22,521	11,29,15,764
Other Current Liabilities	3,72,23,153	12,87,61,706
Other Long Term Liabilities	6,58,48,408	3,98,53,257
Short Term Provisions	52,17,761	24,58,203
Cash Generated from Operations	**83,25,04,118**	**82,02,74,541**
Direct Taxes Paid (Net)	(10,28,68,360)	(8,25,10,900)
Net Cash From Operating Activities (A)	**72,96,35,758**	**73,77,63,641**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(62,22,32,969)	(46,47,24,672)
Proceeds from Sale of Fixed Assets	2,51,36,224	4,19,97,359
Purchase of Long-Term Investments- Subsidiaries	(7,83,71,640)	(1,89,98,600)
Interest received on Deposits	2,18,17,152	1,54,38,535
Lien Marked Deposits, not considered as Cash and cash equivalents	1,21,15,136	(2,14,46,281)
Bank Deposit having Original maturity over 3 Months,not considered as Cash and cash equivalents	66,13,694	(2,28,67,279)
Net Cash Flow Used in Investing Activities (B)	**(63,49,22,403)**	**(47,06,00,938)**

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Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Cash Flow Statement for the Year Ended 31 March 2017

Particulars	Year Ended 31 March 2017 Amount in Rs.	Year Ended 31 March 2016 Amount in Rs.
C. Cash Flow from Financing Activities		
Proceeds from Long-Term Borrowings	14,81,65,461	8,04,79,176
Repayment of Long-Term Borrowings	(26,20,71,953)	(21,41,18,287)
Short-Term Borrowings (Net)	8,07,72,448	34,02,218
Interest and Finance Charges Paid	(7,49,08,917)	(7,45,78,612)
Net Cash Used In Financing Activities (C)	**(10,80,42,961)**	**(20,48,15,505)**
Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(1,33,29,606)**	**6,23,47,198**
Cash and Cash Equivalents as at the Beginning of the Year	11,33,08,211	5,08,84,909
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	1,09,816	76,104
Cash and Cash Equivalents as at the End of the Year	**10,00,88,421**	**11,33,08,211**
Notes:		
1. The reconciliation to the Cash and Bank Balances as given in Note 17 is as follows:		
Cash and Bank Balances as per Note 17	32,54,21,436	35,73,70,056
Less: Lien Marked/Margin Money Deposits	1,05,79,430	2,26,94,566
Less: Deposits with Original Maturity over a period of 3 months	21,47,53,585	22,13,67,279
Cash and Cash Equivalents at the End of the Year	**10,00,88,421**	**11,33,08,211**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date :18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
Notes Forming Part of the Standalone Financial Statements for the Year Ended 31 March 2017

1 CORPORATE INFORMATION

Founded in 1986, Qube Cinema Technologies Private Limited (Formerly Real Image Media Technologies Private Limited) (" the Company") is a leader in the digital cinema enablement and service businesses. It has over 25 years of expertise in digital technology and has significant presence in the AV post production/ broadcast and digital cinema domains. The company is a pioneer across the AV digitization value chain and is the only Indian company owning DCI compliant server technology for digital cinema. The company pioneered digital cinema through its "Qube" suite of end to-end digital cinema solutions. The company is the leading digital cinema roll-out sponsor in India driving the digitization process across the cinema value chain including digital theater roll-out, content mastering, managed services and in-theater advertising. It has a globally compatible inter-operable platform and has successfully rolled out its DCI/ non-DCI systems across conventional as well as 3D cinema screens.
In the Extra-Ordinary General Meeting (EGM) of the Company held on 2 January, 2017, the members have approved the Change of Company's name to Qube Cinema Technologies Private Limited with effect from 12 January, 2017 and a fresh certification of incorporation has been obtained to this effect.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

The Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known /materialize.

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and the time between the acquisition of assets and their realisation in cash and cash equivalents , the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

2.4 Revenue Recognition

Income from Sale of Goods:

Revenue from sale of equipments and spares is recognized when significant risks & rewards of ownership of goods have been transferred to the buyer, which generally coincides with dispatch of goods to customers. Sales exclude sales tax and value added tax.

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Income from Services:

a. Qube :
Revenue from Right to use the Qube (Digital Cinema) projection system is recognised in accordance with the Letter of Understanding with the theatres, either on installation of the equipment or based on the usage.

Mastering Revenue & Digital Print Fee is recognised on delivery of content/ on conclusion of content play back.

b. QCN:
Revenue from Advertising is recognised based on the agreements with the customers.

c. DTS License fee is recognised as and when the service agreement is entered.

d. Revenue from Annual Maintenance Contract (service income) is recognised on time proportionate basis over the period of the contract.

e. Commission income is recognized based on confirmation received from the principals.

f. Revenue from Audio Recording Services is recognized based on the studio time utilized.

Other Income :

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.5 Inventories

The inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis and includes freight, taxes and duties net of VAT credit wherever applicable.

2.6 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.7 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.8 Fixed Assets and Depreciation

Tangible Assets

a. Fixed assets are stated at historical cost less accumulated depreciation. Cost comprises inward freight, duties, taxes and other incidental expenses attributable to the acquisition, development and installation of fixed assets.

b. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. All assets costing individually Rs. 5,000 and below are fully depreciated in the year of addition.

c. Depreciation is accelerated on fixed assets, based on their condition, usability etc., as per the estimates of the Management, where necessary.

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CHARTERED ACCOUNTANTS

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets

Software product development cost incurred after establishment of the technological feasibility of the product is capitalized and amortized on a product wise basis over the economic life of the product or over a period of 5 years whichever is lower, on straight line basis.

Intangible assets under development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of internally generated intangible assets are capitalised, in case the technical feasibility has been established. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Expenditure on research and development eligible for capitalisation are carried as Intangible Assets under Development where such assets are not yet ready for their intended use.

2.9 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:
(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.10 Investments

Long term investments are valued at cost and provision for diminution in the value of investments is made if such diminution is other than of temporary in nature.

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CHARTERED ACCOUNTANTS

2.11 Employee Benefits

a. **Defined Contribution Plan**

The Company's contribution to provident fund are considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

b. **Defined Benefit Plan**

For defined benefit plans in the form of gratuity which is funded, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date by an independant actuary. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c. **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

d. **Long term compensated absences**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.12 Deferred Employee Stock Compensation Cost

Deferred employee stock compensation cost for stock options is recognised as per the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to the employee stock options using the fair value method. The compensation cost, if any, is amortised uniformly over the vesting period of the options.

2.13 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date, are restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year-end restatements of foreign currency monetary items, excluding long term foreign currency monetary items (see below), are dealt with in the Statement of Profit and Loss.

Exchange differences arising on reporting of long term foreign currency monetary items (as defined in the Accounting Standard - 11 notified by the Government of India) relating to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and in other cases are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the Company's Balance Sheet and amortised over the balance period of such long term asset / liability by recognition as income or expense in each of such periods.

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2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 Taxation

a. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

b. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.16 Research & Development

Fixed Assets purchased for Research and Development are capitalized under appropriate heads and depreciated as per the Company's policy in this regard. Revenue Expenditure incurred on Research and Development activities is charged to Statement of Profit and Loss.

2.17 Borrowing Costs

Borrowing Costs that are attributable to the acquisition of Qualifying Assets are capitalized as part of such assets. All other borrowing costs are charged to Revenue.

2.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.19 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are not recognised in the financial statements.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



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3 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
(a) Authorised				
Equity Shares of Rs.10 Each	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
Compulsorily Convertible Preference Shares of Rs.10 Each	75,00,000	7,50,00,000	75,00,000	7,50,00,000
(b) Issued, Subscribed and Fully Paid-up				
Equity Shares of Rs. 10 Each	99,40,858	9,94,08,580	99,40,858	9,94,08,580
Less: Equity Shares of Rs. 10 each held by the RIMT Employee Trust under ESOP Scheme (Refer Note 3.5)	8,10,242	81,02,420	8,10,242	81,02,420
	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Compulsorily Convertible Preference Shares of Rs. 10 Each	74,43,611	7,44,36,110	74,43,611	7,44,36,110
	1,65,74,227	**16,57,42,270**	**1,65,74,227**	**16,57,42,270**

Note:

Above includes
(i) 2,877,725 (As at 31 March 2016 - 2,877,725) Equity Shares issued for consideration other than cash.
(ii) 770,000 (As at 31 March 2016 - 770,000) Equity Shares issued as fully paid up Bonus Shares by capitalization of profits.

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the Year

a. Equity Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
At the Beginning of the Year	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**91,30,616**	**9,13,06,160**	**91,30,616**	**9,13,06,160**

b. Compulsorily Convertible Preference Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
At the Beginning of the Year	74,43,611	7,44,36,110	74,43,611	7,44,36,110
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**74,43,611**	**7,44,36,110**	**74,43,611**	**7,44,36,110**

3.2 Details of Shareholders holding more than 5% shares in the Company

a. Equity Shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Real Image LLP (Formerly known as Real Image Pvt Ltd.)	24,62,225	26.97%	24,62,225	26.97%
Street Edge Capital L.P.USA	15,97,302	17.49%	15,97,302	17.49%
Nomura Asia Investment (MB) Pte Ltd	6,25,747	6.85%	6,25,747	6.85%
V. Senthil Kumar	5,53,100	6.06%	5,53,100	6.06%
Canara Bank	5,31,567	5.82%	5,31,567	5.82%
Meena Veerappan	5,03,800	5.52%	5,03,800	5.52%

b. Compulsorily Convertible Preference Shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Nomura Asia Investment (MB) Pte Ltd	30,95,160	41.58%	30,95,160	41.58%
Intel (Capital) Mauritius Limited - Series A and Series C	27,68,569	37.20%	27,68,569	37.20%
CSI BD (Mauritius) -Series B	7,89,941	10.61%	7,89,941	10.61%
Pavone Enterprises Pvt. Ltd	7,89,941	10.61%	7,89,941	10.61%

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3.3 Disclosure of Rights

a. Equity Shares

The Company has only one class of equity shares having a par value of Rs.10. Each holder is entitled to vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

b. Compulsorily Convertible Preference Shares

The Company has only one class of Compulsorily Convertible Preference Shares having a par value of Rs.10. The Compulsorily Convertible Preference Shares were convertible based on the terms and conditions contained in the Shareholders Agreement dated 18 July 2008, at any time after the Initial Investment Closing Date (as defined in the Agreement) but before 31 March 2013. As per the Amendment Agreement between the Shareholders dated 16 January 2013, the Compulsorily Convertible Preference Shares are convertible at any time after the Initial Investment Closing Date but before 31 March 2016. During the previous year, at the Board Meeting held on 10 March 2016, the Board of Directors have decided to extend the date of conversion by 2 years, i.e., 31 March 2018.

3.4 Shares Reserved for Issuance

Refer Note 3.1.b with respect to Compulsorily Convertible Preference Shares and Note 3.5 with respect to Employee Stock Option Plan.

3.5 Employee Stock Option Plan

ESOP Scheme - 2006

On 6 May 2006, the Company adopted the Employee Stock Option Plan ("the Plan") that provides for the issuance of options to eligible employees in full time service of the Company and its subsidiary. On 31 May 2006, approval was granted by the shareholders of the Company for issue of up to 1,162,928 options under the Plan.

Pursuant to the scheme, the Company has issued and alloted 80,140 equity shares to the employees of the Company and 810,242 equity shares to the RIMT Employees Trust as at 31 March 2016. The Trust holds these shares for the benefit of the employees as defined under the Plan and transfers the shares to them based on the recommendation of the Compensation Committee.

As at 31 March 2017, 810,242 (As at 31 March 2016 810,242) Equity Shares are being held by RIMT employee trust. Equity Shares held by RIMT Employee Trust has been shown as deduction from share capital and the same is in accordance with Guidance Note on Accounting for Employee Share Based Payments issued by Institute of Chartered Accountants of India, ICAI.

Out of the 1,162,928 Options approved by the shareholders, Options of 300,000 shares were reserved for allotment to Senior Management personnel of the Company/ subsidiary. The Compensation Committee during their deliberations held on 2 April 2012, decided to make a grant of 300,000 Options under ESOP Scheme 2006 at an exercise price of Rs.10/- per Option to such Senior Management Personnel.

The Company has determined the fair value of the Equity Shares on the date of grant using the black scholes model. The difference between the said fair value and the value at which each of the options are exercisable is being expensed over the vesting period. The fair value of the option granted to employees is Rs. 50 per share.

	99000 options	99000 options	102000 options
Grant Date	1 April 2012	1 April 2012	1 April 2012
Risk Free Interest Rate	8.51%	8.53%	8.55%
Expected Life	2.50 years	3.50 years	4.50 years
Expected Volatility (%)	19%	29%	29%
Expected Dividend Yield	0%	0%	0%

Movement in employee stock option outstanding is as follows:

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	3,00,000	3,00,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	3,00,000	3,00,000
Of the above:		
- Vested	3,00,000	3,00,000
- Balance to be Vested	-	-

ESOP Scheme - 2012

On 19 July 2012, the Company had adopted Employee Stock Option Scheme "ESOP Scheme - 2012" for issuance of fresh options to the extent of 300,000 Options at a exercise price of Rs.130/- per Option, which was approved by the shareholders of the Company on 25 October 2012 . Out of the above, 50,000 Options has been granted as at 31 March 2016.

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	50,000	50,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	50,000	50,000
Of the above:		
- Vested	50,000	50,000
- Balance to be Vested	-	-

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4 Reserves and Surplus

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Capital Redemption Reserve	**1,31,19,040**	**1,31,19,040**
(b) Securities Premium Account		
Opening balance	79,94,89,455	79,94,89,455
Add : Premium on shares issued during the year	-	-
Closing balance	79,94,89,455	79,94,89,455
Less: Premium on Shares held by Trustees of RIMT Employees Trust under ESOP Scheme (Refer Note 3.5)	1,62,04,840	1,62,04,840
	78,32,84,615	**78,32,84,615**
(c) Share Options Outstanding Account (Refer Note 3.5)		
Opening balance	1,27,57,861	1,27,57,861
Add : Amounts recorded during the year	-	-
Less : Transferred to Securities Premium Account	-	-
Closing Balance	**1,27,57,861**	**1,27,57,861**
(d) General Reserve	**14,90,154**	**14,90,154**
(e) Surplus in Statement of Profit and Loss		
Opening balance	1,19,46,93,959	88,08,93,355
Add: Profit for the year	37,35,48,842	31,38,00,604
Closing balance	**1,56,82,42,801**	**1,19,46,93,959**
(f) Foreign Currency Monetary Translation Difference Account		
Opening balance	(64,55,566)	(31,95,972)
Add: Effect of foreign exchange rate variations during the year	-	(71,34,611)
Less: Amortisation for the year	21,51,855	38,75,017
Closing balance	**(43,03,711)**	**(64,55,566)**
Total	**2,37,45,90,760**	**1,99,88,90,063**

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5 Long-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Term loans		
From Banks - Secured (Refer Note 5.1)	21,15,08,674	18,82,25,958
From other parties - Unsecured (Refer Note 5.2)	10,00,80,973	20,47,79,445
	31,15,89,647	**39,30,05,403**

5.1 Details of Term Loans from Banks - Secured

a. The loans are secured by hypothecation of Plant & Equipment acquired out of the loan, inventories, in addition to first charge over the other fixed assets of the Company. The company has given an additional collateral security of Rs.12,500,000 as fixed Deposit.

b. The details of interest rate , tenor and repayment terms of the Term Loans from Banks are as follows:

Tenor	Interest Rate (Refer Note (c) below)	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
48 months	11.40%	2	48 Monthly Instalments	1,49,99,999	10,49,99,991
48 months	11.40%	20	48 Monthly Instalments	7,12,50,000	11,40,00,000
48 months	11.40%	36	48 Monthly Instalments	7,50,00,000	10,00,00,000
48 months	11.40%	30	48 Monthly Instalments	9,43,09,878	2,69,75,960
48 months	11.10%	44	48 Monthly Instalments	8,35,10,092	-
Total				**33,90,69,969**	**34,59,75,951**
Less : Current Maturities of Long Term Borrowings from banks (Refer Note 9)				12,75,61,295	15,77,49,993
Long Term Borrowings from Banks				**21,15,08,674**	**18,82,25,958**

c. Interest rates are on floating rate basis. The interest rates disclosed above represents the rate of interest as at 31 March 2017

d. The Company has not defaulted in the repayment of dues to banks.

5.2 Details of Term Loans from Other Parties - Unsecured

a. The Company has entered into an agreement with one of its suppliers for purchase of D-Cinema Projectors. The supplier has extended a Supplier's Credit Facility in foreign currency through Belfius Bank, Belgium.

b. The details of interest rate, tenor and repayment terms of the Term Loans from are as follows:

Tenor	Interest Rate	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
5 years	1.98%	4	10 Semi Annual Instalments	9,58,96,289	14,71,59,539
3 years	2.48%	4	6 Semi Annual Instalments. Repayment of interest and principal will commence after 24 months	10,42,65,656	16,00,02,914
Total				**20,01,61,945**	**30,71,62,453**
Less : Current Maturities of Long Term Borrowings from other parties (Refer Note 9)				10,00,80,972	10,23,83,008
Long Term Borrowings from Other Parties				**10,00,80,973**	**20,47,79,445**

c. The Company has not defaulted in the repayment of dues to Other Parties.

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6 Other Long-Term Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits Received	24,55,14,606	17,96,66,198
	24,55,14,606	**17,96,66,198**

7 Short-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Loans Repayable on Demand		
(a) Cash Credit from Banks - Secured (Refer Note (i) below)	27,22,74,361	19,15,01,913
	27,22,74,361	**19,15,01,913**

Notes:
(i) Details of secured Short-Term Borrowings:
The loans are secured by hypothecation of 25% of inventories and receivables not exceeding 90 days. The interest rate prevailing at the date of Balance Sheet for CC limit is 11.3% and WCDL is 10.8%

8 Disclosures required under Micro, Small and Medium Enteprise Development Act, 2006

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(i) Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) The amount of interest by the Buyer along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Companies Act, 2013	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Based on and to the extent of information available with the management, there are no transactions with Micro and Small Enterprises.

9 Other Current Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Current Maturities of Long-Term Debt		
- Term Loans from Banks - Secured	12,75,61,295	15,77,49,993
- Term Loans from Others Parties - Unsecured	10,00,80,972	10,23,83,008
(b) Advances from Customers	27,79,14,402	23,79,17,933
(c) Interest accrued but not due on Borrowings	57,55,390	1,41,47,395
(d) Statutory Remittances	2,09,08,347	2,02,86,709
(e) Income received in advance	2,06,60,356	2,69,31,320
(f) Gratuity Payable (Refer Note 26.2)	28,76,009	-
	55,57,56,771	**55,94,16,358**

10 Short-Term Provisions

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Provision for Compensated Absences	1,89,76,355	1,37,58,594
(b) Provision for Taxation (Net of Advance Tax Rs. 536,713,175 (As at 31 March 2016 - Rs. 345,792,701))	1,67,36,825	2,67,57,299
	3,57,13,180	**4,05,15,893**

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11 Fixed Assets

Amount in Rs.

Particulars	Gross Block				Accumulated Depreciation/Amortisation				Net Block	
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	For the year	Eliminated on disposal of assets	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
11A Tangible Assets										
Buildings	-	-	-	-	-	-	-	-	-	-
	(2,31,58,194)	-	(2,31,58,194)	-	(2,31,58,194)	-	(2,31,58,194)	-	-	-
Plant & Equipment	2,86,79,75,371	46,94,22,714	3,34,90,004	3,30,39,08,081	85,34,46,958	23,68,98,835	1,60,76,611	1,07,42,69,182	2,22,96,38,899	2,01,45,28,413
(Refer Note 30(i))	(2,56,11,80,641)	(36,67,82,177)	(5,99,87,447)	(2,86,79,75,371)	(66,83,83,742)	(20,94,50,768)	(2,43,87,552)	(85,34,46,958)	(2,01,45,28,413)	(1,89,27,96,899)
Computers	7,74,67,414	1,63,91,687	26,93,051	9,11,66,050	6,47,12,890	71,02,138	26,02,293	6,92,12,735	2,19,53,315	1,27,54,524
	(7,31,12,580)	(45,23,084)	(1,68,250)	(7,74,67,414)	(5,71,49,761)	(76,49,733)	(86,603)	(6,47,12,890)	(1,27,54,524)	(1,59,62,819)
Office Equipment	4,24,03,352	58,75,624	-	4,82,78,976	2,06,16,119	63,67,084	68	2,69,83,135	2,12,95,841	2,17,87,233
	(2,80,61,451)	(1,54,15,915)	(10,74,014)	(4,24,03,352)	(1,52,65,394)	(56,38,720)	(2,87,995)	(2,06,16,119)	(2,17,87,233)	(1,27,96,057)
Furniture and Fixtures	8,56,49,197	66,42,797	2,28,608	9,20,63,386	1,00,89,731	85,58,563	1,58,512	1,84,89,782	7,35,73,604	7,55,59,466
	(2,95,04,186)	(6,27,10,535)	(65,65,524)	(8,56,49,197)	(1,17,10,916)	(36,60,213)	(52,81,398)	(1,00,89,731)	(7,55,59,466)	(1,77,93,270)
Vehicles	1,08,97,002	36,51,125	16,42,755	1,29,05,372	44,08,640	16,05,545	13,78,140	46,36,045	82,69,327	64,88,362
	(1,01,78,618)	(19,21,622)	(12,03,238)	(1,08,97,002)	(37,77,719)	(15,14,907)	(8,83,987)	(44,08,640)	(64,88,362)	(64,00,899)
Total (A)	**3,08,43,92,336**	**50,19,83,947**	**3,80,54,418**	**3,54,83,21,865**	**95,32,74,338**	**26,05,32,165**	**2,02,15,624**	**1,19,35,90,879**	**2,35,47,30,986**	**2,13,11,17,998**
	(2,72,51,95,670)	**(45,13,53,333)**	**(9,21,56,667)**	**(3,08,43,92,336)**	**(77,94,45,726)**	**(22,79,14,341)**	**(5,40,85,729)**	**(95,32,74,338)**	**(2,13,11,17,998)**	**(1,94,57,49,944)**
11B Intangible Assets										
Computer Software (Refer Notes (iii) below)	5,77,88,084	67,07,573	-	6,44,95,657	3,49,85,309	68,37,791	-	4,18,23,100	2,26,72,557	2,28,02,775
	(3,35,87,071)	(2,42,01,013)	-	(5,77,88,084)	(3,04,92,753)	(44,92,555)	-	(3,49,85,309)	(2,28,02,775)	(30,94,318)
Total (B)	**5,77,88,084**	**67,07,573**	-	**6,44,95,657**	**3,49,85,309**	**68,37,791**	-	**4,18,23,100**	**2,26,72,557**	**2,28,02,775**
	(3,35,87,071)	**(2,42,01,013)**	-	**(5,77,88,084)**	**(3,04,92,753)**	**(44,92,555)**	-	**(3,49,85,309)**	**(2,28,02,775)**	**(30,94,318)**
Grand Total (A) + (B)	**3,14,21,80,420**	**50,86,91,520**	**3,80,54,418**	**3,61,28,17,522**	**98,82,59,647**	**26,73,69,956**	**2,02,15,624**	**1,23,54,13,979**	**2,37,74,03,543**	**2,15,39,20,773**
	(2,75,87,82,741)	**(47,55,54,346)**	**(9,21,56,667)**	**(3,14,21,80,420)**	**(80,99,38,479)**	**(23,24,06,896)**	**(5,40,85,729)**	**(98,82,59,647)**	**(2,15,39,20,773)**	**(1,94,88,44,262)**

Notes:

(i) In the Previous year, disposal in buildings represents retirement of fully depreciated Leasehold buidling.

(ii) In the previous year, disposals under Plant & Equipment and computers with Gross block of Rs.31,523,375 and accumulated depreciation of Rs.10,912,619 damaged during the floods in December 2015, in respect of the which the Company has subsequent received a sum of Rs.19,626,874 towards insurance claim settlement and the balance loss of Rs.983,838 has been provided for and included under exceptional item (Also Refer Note 29)

(iii) The Gross Block of Computer Software comprises :
- Cost of Acquired Software - Rs.26,388,544 (As at 31 March 2016: Rs. 26,388,544)
- Cost of Internally Generated Software - Rs. 38,107,113 (As at 31 March 2016: Rs.31,399,540)

(iv) Amounts in brackets represent previous year figures.

11C The Company is in the process of developing a state of the art web-based, self-service integrated platform along with the underlying software for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys and towards this it has incurred cumulative cost upto 31 March 2017 amounting to Rs. 107,297,642 (upto 31 March 2016 Rs. 37,014,457), including Rs. 70,283,186 (Previous year Rs. 21,784,027) incurred during the year in the nature of direct employee costs and services received from vendors. These costs have been considered Intangible Assets under Development as at 31 March 2017.

The company is in the process of developing a software to be deployed and underlying services marketed under the names Slydes and Cheers. The software provides just-in-time Digital Cinema Package creation and scheduling capabilities as well as on-screen greeting card functionality for cinemas amounting to Rs. 1,211,499 (Previous year- Rs. Nil)

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12 Non-Current Investments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Investment in Equity Shares - Subsidiaries (Trade & Unquoted) - at Cost (Unless stated otherwise)		
41,750,000 (As at 31 March 2016 - 41,750,000) Equity Shares of $ 0.1 each fully paid up in Qube Cinema Inc.	18,47,75,044	18,47,75,044
Less: Diminution in Value of Investments	18,46,75,044	18,46,75,044
	1,00,000	1,00,000
5,000,000 Equity shares of $ 0.1 each fully paid up in Qube Cinema Inc. (Refer Note (i) Below)	3,27,75,000	-
	3,28,75,000	1,00,000
4,133,498 (As at 31 March 2016 - 4,133,498) Equity Shares of Rs.10 each fully paid up in Justickets Pvt. Ltd. (Refer Note Below)	4,13,34,980	4,13,34,980
2,279,832 Equity Shares of Rs 20 each fully paid up in Justickets Pvt. Ltd. (Refer Note (ii) Below)	4,55,96,640	-
	11,98,06,620	4,14,34,980
Other Non-Current Investments - at Cost		
National Saving Certificate (Lodged with Sales tax authorities)	6,000	6,000
	11,98,12,620	**4,14,40,980**

Notes:
(i) During the current year, In the board meeting held on 1 December, 2016, the directors have approved the additional investment of Rs. 32,775,000 (Previous year- Rs. Nil), in Qube Cinema Inc. towards 5,000,000 Equity shares of $ 0.1 each

(ii) During the current year, the Company has made additional investment in Justickets Pvt. Ltd. (JTPL) by paying a consideration of Rs. 45,596,640 (Previous Year - Rs.18,998,600) by way of subscription towards its Rights entitlement in respect of the 39% equity stake held by it in JTPL, on the basis of a Joint Venture Agreement entered into between the Company, Justinfo Tickets Private Limited (formerly known as SPI Informatics Private Limited) and ITPIL Software Solutions Private Limited. As per the terms of the Joint Venture Agreement, the Company has the power to appoint majority of the Board of Directors, hence JTPL is considered as a subsidiary of the Company which is in accordance with Accounting Standard 21.
Despite erosion in the networth of JTPL by more than 50% as at 31 March, 2017, considering the future business projections and long term nature of this investment, the diminution in the value of investments is not considered as other than temporary in nature.

13 Long-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	3,34,88,969	1,55,00,000
(b) Loans and Advances to Related Parties (Refer Note 28.2)	18,00,000	24,00,000
(Includes amount due from directors of Rs. 800,000, Previous year- Rs. 1,600,000)		
(c) Loans to Employees	2,32,787	40,338
(d) Advance Income Tax (Net of Provisions Rs. 137,504,148 (As at 31 March 2016 - Rs. 137,504,148)	3,60,12,780	3,60,12,780
(e) Balances with Government Authorities - VAT and Service Tax Paid under Protest	54,60,743	19,82,546
(f) Advance to Suppliers	18,78,361	86,16,460
	7,88,73,640	**6,45,52,124**

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14 Other Non-Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Long Term Trade Receivables		
- Unsecured, considered good	3,13,08,182	2,23,85,257
	3,13,08,182	**2,23,85,257**

15 Inventories

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Stock-in-Trade	34,05,95,971	40,34,13,053
	34,05,95,971	**40,34,13,053**

16 Trade Receivables

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	21,71,59,122	13,02,26,104
- Unsecured, considered doubtful	3,80,34,723	3,47,81,256
	25,51,93,845	16,50,07,360
Less: Provision for doubtful trade receivables	(3,80,34,723)	(3,47,81,256)
	21,71,59,122	13,02,26,104
Other Trade Receivables		
Unsecured, considered good (Refer Notes below)	53,69,40,378	55,74,92,301
	75,40,99,500	**68,77,18,405**

Notes:
Trade receivables includes receivables from following related parties which are considered good and recoverable

1. Rs.31,667,950 (As at 31 March 2016 Rs.36,388,783) receivable from Qube Cinema Inc, wholly owned subsidiary of the Company.
2. Rs. 17,363,513 (As at 31 March 2016 - Rs. 14,757,759) receivable from Justickets Pvt. Ltd, a subsidiary of the Company.

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17 Cash and Cash Equivalents

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Cash on Hand	2,15,152	1,90,107
(b) Balances with Banks		
-In Current Accounts	9,62,91,960	5,49,41,026
-In EEFC Accounts	35,81,309	5,81,77,078
-In Deposits Accounts - Under Lien	1,05,79,430	2,26,94,566
-In Deposits Accounts - Free of Lien	21,47,53,585	22,13,67,279
	32,54,21,436	**35,73,70,056**
Notes:		
1. Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	10,00,88,421	11,33,08,211
2. Deposits Accounts under Lien includes Fixed Deposit given as collateral security for CC Facility, Margin Money, Security against borrowings, guarantees and other commitments which have a maturity of more than 12 months from the Balance Sheet date.	1,05,79,430	2,26,94,566

17 a) Specified Bank Notes Disclosure (SBN's)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing Cash on hand as on 8 Nov 16	26,92,500	1,30,853	28,23,353
(+) Permitted Receipts	-	83,28,980	83,28,980
(-) Permitted Payments	-	12,14,512	12,14,512
(-) Amount deposited in banks	26,92,500	68,53,062	95,45,562
Closing Cash on hand as on 30 Dec 16	-	3,92,259	3,92,259

18 Short-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	1,02,12,786	2,33,80,084
(b) Loans and Advances to Employees	8,41,444	7,89,650
(c) Prepaid Expenses	11,57,08,425	3,50,02,859
(d) Service Tax Input Credit Receivable	3,85,25,878	3,26,80,307
(e) Advances to Suppliers	3,83,10,436	4,27,54,235
(f) Loans and Advances to Related Parties (Refer Note 28.2)	10,00,000	4,00,000
(Includes amount due from directors of Rs. 8,00,000, Previous year- Rs. NIL)		
	20,45,98,969	**13,50,07,135**

19 Other Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Unbilled Revenue	5,42,47,510	3,86,83,585
(b) Interest Accrued on Deposits	18,38,711	26,75,408
(c) Gratuity (Refer Note 26.2)	-	8,07,547
(d) Insurance claims recoverable (net of Rs. 14,000,000 claims received upto 31 March, 2016)	-	4,10,91,620
(e) Contractually reimbursable expenses	41,04,634	-
	6,01,90,855	**8,32,58,160**

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20 Revenue from Operations

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Sale of goods (Refer Note (a) below)	73,60,90,860	55,57,30,783
(b) Sale of services (Refer Note (b) below)	2,79,13,32,367	2,47,35,27,796
	3,52,74,23,227	**3,02,92,58,579**

Notes :

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
a. Sale of goods Comprises:		
Traded Goods		
Computer based Systems, Accessories, UPS, projectors and Lamps	73,60,90,860	55,57,30,783
Total - Sale of Traded Goods	**73,60,90,860**	**55,57,30,783**
b. Sale of Services Comprises :		
Mastering & Virtual Print Fee	1,35,13,73,031	1,23,27,77,278
Advertisement Fee	1,09,57,72,351	95,64,58,570
Right to Use Fees and Pay Per Show	13,80,04,078	12,62,25,837
Service Income	18,07,46,634	10,77,70,572
License Fees	1,50,000	2,80,000
Commission Received	2,52,86,273	4,82,37,959
Studio Recording & Hire Charges	-	17,77,580
Total - Sale of Services	**2,79,13,32,367**	**2,47,35,27,796**

21 Other Income

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Income from Bank Deposits	2,09,80,455	1,69,61,388
(b) Insurance Claim Received	40,01,445	6,01,549
(c) Profit on Sale/Retirement of Fixed Assets (Net)	72,97,430	39,26,421
	3,22,79,330	**2,14,89,358**

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22.a Purchase of traded goods

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Purchase of Traded Goods	55,88,25,700	42,38,15,843
	55,88,25,700	**42,38,15,843**
Note:		
Purchase of Traded Goods comprises:		
Projectors	3,48,77,918	10,30,06,512
Qube Servers	10,96,78,531	6,73,94,807
3D Equipments & Accessories	1,15,19,137	98,53,467
Lamps	14,02,98,132	11,32,71,229
VSAT ,Tech. Marketing Systems & Accessories	22,45,25,109	7,03,07,889
Others	3,79,26,873	5,99,81,939
TOTAL	**55,88,25,700**	**42,38,15,843**

22.b Changes in Inventories of Stock in Trade

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Inventories at the end of the year:		
Stock in Trade	34,05,95,971	40,34,13,053
Inventories at the beginning of the year:		
Stock in Trade	40,34,13,053	49,07,32,642
Less: Loss of inventory due to floods (Refer Note 29)	-	(3,37,66,642)
Net decrease	**6,28,17,082**	**5,35,52,947**

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23 Employee Benefits Expense

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Salaries and Bonus	53,62,22,523	48,75,62,037
(b) Contributions to Provident and Other Funds	2,98,18,617	2,30,45,612
(c) Staff welfare expenses	5,40,00,106	4,84,02,315
	62,00,41,246	**55,90,09,964**

24 Finance Costs

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Expense on:		
(i) Borrowings	6,34,34,608	8,22,68,864
(ii) Others - Interest on delayed payment of income tax	9,00,000	22,50,000
(b) Other Borrowing Costs	30,82,304	20,37,143
	6,74,16,912	**8,65,56,007**

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25 Other Expenses

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Licence Fee - DTS	1,51,000	1,51,200
(b) Freight, Clearing & Forwarding and Cargo Handling Charges	5,28,04,693	4,99,32,492
(c) Digitising, Censor, Theatre Advertisement and VSAT Charges	3,98,39,438	5,94,79,227
(d) Packing Materials and Consumables	3,56,27,330	2,79,30,829
(e) Service Charges - Avid Assurance	38,67,772	1,28,33,232
(f) Share of Revenue - Advertisement	45,16,99,006	35,99,12,425
(g) Share of Revenue - Virtual Print Fee	33,41,80,782	28,32,12,092
(h) Power and Fuel	2,03,65,588	2,06,08,070
(i) Rent including Lease Rentals (Refer Note 30)	6,05,08,992	4,26,25,418
(j) Repairs and Maintenance - Buildings	12,98,119	11,09,034
(k) Repairs and Maintenance - Plant and Machinery	8,34,89,681	6,29,59,996
(l) Repairs and Maintenance - Others	4,55,37,650	2,87,78,974
(m) Insurance	1,13,78,336	59,62,124
(n) Rates and Taxes	81,49,599	39,63,246
(o) Communication	2,88,85,263	2,53,78,662
(p) Travelling and Conveyance	5,73,66,608	4,75,93,045
(q) Printing and Stationery	69,90,727	35,19,698
(r) Software Expenses	52,59,226	28,00,776
(s) Sales Discount and Commission	3,46,91,899	2,52,59,498
(t) Advertisement and Business Promotion	3,04,55,348	2,63,36,917
(u) Expenditure on Corporate Social Responsibility (Refer Note below)	84,50,000	75,97,000
(v) Legal and Professional	6,03,03,825	4,87,15,759
(w) Auditors' Remuneration (Net of service tax input credit)		
- Statutory Audit	16,00,000	16,00,000
- Other Services	-	-
- Out of Pocket Expenses	20,979	-
(x) Bad Debts Written Off	1,33,98,783	1,52,97,262
Less: Release of Provision for Doubtful Trade Receivables	(1,33,98,783)	(1,52,97,262)
(y) Provision for Doubtful Trade Receivables	1,66,52,250	1,90,09,704
(z) Bank Charges	48,68,393	1,77,67,808
(aa) Exchange Loss (Net)	85,91,246	24,14,526
(ab) Miscellaneous Expenses	60,82,830	56,05,605
	1,41,91,16,580	**1,19,30,57,357**

Note :
Expenditure on Corporate Social Responsibility

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Gross amount required to be spent by the company during the year	84,52,394	65,96,104
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	84,50,000	75,97,000

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26 Employee Benefits

26.1 Defined Contribution Plan

The Company makes Provident fund contributions and Employee state Insurance Scheme contributions to defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 21,145,430 (Previous year Rs. 18,272,256) towards Provident Fund contributions and Rs. 2,454,181 (Previous year Rs. 2,151,848) towards Employee State Insurance scheme contribution in the Statement of Profit and Loss. The contributions payable to the fund by the Company is at rates specified in the rules of the scheme.

26.2 Defined Benefit Plans

The details of actuarial valuation as provided by the Independent Actuary is as follows:

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Change in defined benefit obligations during the Year		
Projected Benefit Obligations as at the Beginning of the Year	3,20,92,262	2,59,48,758
Current Service Cost	41,02,763	39,46,044
Interest cost	24,44,642	20,19,938
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial (Gain) /Losses	50,48,781	15,76,579
Present value of Defined Benefit Obligation at End of the Year	**4,25,91,463**	**3,20,92,262**
Change in Fair Value of Assets during the Year		
Plan Assets at Beginning of the Year	3,28,99,809	2,71,12,076
Expected Return on Plan Assets	30,49,037	25,04,367
Employer's Contribution	49,89,631	44,17,585
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial Gains /(Losses)	(1,26,037)	2,64,838
Plan Assets at End of the Year	**3,97,15,455**	**3,28,99,809**
Liability Recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation as at the End of the Year	4,25,91,463	3,20,92,262
Fair Value of Plan Assets as at the End of the Year	3,97,15,455	3,28,99,809
Net (Asset)/Liability Recognised in the Balance Sheet	**28,76,008**	**(8,07,547)**
Cost of Defined Benefit Plan for the Year		
Current Service cost	41,02,763	39,46,044
Interest Cost	24,44,642	20,19,938
Expected Return on Plan Assets	(30,49,037)	(25,04,367)
Net Actuarial (Gains)/Losses	51,74,818	13,11,741
Net Cost Recognized in the Statement of Profit and Loss	**86,73,186**	**47,73,356**
Actual Return on Plan Assets		
Assumptions		
Discount Rate	7.25%	7.75%
Future Salary Increase	5.00%	5.00%
Expected Rate of Return on Plan Assets	8.75%	8.75%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes:

a. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

b. The expected return on plan assets is as provided by an independent actuary appointed by the Company.

c. The entire Plan Assets are managed by LIC. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

d. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

e. Expected contribution to the Fund during 2017-2018 is Rs. 9,000,000

f. Experience Adjustments:

Particulars	FY 2016-17 Amount in Rs.	FY 2015-16 Amount in Rs.	FY 2014-15 Amount in Rs.	FY 2013-14 Amount in Rs.
Projected Benefit Obligation	4,25,91,463	3,20,92,262	2,59,48,758	2,00,71,793
Fair Value of Plan Assets	3,97,15,455	3,28,99,809	2,71,12,076	2,15,61,265
(Surplus)/Deficit	28,76,008	(8,07,547)	(11,63,318)	(14,89,472)
Experience Adjustments on Plan Liabilities - Gain/(Loss)	50,48,781	(15,76,579)	3,91,840	14,78,646
Experience Adjustments on Plan Assets - Gain	(1,26,037)	2,64,838	(24,34,993)	73,125

The details of the experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are disclosed to the extent of information available in the actuarial valuation report.

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26.3 Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation done by an Independent Actuary are as given below:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Assumptions		
Discount Rate	7.25%	7.75%
Expected return on assets	0.00%	0.00%
Future Salary Increase	5.00%	5.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

27 Segment Reporting

The primary reporting of the Company has been made on the basis of business segments. The Company has only one business segment as defined in Accounting Standard (AS) 17 on Segment Reporting, which is the "Media & Entertainment Industry". Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

The details in respect of the geographical segments which is considered as secondary segment as defined in the said Standard are given below:

a. Revenue by Geographical Market

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
India	3,39,68,20,584	2,88,71,82,179
Outside India	13,06,02,643	14,20,76,400
Total	**3,52,74,23,227**	**3,02,92,58,579**

b. Segment Assets by Geographic Market

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	4,23,48,67,580	3,84,81,28,265
Outside India	7,26,21,584	8,09,52,316
Unallocated	15,58,25,400	7,74,53,760
Total	**4,46,33,14,564**	**4,00,65,34,341**

c. All the fixed assets are located in India.

28 Related Party Transactions

28.1 Names of Related Parties and Nature of Relationship

Description of Relationship	As at 31 March 2017	As at 31 March 2016
Subsidiary Company	Qube Cinema Inc, USA	Qube Cinema Inc, USA
	Justickets Pvt. Ltd. (by virtue of control over composition of Board of Directors)	Justickets Pvt. Ltd. (by virtue of control over composition of Board of Directors)
Enterprises having Significant Influence	M/s. StreetEdge Capital L.P.USA	M/s. StreetEdge Capital L.P.USA
	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)
Key Management Personnel	Mr. V. Senthil Kumar	Mr. V. Senthil Kumar
	Mr. P.Jayendra	Mr. P.Jayendra
	Mr. Arvind Ranganathan	Mr. Arvind Ranganathan
	Mr. P Venkatesh	Mr. P Venkatesh
Relative of Key Management Personnel	Mr.Arun Veerappan	Mr.Arun Veerappan
	Mrs. Vee. Vijayalakshmi	Mrs. Vee. Vijayalakshmi
	Mr. V. Sivakumar	Mr. V. Sivakumar
	Mrs. Meena Veerappan	Mrs. Meena Veerappan
	Mrs. Sudha Panchapakesan	Mrs. Sudha Panchapakesan
	Mrs. Sujatha Arvind	Mrs. Sujatha Arvind
Entities in which Relatives of KMP can exercise significant influence	Digital Film Technologies Pvt. Ltd., in which Mrs. Sudha Panchapakesan wife of Director Mr. P.Jayendra & Mrs. Vandana Gopikumar wife of Director Mr.V. Senthil Kumar	Not applicable

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Qube Cinema Technologies Private Limited
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28.2 Transactions with the Related Parties

Transaction	Related Party	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Income			
Sale of Traded Goods	Qube Cinema Inc, USA	1,26,62,209	1,13,20,153
Sale of Services	Justickets Pvt. Ltd.	4,15,18,586	2,45,68,715
	Digital Film Technologies Pvt Ltd	14,72,671	-
Expenses			
Reimbursement of Expenses	Qube Cinema Inc, USA	2,84,87,934	2,45,53,352
Vehicle Hire Charges	V Senthil Kumar	10,80,000	8,95,484
	P. Jayendra	6,00,000	6,00,000
	Vee. Vijayalakshmi	3,60,000	3,60,000
	Meena Veerappan	7,00,968	4,80,000
	Sujatha Arvind	6,00,000	6,00,000
Lease Rent for Land / Premises	V Senthil Kumar	-	23,60,769
	V Sivakumar	-	12,84,500
	Vee. Vijayalakshmi	-	30,38,877
Remuneration	V Senthil Kumar	1,39,24,400	1,39,24,400
	Arun Veerappan	24,05,739	23,53,322
	P. Jayendra	1,39,24,400	1,39,24,400
	Arvind Ranganathan	1,26,00,000	1,26,00,000
	Sudha Panchapakesan	34,02,012	34,02,012
	P. Venkatesh	60,00,000	53,25,000
Others			
Investments during the year	Qube Cinema Inc, USA	3,27,75,000	-
	Justickets Pvt. Ltd.	4,55,96,640	1,89,98,600
Balance as at Year End		**As at 31 March 2017 Amount in Rs.**	**As at 31 March 2016 Amount in Rs.**
Payables	Qube Cinema Inc, USA	62,22,770	22,66,079
	V Senthil Kumar	45,85,000	45,85,000
	P. Jayendra	45,85,000	45,85,000
	Arvind Ranganathan	41,99,587	42,06,671
Advance from customer	Qube Cinema Inc, USA	1,08,11,261	-
Contractually reimbursable expenses	Justickets Pvt. Ltd.	41,04,644	-
Receivables	Qube Cinema Inc, USA	3,16,67,950	3,63,88,783
	Justickets Pvt. Ltd.	1,73,63,513	1,47,57,759
	Digital Film Technologies Pvt Ltd	16,86,208	-
Non-Current Investments (net of provision)	Qube Cinema Inc, USA	3,28,75,000	1,00,000
	Justickets Pvt. Ltd.	8,69,31,620	4,13,34,980
Long Term Loans and Advances	V Senthil Kumar	8,00,000	8,00,000
	Arun Veerappan	2,00,000	2,00,000
	P. Jayendra	8,00,000	8,00,000
	Meena Veerappan	2,00,000	2,00,000
	Sujatha Arvind	8,00,000	8,00,000

Notes:
1 The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such Related Parties. The Related Parties have confirmed to the Management that as at 31 March 2017 and 31 March 2016 there are no further amounts payable to / receivable from them, other than as disclosed above.

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
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Notes Forming Part of the Standalone Financial Statements for the Year Ended 31 March 2017

29 Exceptional Items

(a) During the previous year, the company had a net loss of Rs. 11,899,134 arising from damage to Inventories and certain Fixed Assets, net of insurance claims. Such damage had happened on account of unusually heavy rains during December 2015 and resulting inundation in the Company's warehouse at Chennai.

30 Lease Rentals

(i) As Lessor
The Company has leased out Digital Cinema Equipment to theaters on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.
Lease income recognised from the above lease arrangement (included under "Right to Use Fees and Pay per Show" under Note 20 (b)) - Rs. 129,606,573 (PY- Rs. 117,381,487)

(ii) As Lessee
The Company is obligated under some cancelable operating leases for office premises which are renewable on a periodical basis.

The Lease payments under cancelable operating leases for the year ended 31 March 2017 amounts to Rs. 7,184,012 (Previous year- Rs. 44,894,124) and the Lease payments under non-cancelable operating lease for the year ended 31 March 2017 amounts to Rs. 44,068,351 (Previous year- Rs. 4,042,500).

Future minimum lease payments relating to Non-Cancelable Operating lease are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Not later than one year	4,77,98,095	1,61,70,000
Later than one year and not later than five years	9,72,05,889	8,65,49,925
Later than five years	6,82,83,889	7,53,27,945

31 Earnings Per Share

Basic

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	37,35,48,842	31,38,00,604
Weighted Average Number of Equity Shares	91,30,616	91,30,616
Earnings Per Share (Basic) - in Rs.	40.91	34.37
Face Value Per Share - in Rs.	10	10

Diluted

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	37,35,48,842	31,38,00,604
Weighted Average Number of Equity Shares for Basic EPS	91,30,616	91,30,616
Add: Effect of Compulsorily Convertible Preference Shares and ESOPs which are Dilutive	1,07,06,649	1,07,06,649
Weighted Average Number of Equity Shares for Dilutive EPS	1,98,37,265	1,98,37,265
Earnings Per Share (Diluted) - in Rs.	18.83	15.82
Face Value Per Share - in Rs.	10	10

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32 Earnings in Foreign exchange& Expenditure in Foreign Currency

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Earnings in Foreign exchange		
FOB value of Exports	10,43,42,883	7,10,93,410
Commission & Others	4,64,24,654	7,09,82,989
CIF Value of Imports		
Traded goods	36,79,79,590	1,14,35,23,283
Capital goods	38,84,42,918	23,34,69,879
Expenditure in Foreign Currency		
Consulting/Legal Fees	37,99,207	41,48,895
Service Charges	44,38,100	1,21,75,031
Travelling Expenses	1,19,63,816	79,47,554
Interest	1,54,11,525	85,85,736
Freight, Clearing and Maintenance	2,44,12,955	1,25,09,002

33 Foreign Currency Exposure

As at 31 March 2017 and 31 March 2016, the Company does not have any outstanding position in respect of any of the derivative products.

The un-hedged foreign currency exposure is as given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		Foreign Currency	Amount in Rs.	Foreign Currency	Amount in Rs.
Trade Payables	USD	11,84,237	7,67,84,241	14,03,276	9,30,83,356
	EURO	480	33,239	-	-
Term Loans from Other Parties	USD	30,87,080	20,01,61,945	46,30,620	30,71,62,453
Trade Receivables	USD	9.02.884	5.85.41.763	5.25.786	3.48.76.896
	EURO	-	-	-	-

34 Deferred Tax

Break up of deferred tax assets / liabilities and reconciliation of current year deferred tax charge is as follows:

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Deferred Tax Liability		
On difference between book balance and tax balance of fixed assets	16,08,98,759	14,56,95,408
Total	**16,08,98,759**	**14,56,95,408**
Deferred Tax Asset		
Provision for Doubtful Trade Receivables	1.48.69.038	1.20.37.793
Provision for Employee Benefits	65.67.716	47.61.849
Total	**2,14,36,754**	**1,67,99,642**
Net Deferred Tax Liability	**13,94,62,005**	**12,88,95,766**

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Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)
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35 International Transactions

The Company has entered into international transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

36 Contingent liabilities and commitments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Contingent liabilities:		
Counter Guarantees Issued to Banks	47,93,656	47,93,656
Other matters for which the company is contingently liable		
Disputed Central Excise Demand (Rs. 11,857,892 Paid Under Protest)	2,37,15,784	2,37,15,784
Service Tax Demand (Rs 941,187 paid under protest)	5,87,76,065	5,87,76,065
AP Value Added Tax Demand (Rs.1,041,359 Paid Under Protest)	83,30,864	83,45,570
Kerala Value Added Tax Demand	-	41,35,746
Maharashtra Value Added Tax Demand	36,47,936	36,47,936
TN VAT	52,98,491	-
Income Tax	2,05,89,771	1,83,48,373
Bonus provision FY 14-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High Court of Madras	93,81,235	93,81,235

The Company expects a favourable decision with respect to all the above disputes demands / claims based on professional advice.

37 Merger with Real Image LLP
At the Board meeting held on 8th June 2016, the Board has proposed to merge the Real Image LLP with Real Image Media Technologies Private Limited (Now Qube Cinema Technologies Private Limited). The effective date of merger would be 1st April 2016 subject to necessary approval from the Hon'ble High Court of Madras

38 Previous Year Figures
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date:18 May 2017

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Qube Cinema Technologies Private Limited (formerly known as Real Image Media Technologies Private Limited)**(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated 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 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 financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. 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 the assets of the Group 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our 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 financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the 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 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 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 other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 the other auditors on separate financial statements of subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated 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 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.146,292,356 as at 31st March, 2017, total revenues of Rs. 121,357,431 and net cash inflows amounting to Rs. 5,418,062 for the year ended on that date, as considered in the consolidated financial statements. 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 our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the 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 matter with respect to our reliance on the work done and the reports of other auditors.

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 the report of the other auditors on separate financial statements of subsidiaries referred in the Other Matters paragraph above 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, and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on 31st March, 2017 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company's and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal controls over financial reporting of the Holding company/Subsidiary Company incorporated in India.

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of the pending litigations on the consolidated financial position of the group. Refer Note 36 of the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India.



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iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Holding Company and the Subsidiary Company incorporated in India, as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ananthi Amarnath
Partner
(Membership No. 209252)

Place: Chennai
Date: May 18, 2017

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **QUBE CINEMA TECHNOLOGIES PRIVATE LIMITED (formerly known as Real Image Media Technologies Private Limited** (hereinafter referred to as "the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Holding company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting 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 (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Holding company and its Subsidiary company, which is a company incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 of the subsidiary company, which is a Company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the holding company and its subsidiary company, which is a company incorporated in India.

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 to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India have, 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 31 March, 2017, based on "the internal control over financial reporting 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".



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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072s)

Ananthi Amarnath
Partner
Membership No. 209252

Place: Chennai
Date : May 18, 2017

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Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Consolidated Balance Sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	4	16,57,42,270	16,57,42,270
(b) Reserves and Surplus	5	2,29,81,85,487	1,97,50,30,828
		2,46,39,27,757	**2,14,07,73,098**
2. Minority Interest		**3,35,47,147**	**2,86,13,665**
3. Non-Current Liabilities			
(a) Long-Term Borrowings	6	31,15,89,646	39,30,05,403
(b) Deferred Tax Liabilities (Net)	34	13,94,62,005	12,88,95,766
(c) Other Long-Term Liabilities	7	24,55,14,606	17,96,66,198
		69,65,66,257	**70,15,67,367**
4. Current Liabilities			
(a) Short-Term Borrowings	8	27,22,74,361	19,15,01,913
(b) Trade Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	9	-	-
(i) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		38,39,93,650	36,28,75,817
(c) Other Current Liabilities	10	55,03,96,943	56,41,88,551
(d) Short -Term Provisions	11	3,57,13,180	4,05,15,893
		1,24,23,78,134	**1,15,90,82,174**
TOTAL		**4,43,64,19,295**	**4,03,00,36,304**
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12A	2,37,46,29,981	2,14,46,40,879
(ii) Intangible Assets	12B	5,03,02,894	6,04,37,665
(iii) Capital Work in Progress		6,93,69,305	2,04,53,941
(iv) Intangible Assets under Development	11C	10,85,09,141	3,70,14,457
		2,60,28,11,321	**2,26,25,46,942**
(b) Non-Current Investments	13	6,000	6,000
(c) Long-Term Loans and Advances	14	7,98,31,458	6,54,25,324
(d) Other Non-Current Assets	15	3,13,08,182	2,23,85,257
		2,71,39,56,961	**2,35,03,63,523**
2. Current Assets			
(a) Inventories	16	35,80,46,421	42,49,51,460
(b) Trade Receivables	17	72,86,01,346	64,63,76,381
(c) Cash and Cash Equivalents	18	34,89,04,886	37,55,72,440
(d) Short-Term Loans and Advances	19	23,10,43,520	14,95,14,339
(e) Other Current Assets	20	5,58,66,161	8,32,58,161
		1,72,24,62,334	**1,67,96,72,781**
TOTAL		**4,43,64,19,295**	**4,03,00,36,304**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Consolidated Statement of Profit and Loss for the Year Ended 31 March 2017

Particulars	Note No.	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
I. INCOME			
(a) Revenue from Operations	21	3,59,45,99,878	3,09,95,01,753
(b) Other Income	22	3,23,63,555	2,15,26,684
TOTAL (I)		**3,62,69,63,433**	**3,12,10,28,437**
II. EXPENSES			
(a) Purchases of Traded Goods	23.a	58,37,96,636	45,31,47,242
(b) Changes in Inventories of Stock-in-Trade	23.b	6,69,05,039	4,88,65,860
(c) Employee Benefits Expense	24	62,69,47,439	56,62,02,922
(d) Finance Costs	25	6,74,16,912	8,65,56,007
(e) Depreciation and Amortisation Expense	11	28,31,99,073	24,61,25,433
(f) Other Expenses	26	1,55,03,26,831	1,26,74,17,046
TOTAL (II)		**3,17,85,91,930**	**2,66,83,14,510**
III. PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		**44,83,71,503**	**45,27,13,927**
IV. Exceptional Item - Expense	30	-	1,18,99,134
V. PROFIT BEFORE TAX		**44,83,71,503**	**44,08,14,793**
VI. TAX EXPENSE:			
- Current Tax		18,00,00,000	14,70,75,542
- Deferred Tax	34	1,05,66,239	2,96,49,185
		19,05,66,239	17,67,24,727
VII. PROFIT AFTER TAX BEFORE MINORITY INTEREST		**25,78,05,264**	**26,40,90,066**
Add: Share of Loss Attributable to Minority Interest		6,31,59,186	2,55,56,313
VIII. PROFIT FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY		**32,09,64,450**	**28,96,46,379**
Earnings Per Equity Share of Rs. 10 Each (face value)			
- Basic	32.1	35.15	31.72
- Diluted	32.2	13.00	13.31

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ahanthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Cash Flow Statement for the Year Ended 31 March 2017

Particulars	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit Before Tax	44,83,71,503	44,08,14,793
Adjustments for:		
Depreciation and Amortisation expense	28,31,99,074	24,61,25,433
Finance Costs	6,74,16,912	8,65,56,007
Provision for Doubtful Trade Receivables	1,92,82,194	2,83,47,675
Amortisation of Foreign Currency Monetary Translation Difference Account	21,51,855	38,75,017
Interest Income from Deposits	(2,10,53,734)	(1,69,78,613)
Profit on Sale / Retirement of Fixed Assets (Net)	(72,97,430)	(39,26,421)
Net Exchange Loss/(Gain) (Unrealised)	6,29,586	(30,08,980)
Operating Profit before Working Capital Changes	**79,26,99,960**	**78,18,04,911**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	6,69,05,039	8,26,32,502
Trade Receivables	(10,08,19,710)	(20,48,14,765)
Short Term Loans and Advances	(8,15,29,181)	(6,02,77,766)
Long Term Loans and Advances	(10,24,58,248)	(6,16,06,818)
Other Current Assets	2,65,77,869	(5,04,57,610)
Other Non-Current Assets	(89,22,925)	1,86,75,060
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	1,97,69,867	13,82,05,678
Other Current Liabilities	2,70,91,130	13,26,94,475
Other Long Term Liabilities	6,58,48,408	3,98,53,257
Short Term Provisions	52,17,761	24,58,203
Cash Generated from Operations	**71,03,79,970**	**81,91,67,127**
Direct Taxes Paid (Net)	(10,28,68,360)	(8,25,10,900)
Net Cash From Operating Activities (C)	**60,75,11,610**	**73,66,56,227**
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(64,13,43,201)	(49,11,32,074)
Proceeds from Sale of Fixed Assets	2,51,36,645	2,13,86,647
Purchase of Shares From Minority Shareholders	6,80,92,668	3,63,69,043
Interest on Deposits	2,18,67,865	1,54,55,760
Lien Marked Deposits, not considered as cash and cash equivalents	1,21,15,136	(2,14,46,281)
Bank Deposit having Original maturity over 3 Months, not considered as cash and cash equivalents	65,72,032	(2,28,84,504)
Net Cash Flow (Used in) Investing Activities (B)	**(50,75,58,855)**	**(46,22,51,409)**

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Cash Flow Statement for the Year Ended 31 March 2017

Particulars	For the Year Ended 31 March 2017 Amount in Rs.	For the Year Ended 31 March 2016 Amount in Rs.
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	14,81,65,463	8,04,79,176
Repayment of Long Term Borrowings	(26,20,71,953)	(21,41,18,287)
Short Term Borrowings (Net)	8,07,72,448	34,02,218
Interest and Finance Charges Paid	(7,49,08,917)	(7,90,78,612)
Net Cash From (Used In) Financing Activities (C)	**(10,80,42,959)**	**(20,93,15,505)**
Net (Decrease)/Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(80,90,204)**	**6,50,89,313**
Cash and Cash Equivalents as at the Beginning of the Year	13,09,68,356	6,58,02,939
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	1,09,816	76,104
Cash and Cash Equivalents as at the End of the Year	**12,29,87,968**	**13,09,68,356**
Notes:		
1. The reconcillation to the Cash and Bank Balances as given in Note 18 is as follows:		
Cash and Bank Balances as per Note 18	34,89,04,886	37,55,72,440
Less: Lien Marked/Margin Money Deposits	(1,05,79,430)	(2,26,94,566)
Less: Deposits with Original Maturity over a period of 3 months	(21,53,37,488)	(22,19,09,519)
Cash and Cash Equivalents at the End of the Year	**12,29,87,968**	**13,09,68,356**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Ananthi Amarnath
Partner
Place : Chennai
Date: 18 May 2017

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Navaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

1 CORPORATE INFORMATION

Founded in 1986, Qube Cinema Technolgies private Limited (Formerly Real Image Media Technolgies Private Limited) (" the Company") is a leader in the digital cinema enablement and service businesses. It has over 25 years of expertise in digital technology and has significant presence in the AV post production/ broadcast and digital cinema domains. The company is a pioneer across the AV digitization value chain and is the only Indian company owning DCI compliant server technology for digital cinema. The company pioneered digital cinema through its "Qube" suite of end-to-end digital cinema solutions. The company is the leading digital cinema roll-out sponsor in India driving the digitization process across the cinema value chain including digital theater roll-out, content mastering, managed services and in-theater advertising. It has a globally compatible inter-operable platform and has successfully rolled out its DCI/ non-DCI systems across conventional as well as 3D cinema screens.
In the Extra-Ordinary General Meeting (EGM) of the Company held on 2 January, 2017, the members have approved the Change of Company's name to Qube Cinema Technologies Private Limited with effect from 12 January, 2017 and a fresh certification of incorporation has been obtained to this effect.

2 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Financial Statements of Qube Cinema Technologies Private Limited (Formerly known as Real Image Media Technologies Private Limited) (the Company) and its subsidiaries Qube Cinema Inc. and Justickets Pvt Ltd (JTPL) (hereinafter collectively referred as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits and losses as per Accounting Standard 21 - Consolidated Financial Statements.

In respect of foreign subsidiary, Qube Cinema Inc., which is classified as non-integral foreign operations, the Financial Statements are translated into Indian currency as per Accounting Standard 11 (revised) and the exchange gains / (losses) arising on conversion are accumulated under "Foreign Currency Translation Reserve".

Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit /(loss) for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

The Financial Statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March 2017.

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, on the Financial Statements audited by other auditors of the entities.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Particulars	% Holding as at 31 March 2017	Relationship
Qube Cinema Inc.	100%	Wholly Owned Subsidiary
Justickets Private Limited	38.83%	Subsidiary by way of control*

During the previous year, the Company had made investments in Justickets Pvt. Ltd. on the basis of a Joint Venture Agreement entered into between the Company, SPI Cinemas Private Limited and ITPIL Software Solutions Private Limited. As per the terms of the Joint Venture Agreement, the Company has the power to appoint majority of the Board of Directors, hence it is considered as a subsidiary of the Company in accordance with Accounting Standard 21.

DELOITTE HASKINS & SELLS
CHENNAI-17
CHARTERED ACCOUNTANTS

Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of Consolidated Financial Statements

The Consolidated Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

There are no material adjustments required to be made in to the financial statements of Qube Cinema Inc. to bring them in line with the Indian GAAP.

3.2 Use of Estimates

The preparation of Consolidated financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known /materialize.

3.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and the time between the acquisition of assets and their realisation in cash and cash equivalents , the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

DELOITTE HASKINS & SELLS * CHENNAI-17 * CHARTERED ACCOUNTANTS

Annexure - 17(b)

MOVIEBUFF PRIVATE LIMITED

(Formerly known as South Beach Software Private Limited)

CIN: U22300TN1996PTC036847
Registered Office: No.42, Dr. Ranga Road, Mylapore,
Chennai – 600 004
E-mail: muralip@realimage.com

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Twenty First Annual General Meeting of the Shareholders will be held at the Registered Office of the Company at No.42, Dr. Ranga Road, Mylapore, Chennai – 600 004 on Monday 25th day of September, 2017 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2017, including the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss Account for the year ended as at that date and the Reports of the Board of Directors and the Auditors thereon.

2. To approve the re-appointment of retiring Auditors and fix their remuneration.

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

   "RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the retiring Auditors, **M/s. CNGSN & Associates, LLP, Chennai,** bearing Registration No. 04915S/S200036 be and are hereby re-appointed as the auditors of the Company to hold office till the conclusion of Twenty Sixth Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting by means of an Ordinary Resolution to be held after this Annual General Meeting) and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration."

By Order of the Board
For **MOVIEBUFF PRIVATE LIMITED**

Place: Chennai
Date: 24.08.2017

V. SENTHIL KUMAR
DIRECTOR

NOTE:

1. *A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such a proxy need not to be a member of the Company. Proxy forms complete in all respects must reach the Registered Office of the Company at least 48 hours before the commencement of the Meeting.*

CERTIFIED TRUE COPY

For MOVIEBUFF PRIVATE LIMITED

Director

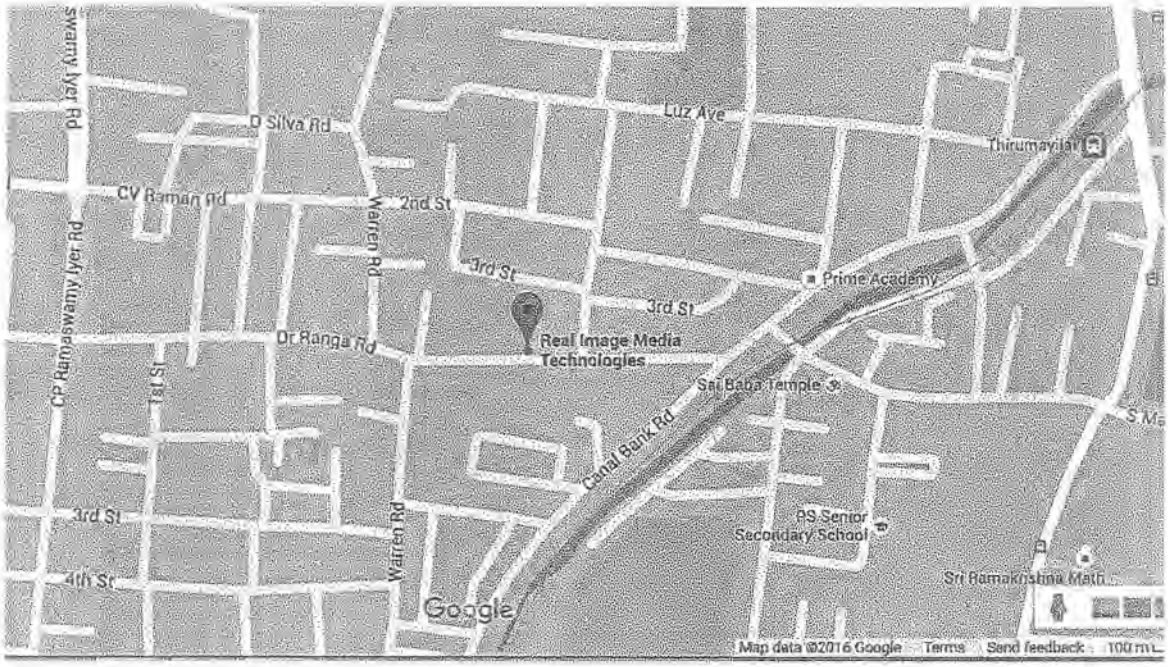
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MOVIEBUFF PRIVATE LIMITED

(Formerly known as South Beach Software Private Limited)

CIN: U22300TN1996PTC036847
Registered Office: No.42, Dr. Ranga Road, Mylapore,
Chennai – 600 004
E-mail: muralip@realimage.com

ROUTE MAP



Moviebuff Private Limited (formerly known as South Beach Software Private Limited)
Twenty First Annual Report – 2016-17

Your Directors have pleasure in presenting to you their Twenty First Annual Report of the Company for the financial year ended March 31, 2017.

Material changes and commitments, if any, affecting the financial position of the Company which has occurred since 31st March 2017 till the date of report

There are no material changes and commitments affecting the financial position of the company which has occurred since 31st March 2017 till the date of this report.

Change in the nature of business if any
There was no change in the nature of the business during the year under review.

Transfer to Reserves

NIL

Deposits

Your Company has not accepted any public deposits during the financial year nor has any outstanding unclaimed or unpaid public deposits as on 31st March 2017.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

NIL

Loans from Directors

During the year under review, your Company has not availed any unsecured Loan from the Directors.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act 2013

NIL

Names of Companies which have become or ceased to be its subsidiary(ies), Joint Ventures or Associate Companies during the year

NIL

Net Worth of the Company

(Amount in Rs.)

	As on 31.03.2017	As on 31.03.2016
Net-worth of the company	(1,05,808)	(87,918)

Board Meetings held during the financial year

4 Board Meetings were held during the financial year on 8th June, 2016, 2nd September, 2016, 1st December, 2016 and 1st March, 2017

Attendance details of Directors

Name of Directors	Number of Board Meetings attended during the year
V Senthil Kumar	4
P Jayendra	4

Corporate Social Responsibility Policy

Not applicable

Risk Management Policy:

Not applicable

Particulars of Employees

Particulars of employees as required under Section 197of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 - **NIL**

Extract of the annual return

The extract of the annual return in form MGT 9 as required under the provisions of the Companies Act 2013 is annexed to the report, as **Annexure A** and forms part of this Report.

Adequacy of Internal Financial Controls

Your Company has adequate internal financial controls with reference to preparation of financial statements, commensurate with the size of operations of the company.

Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

The Company does not have any employees, and consequently, the Disclosures as per the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013, do not apply.

Particulars of contracts or arrangements with related parties

Not applicable

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

Particulars as required under Section 134(3)(m) of the Companies Act, 2013 – **Not applicable**

Directors' Responsibility Statement

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

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

(v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

Your Company's Auditors, CNGSN & Associates, LLP, Chennai, are retiring at the forthcoming Annual General Meeting and are eligible for reappointment.

For and on behalf of the Board of Directors

V. Senthil Kumar
Director

P. Jayendra
Director

24th August, 2017

Form No. MGT-9 Annexure-A

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

of

MOVIEBUFF PVT LTD
(formerly known as South Beach Software Private Limited)

[Pursuant to Section 92(3) *of the Companies Act, 2013 and* rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: U22300TN1996PTC036847

ii) Registration Date: 04/11/1996

iii) Name of the Company: MOVIEBUFF PRIVATE LIMITED

iv) Category / Sub-Category of the Company: Company Limited by Shares/Indian Non-Government Company

v) Address of the Registered office and contact details: No.42, Dr. Ranga Road, Mylapore, Chennai – 600 004

vi) E-mail address: divya.venkat@qubecinema.com

vii) Contact Number: 044 - 4204 1505

viii) Whether listed company Yes / No: No

ix) Name, Address and Contact details of Registrar and Transfer Agent, if any: NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture , assemble, acquire , produce , design , research and develop , purchase , let on hire , import and export hardware, software and software systems of all kinds , particularly in the field of audio, video , film and other electronic media.	5192	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	---------	-------	----	-----	-------

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual / HUF		10200	10200	**100**		10200	**10200**	**100**	-
(b) Central Govt.									
(c) State Govt.									
*(d) **Bodies Corp.***									
(e) Banks/FI									
(f) Any other									
Sub –total (A)(1)		10200	10200	**100**		10200	**10200**	**100**	-
(2) Foreign									
(a) Individual / HUF									
(b) Central Govt.									
(c) State Govt.									
(d) Bodies Corp.									
(e) Banks/FI									
(f) Any other									
Sub –total (A)(2)		0	0	**0**		0	**0**	**0**	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)		10200	10200	**100**		10200	**10200**	**100**	-
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds									
*b) **Banks/ FI***									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Companies									
*g) **FIIs***									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub –total (B)(1)									
2. Non-Institutions									
*a) **Bodies Corp.***									

i) Indian *ii) Overseas* *b) Individuals* *i) **Individual shareholders holding nominal share capital upto Rs. 1 lakh*** *ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh* *c) Others (specify)* **Sub-total (B)(2):-** **Total Public Shareholding (B)=(B)(1)+ (B)(2)**									
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
GRAND TOTAL (A+B+C)			**10200**	**100**			**10200**	**100**	

(ii)Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				
Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				

	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

NIL

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	P Jayendra	5100	50	5100	50
	V Senthil Kumar	5100	50	5100	50
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year				
	P Jayendra	5100	50	5100	50
	V Senthil Kumar	5100	50	5100	50

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	(INR in Rs)			
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	*1,00500*	*NIL*	*1,00,500*
Total (i+ii+iii)				
Change in Indebtedness during the financial year • Addition • Reduction	*NIL*	-	*NIL*	-
Net Change		-		-
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	*NIL*	*1,00,500*	*NIL*	*1,00,500*
Total (i+ii+iii)		*1,00,500*		*1,00,500*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: NIL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL				
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify...					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors: NIL

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
2.	Total (1)					
3.	Other Non-executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
4.	Total (2)					
5.	Total (B)=(1+2)					
6.	Total Managerial Remuneration					
7.	Overall Ceiling as per the Act					

C. remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

V. Senthil Kumar
Director

P Jayendra
Director

24th August, 2017

CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Swathi Court, Flat No. C & D, No. 43, (Old No. 22)
Vijayaraghava Road, T. Nagar, Chennai - 600 017.
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D. KALAIALAGAN
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R. THIRUMALMARUGAN
M.Com., FCA

K. PARTHASARATHY
B.Com., FCA

B. RAMAKRISHNAN
B.Com., Grad. CWA, FCA

NYAPATHY SRILATHA
M.Com., FCA, PGDFM

V. VIVEK ANAND
B.Com., FCA

E.K. SRIVATSAN
B.Com., FCA

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s. MOVIEBUFF PRIVATE LIMITED
Chennai

Report on the Financial statements

We have audited the accompanying financial statements of Moviebuff Private Limited (formerly known as South Beach Software Private Limited) (herein after referred to "the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, for the period then ended, and a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 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, 2017 and its Loss for the period ended on that date.



Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 (the Order), issued by the Central Government of India, in terms of sub – section (11) of section 143 of the Act is not 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, and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) The adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, does not arise.

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, and in our opinion and to our best of our information and according to the explanations given to us :

   i. The Company has no pending litigations which will have impact on its financial position in its financial statements.



ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts to the financial statements;

iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes duri ng the period from 8 November, 2016 to 30 December,2016 and these are in accordance with the books of accounts maintained by the Company. (Refer Note. 6 in the financial statements).

for M/s. CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm Registration Number.04915S/S200036



K. PARTHASARATHY
PARTNER
Membership No. 018394

Place: Chennai
Date: 24/08/2017

Moviebuff Private Limited
(Formerly known as South Beach Software Private Limited)
Note .1: Significant Accounting Policies.

For The Year Ended 31st March 2017

1. Basis of preparation of Financial Statements

The Financial statements have been prepared under the historical cost convention on accrual basis and in accordance with the accounting principles generally accepted in India and comply with mandatory accounting standards notified by the Central Government of India under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which the results are known / materialized.

3. Accounting Conventions:

The financial statements have been prepared under the historical cost convention and following the accrual method of accounting in accordance with the applicable mandatory accounting standards in India and provisions of Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

4. Revenue Recognition

Revenue is recognized on completion of service rendered to the customer.

5. Inventories

As the activities confines to services there has been no inventories during the year under review.

6. Fixed Assets

As the company has no fixed assets, policy regarding depreciation has not been discussed in this report.

7. Income Tax:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between taxable income and accounting income which are capable of reversal in subsequent periods and are measured using the tax rates and tax laws that have been enacted or substantively enacted on the balance sheet date. However, the deferred tax liability had not been recognized in the accounts in view of loss during the year as well as that of last year and also taking into account the uncertainties of the profit in the near future.



8. **Employee Benefits:**

As there being no employees policies regarding statutory requirements such as PF, Gratuity and the likes are not applicable to this company.

9. **Provisions**

A provision is recognized when the Company has a present obligation as a result of past events 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 the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the Balance Sheet date and adjusted to reflect the current best estimates.

10. Previous figures have been regrouped wherever necessary.



MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	As at 31-03-2017		As at 31-03-2016	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	1,02,000		1,02,000	
(b) Reserves and Surplus	3	(2,07,808)		(1,89,918)	
(c) Money Received against Share warrants		-	(1,05,808)	-	(87,918)
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long Term Borrowings		-		-	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	-	-	-
(4) Current liabilities:					
(a) Loan from Director- V. Senthil Kumar		1,00,500		1,00,500	
(b) Trade payables	4	46,112		28,222	
(c) Other current liabilities		-		-	
(d) Short-term provisions		-	1,46,612	-	1,28,722
Total			40,804		40,804
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets		-		-	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under developemnt		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances		-		-	
(e) Other non-current assets		-	-	-	-
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	5	40,804		40,804	
(e) Short-term loans and advances		-		-	
(f) Other current assets - Work in Progress			40,804		40,804
Total			40,804		40,804

See accompanying notes forming part of the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FIRM REG.NO. 04915S/S200036

K.Parthasarathy
Partner
M.No. 018394
Place : Chennai
Date : 24-08-2017

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

For Moviebuff Private Limited

Director

Director

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2017

Particulars	Note	For the Year ended 31-03-2017	For the Year ended 31-03-2016
REVENUE			
I. **Revenue from Operations**			
Income from Advertisement		-	-
Other operating revenues		-	-
Less: Excise Duty		-	-
		-	-
II. **Other income**		-	-
III. **Total Revenue (I + II)**		-	-
EXPENSES			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade (Import Purchases)		-	-
Stock Transfers from Other Branches		-	-
Changes in inventores of finished goods, work-in-progress and stock-in-		-	-
Employee benefits expenses		-	-
Finance costs	8	-	81
Management Fees Control A/c		-	-
Depreciation and Amortization		-	-
Other expenses	9	17,890	30,450
Work in Progress			
IV. **Total expenses**		17,890	30,531
V. **Profit before exceptional and extraordinary items and tax (III - IV)**		(17,890)	(30,531)
VI. Exceptional Items		-	-
VII. **Profit before extraordinary items and interest tax (V - VI)**		(17,890)	(30,531)
VIII. Extraordinary Items		-	-
IX. **Profit before tax (VII - VIII)**		(17,890)	(30,531)
X. **Tax expenses**			
(1) Current tax - Provision		-	-
(2) Deferred tax		-	-
(3) Excess Provision Written Back			
XI. **Profit / (loss) for the period from continuing operations (IX -X - XIV)**		(17,890)	(30,531)
XII. Profit / (loss) from discontinuing operations		-	-
XIII. Tax expenses of discontining operations		-	-
XIV. Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. **Profit / (loss) for the period (XI + XIV)**		(17,890)	(30,531)
XVI. **Earnings per share:**			
(1) Basic		(1.75)	(2.99)
(2) Diluted		(1.75)	(2.99)

See accompanying notes forming part of the financial statements

As per our Report of even date

For CNGSN & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FIRM REG. NO. 049155/S200036

K.Parthasarathy
Partner
M.No. 018394
Place : Chennai
Date : 24-08-2017

For Moviebuff Private Limited

Director

Director

MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2017

Amount in ₹

Particulars		As at 31st March 2017	As at 31 March 2016
2. SHARE CAPITAL			
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share			
Authorised Share Capital			
8,50,000/- Equity Shares of Rs. 10/- each		85,00,000	85,00,000
Issued, Subscribed and Paid Up			
10,200 Equity Shares of Rs. 10/- each		1,02,000	1,02,000
(Previous year 10,200 equity shares of Rs. 10/- each)			
		1,02,000	**1,02,000**
Paid-up Share Capital			
10,200 Equity Shares of Rs. 10/- each		1,02,000	1,02,000
(Previous year 10,200 equity shares of Rs. 10/- each)			
		1,02,000	**1,02,000**
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:			
Number of equity shares outstanding as at the beginning of the year		NIL	NIL
Add: Number of Shares allotted during the year		-	-
		-	-
Less: Number of Shares bought back		-	-
Number of equity shares outstanding as at the end of the year		NIL	NIL
(C) Rights, preferences and restrictions attaching			
(D) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates			
(E) Shares in the company held by each shareholder holding more than 5%:			
Name of Sharholders	**No. of Shares**	**% of holding**	**% of holding**
P Jayendra	5,100	50.00%	50.00%
V Senthil Kumar	5,100	50.00%	50.00%
(F) Shares reserved for issue under options and contracts			
(G) Commitments for sale of shares/ disvestment			
(H) Details of allotment of shares for consideration other than for cash			
(I) Details of securities convertible into equity / preference shares			



MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

Amount in ₹

NOTES TO THE ACCOUNTS AS AT 31st MARCH, 2017

Particulars	As at 31st March 2017	As at 31 March 2016
3. RESERVES AND SURPLUS		
Surplus (P&L a/c) as under:	(2,07,808)	(1,89,918)
	(2,07,808)	**(1,59,387)**
Surplus (P&L a/c):		
Opening Balance	(1,89,918)	(1,59,387)
Profit / (Loss) for the period -	(17,890)	(30,531)
	(2,07,808)	(1,89,918)
Less: Proposed dividends	-	-
Tax on distributed profits	-	-
Balance of Profit / Loss	(2,07,808)	(1,89,918)
Less: Transfer to General Reserve	-	-
	(2,07,808)	**(1,89,918)**
4. TRADE PAYABLES		
(I) Audit Fees Payable	34,122	28,222
(ii)Creditors for Services - Others	11,990	-
	46,112	**28,222**
5. CASH AND CASH EQUIVALENTS		
(A) Balance with banks		
(I) Earnmarked Bank balances	-	-
(II) Bank balances held as margin money or as security against		
(i) Gurantees	-	-
(ii) Letters of Credit	-	-
(III) Other bank balances		
(i) Bank Deposits with more than 12 months maturity	-	-
(ii) Others- Indian Overseas Bank	40,804	40,804
	40,804	**40,804**

6. Specified Bank Notes Disclosure (SBN's)

During the year, the company had no specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, and hence the question of denomination wise SBNs and other notes as per the notification does not arise.

7.CONTINGENT LIABILITIES AND COMMITMENTS:

Particulars	As at 31-03-2017	As at 31-03-2016
Contingent Liabilities	-	-
Total	-	-



MOVIEBUFF PRIVATE LIMITED
(Formerly known as South Beach Software Private Limited)
42, Dr. Ranga Road, Mylapore, Chennai - 600004

NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Amount in ₹

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
8. FINANCE COSTS		
Bank Charges and Commission	-	81
	-	81
9. OTHER EXPENSES		
Payment to statutory auditors as auditors		
for Statutory audit	5,900	5,750
Filing Fees	1,500	4,000
Professional Fees	10,490	20,700
	17,890	**30,450**



715

Annexure - 17(c)

ANNUAL REPORT 2016-17

HIGH IMPACT ADVERTISING



digital cinema

UFO MOVIEZ INDIA LIMITED

Certified True Copy
For UFO Moviez India Limited

S. S. Chan

Company Secretary

UFO MOVIEZ INDIA LIMITED

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UFO MOVIEZ AT A GLANCE

UFO Moviez India Limited is India's largest satellite-based digital cinema distribution network and in-cinema advertising platform. UFO delivers movie content through satellite-based cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. As on March 31, 2017, UFO's network consisted of 6,579 screens worldwide, including 5,105 screens across India and 1,474 screens across the Middle East, Israel, Mexico and USA.

OUR VISION

To be the leader in big screen entertainment by enhancing value for all stakeholders & bringing joy to people's lives, through innovation.



UFO digital cinema

OVERVIEW

Resilience in a Tough Microenvironment

Revenue ₹ 5,989 Mn

consolidated revenue grew 4.7%

₹ 1,845 Mn
EBITDA
compared to ₹ 1,848 Mn in FY2016

₹ 632 Mn
PAT
compared to ₹ 635 Mn in FY2016

₹ 10
DIVIDEND PER SHARE
compared to ₹ 8, higher by 25% over FY2016. Reflecting a payout (including dividend distribution tax) of 53% compared to 42% in FY2016 of consolidated profits

Steady Theatrical Performance

5,105 **SCREENS**
strengthening theatrical network

2,321
DISTRIBUTORS
delivered movies on UFO's digital cinema network

1,790
MOVIES
were delivered during FY2017 compared to 1,738 movies in FY2016

Healthy Advertising Performance is Evident from Growing Screen Strength and Advertisement Revenues

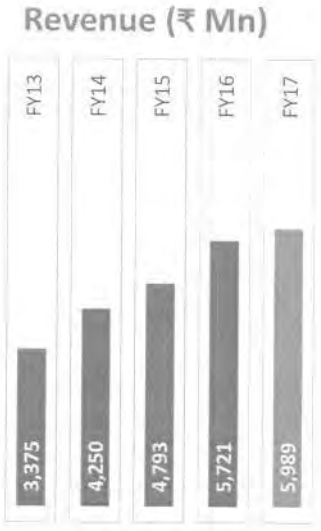
3,745 **IN-CINEMA ADVERTISING SCREENS**
1,027 Multiplex screens & 2,718 Single screens across India
In-cinema advertisement revenue grew by 13.4% to ₹ 1,790 Mn in FY2017

2,824
ADVERTISERS
grew from 2,556 advertisers in FY2016

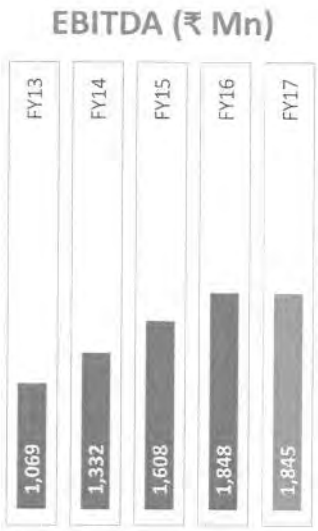
4.34
ADVERTISEMENT MINUTES/SCREEN/SHOW
compared to 4.15 minutes/screen/show in FY2016

UFO MOVIEZ INDIA LIMITED

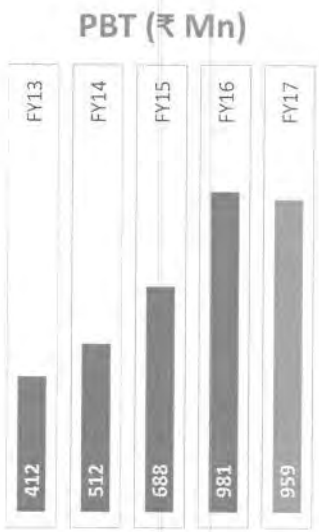
CONSOLIDATED FINANCIAL HIGHLIGHTS



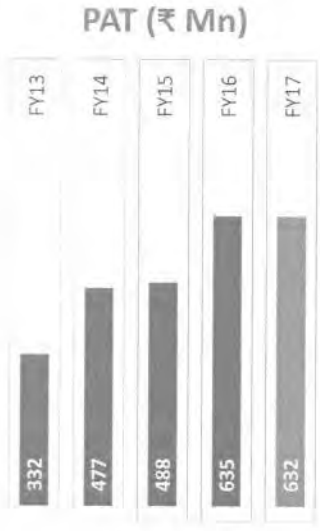
15% CAGR



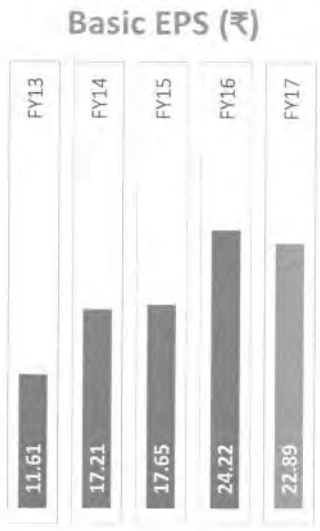
15% CAGR



24% CAGR



17% CAGR



18% CAGR

FY16		FY17
13.09%	←RoE→	11.54%
17.63%	←RoCE→	15.44%

FY16		FY17
24	←Net Debt (₹ Mn)→	-718
0.01x	←Net Debt/EBITDA→	-0.39x

UFO MOVIEZ INDIA LIMITED

UFO
digital cinema

LETTER TO SHAREHOLDERS



Dear Shareholders,

Fiscal 2017 was another eventful year. The Government's decision to demonetize high currency notes had a transient impact on business performance, however we know that the fundamental mission of this move was to support long term economic growth of India. Also, the passage of the Goods and Services Tax bill and its recent implementation on July 1, 2017 are expected to positively contribute to India's long term goals despite short term challenges. We believe that the growing economic activity will present more prospects, and we are well placed to embrace emerging opportunities to continue growing.

During the year, we made significant progress towards achieving our long term goals. We delivered healthy operating cash flows and also declared 100% dividend for the fiscal year 2017, representing our second consecutive annual dividend with an increased payout since listing in May 2015.

Our advertising business maintained healthy momentum despite the impact of demonetization in the second half of fiscal 2017. Advertisement revenues grew 13.4% during the year driven by both increase in advertisement inventory utilization and average realization. Going forward, the advertisement inventory utilization has enormous head room for delivering growth from the current level of 4.34 minutes per screen per show. Our sales team continued to grow the new client base while focusing on strengthening engagements with existing clients. The hyperlocal advertising solution - UFO Framez also gained healthy traction during the year, and while UFO Framez' contribution remained small, it is expected to be one of the drivers which will propel the in-cinema advertising growth in the foreseeable future.

"With over 4,000 in-cinema advertisement screens, UFO Moviez is a prominent media Company that operates India's largest in-cinema advertising network of screens."



Our advertising business is getting stronger, the advertising network has grown from 3,713 screens as on March 31, 2016 to 3,745 screens as on March 31, 2017. Recently we also entered into a strategic tie up with United Media Works under which we have acquired exclusive long term advertising rights of over 300 screens increasing UFO's screen strength to over 4,000 screens in fiscal 2018.

Fiscal 2017 was a tough year for Caravan Talkies, demonetization adversely impacted this business. Despite the major setback, we were able to contain operating losses during the year led by cost optimization initiatives. With the impact of demonetization behind us, and increased economic activity in rural India, Caravan Talkies has started witnessing healthy traction and is expected to deliver strong operating performance going forward.

Our asset light franchisee theater business NOVA Cinemaz saw the launch of our first NOVA Cinemaz branded theater in Punjab during the year. Subsequently, we also launched the second theater in Maharashtra. The objective of NOVA Cinemaz is to drive organic screen growth in the Country in the long term which would serve as a captive customer base for UFO's core business offering.

As fiscal 2018 begins, we certainly think that in-cinema advertising industry stands at an inflection point where it is starting to take off. In-cinema advertising is identified as an impact advertising platform and an increasing trend towards impact advertising is emerging. With over 4,000 in-cinema advertisement screens, UFO Moviez is a prominent media Company that operates India's largest in-cinema advertising network of screens. UFO's extensive reach with high flexibility over the advertising process positions us well to lead, capitalize on opportunities and drive long term growth of the Company.

In conclusion, UFO over the last decade has made a significant impact and has become more relevant to all stakeholders. Looking to the future, we have every confidence that we will deliver on our commitments to our shareholders, clients, employees and stakeholders. We want to thank our shareholders for their unconditional support. We would also like to thank the employees and the senior leadership team for their sincere efforts and valued contribution and for showing remarkable capabilities, discipline, determination and skills.

Thank you all for your continued support and best wishes.

Warm Regards,

Sanjay Gaikwad
Founder & Managing Director

Kapil Agarwal
Joint Managing Director

UFO MOVIEZ INDIA LIMITED

UFO digital cinema

CORPORATE INFORMATION

Board of Directors

Sanjeev Aga	Chairman & Independent Director
Ameya Hete	Non-Executive Director
Kapil Agarwal	Joint Managing Director
Lynn de Souza	Independent Director
Raaja Kanwar	Non-Executive Director
S. Madhavan	Independent Director
Sanjay Gaikwad	Managing Director
Varun Laul	Non-Executive Director

Chief Financial Officer

Ashish Malushte

Company Secretary

Sameer Chavan

Auditors

S.R. Batliboi & Associates LLP, Chartered Accountants

Bankers

HDFC Bank Limited
Yes Bank Limited

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Financial District
Nanakramguda, Gachibowli, Hyderabad – 500 032
Tel No.: 040 6716 2222; Fax No.: 040 2300 1153
Toll Free No.: 1800 345 4001
Email: einward.ris@karvy.com

Registered and Corporate Office

Valuable Techno Park, Plot No.53/1, Road No.07,
Marol MIDC, Andheri (East),
Mumbai- 400 093
Tel: 022 4030 5060
Email: investors@ufomoviez.com
Website: www.ufomoviez.com

Corporate Identity Number

L22120MH2004PLC285453

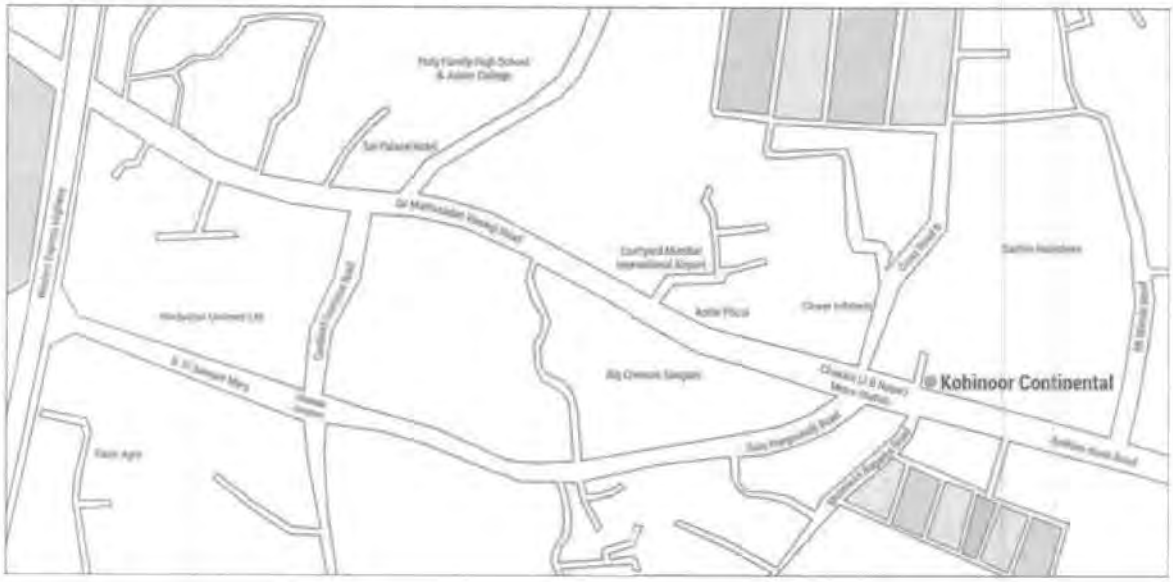
ANNUAL GENERAL MEETING

Date : Tuesday, September 26, 2017

Time : 11:00 a.m.

Venue : Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059

ANNUAL GENERAL MEETING VENUE - ROUTE MAP



UFO MOVIEZ INDIA LIMITED

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of UFO Moviez India Limited ("the Company") will be held on Tuesday, the 26th day of September 2017 at 11:00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 to transact the following business(es):

Ordinary Business

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of ₹ 10 per equity share.
3. To appoint a Director in place of Mr. Ameya Hete (DIN No. 01645102), who retires by rotation, and being eligible, offers himself for re-appointment.
4. Ratification of appointment of Statutory Auditors:

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), S.R. Batliboi & Associates LLP, Chartered Accountants, having ICAI Firm Registration No.101049W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year ending March 31, 2018, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to the applicable taxes and reimbursement of actual out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or the duly appointed company secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Special Business:

5. **Re-appointment of Mr. Sanjeev Aga (DIN: 00022065) as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sanjeev Aga, (DIN: 00022065) Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

   RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Mr. Sanjeev Aga for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

   RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

6. **Re-appointment of Ms. Lynn de Souza (DIN: 01419138) as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Lynn de Souza (DIN: 01419138), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

   RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Ms. Lynn de Souza for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the

Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

7. **Re-appointment of Mr. S. Madhavan (DIN: 06451889) as an Independent Director**

To consider and, if thought fit, to pass the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. S. Madhavan (DIN: 06451889), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company on a non-rotational basis to hold office for a period of five years i.e. from November 20, 2017 to November 19, 2022.

RESOLVED FURTHER THAT in addition to sitting fees payable for attending the meetings of the Board of Directors of the Company and committees thereof, the Company be and is hereby authorised to pay Mr. S. Madhavan for a period of five years commencing from November 20, 2017, such commission as the Board of Directors may from time to time determine not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes.

RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take all necessary steps and to do all such acts, deeds and things as may be required from time to time, to give effect to this resolution including making the necessary filings and applications with the concerned statutory authorities and to settle any question or difficulty which may arise in regard thereto in such manner as it may deem expedient."

8. **Approval of the fees for delivery of documents through specific mode of delivery on request of the member(s).**

To consider and, if thought fit, to pass the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the member.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

By order of the Board of Directors

Sameer Chavan
Company Secretary
M. No. F7211

Date : July 11, 2017
Place : Mumbai

Notes:

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses under Item Nos. 5 to 8 of the accompanying Notice is annexed hereto. Additional information, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard – 2 issued by Institute of Company Secretaries of India as notified by the Central Government on General Meetings in respect of Directors seeking appointment or re-appointment at the Annual General Meeting is furnished as Annexure to the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. A form of proxy is enclosed to this Notice. No instrument of proxy shall be valid unless:
   (i) it is signed by the Member or by his/her attorney duly authorised in writing or, in the case of joint

holders, it is signed by the Member first named in the Register of Members or his/her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any Member, who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank.

(ii) it is duly filled, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.

5. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

6. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Computershare Private Limited having their office premises at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Andhra Pradesh, India.

7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 01.00 p.m. except Saturday, Sunday and public holidays, up to the date of the Annual General Meeting.

8. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, September 19, 2017 to Tuesday, September 26, 2017 (both days inclusive).

9. Dividend, if declared, will be paid after Wednesday, September 27, 2017 to those members whose names will appear on the Register of Members of the Company and, in respect of those members who hold shares in the electronic form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) or to their mandate as of the close of business on Monday, September 18, 2017.

10. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules thereon. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH -13 duly filled in to Karvy Computershare Private Limited at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Karvy Computershare Private Limited / the Company immediately.

11. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2016-17 are being sent by e-mail to those members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/her Depository Participant / the Company's Registrar & Share Transfer Agents, M/s. Karvy Computershare Private Limited, as the case may be.

12. Members are requested to: a) intimate to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited at the abovementioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form; b) intimate to the respective Depository Participants, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form; c) quote their folio numbers / DP ID Client ID in all correspondence; d) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

13. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her query to the Company at least between seven working days prior to the meeting, so that the required information can be made available at the meeting.

14. Pursuant to the provision of the Companies Act, 2013,the amount of unpaid / unclaimed dividends for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (hereinafter referred to as 'IEPF') established by the Central Government.

    In accordance with provisions of the said Section, no claim shall lie against the Company or the fund in respect of individual amounts of dividend remaining unclaimed for a period of seven years from the dates they became first due for payment and no payment shall be made in respect of any such claims. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company http://www.ufomoviez.com/ and on the website of the Ministry of Corporate Affairs.

15. The due date of transferring unclaimed and unpaid dividend declared by the Company to IEPF:

Equity dividend for FY	Date of declaration of dividend	Date by which unclaimed dividend can be claimed	Proposed period for transfer of unclaimed equity dividend to IEPF
2015-16 (Interim)	March 11, 2016	April 9, 2023	From 10 April, 2023 to May 9, 2023
2015-16 (Final)	September 14, 2016	October 13, 2023	From October 14, 2023 to November 12, 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid dividend are requested to make their claim to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited well in advance to the above due date.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited. Non-Resident Indian members are requested to inform Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited, immediately of: (i) Change in their residential status on return to India for permanent settlement; (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

17. Payment of Dividends through electronic mode: In terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, listed companies shall mandatorily make all payments to investors including dividend to shareholders, by using any the Reserve Bank of India approved electronic mode of payment viz, electronic clearance services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. We, therefore, request you to do the following: (i) In case of holding of shares in demat form, update your bank account details with your Depository Participants (DP) immediately. (ii) In case of physical shareholding, submit bank details along with photocopy of the cancelled cheque of your account to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited at its office at Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032.

This will facilitate the remittance of the dividend account amount as directed by SEBI in the Bank Account electronically.

18. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(a) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

i. Launch internet browser by typing the URL:https://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with

attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at dmz@dmzaveri.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format **"Corporate name event no."**

(b) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

(i) E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.

(ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

19. **Voting at Annual General Meeting (AGM) Venue:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through ballot shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however, those Members are not entitled to cast their vote again in the Meeting.

20. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

21. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. B Srinivas (Unit: UFO Moviez India Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at einward.ris@karvy.com or phone no. 040 – 6716 2222 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

22. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

23. The remote e-voting period commences on Thursday, September 21, 2017 (09.00 am) and ends on Monday, September 25, 2017 (05.00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 19, 2017 may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

24. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 19, 2017.

25. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-voting i.e., Tuesday, September 19, 2017, he/she may obtain the User ID and Password in the manner as mentioned below:

(i) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

(ii) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(iii) Member may call Karvy's toll free number 1800-3454-001.

(iv) Member may send an e-mail request to einward.ris@karvy.com. However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.

26. Mr. Dharmesh Zaveri, Practicing Company Secretary (FCS: 5418 CP: 4363), has been appointed as Scrutinizer to scrutinize the voting process in a fair and transparent manner.

27. The Scrutinizer after scrutinizing the votes cast at the Meeting through ballot or polling paper and through remote e-voting, shall within 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

28. The results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company (www.ufomoviez.com) and on the website of the Karvy (https://evoting.karvy.com). The results shall simultaneously be communicated to BSE Limited and the National Stock Exchange of India Limited.

29. The resolutions shall be deemed to be passed on the date of the Meeting, i.e. Tuesday, September 26, 2017 subject to receipt of the requisite number of votes in favour of the resolutions.

30. The route map showing directions to reach the venue of the Annual General Meeting is annexed.



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

For Item no. 5 to 7

The Members of the Company, at the Extra-Ordinary General Meeting held on November 20, 2014 had approved the appointment of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company, whose term is due to expire on November 19, 2017.

As per Section 149(10) of the Companies Act, 2013 ("the Act"), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

The brief profile of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan is given below:

Mr. Sanjeev Aga – Mr. Sanjeev Aga is the Chairman and Independent Director of the Company. He did his B.Sc. (Honours) Physics from St. Stephen's College, Delhi University, and P.G.D.M. from the Indian Institute of Management, Calcutta. In his work career he has been the Managing Director of BlowPlast Ltd, of Aditya Birla Nuvo Ltd, and of Idea Cellular Ltd. He now serves on the boards of reputed companies in a non-executive capacity.

Ms. Lynn de Souza – Ms. Lynn de Souza is an Independent Director of the Company. She has a bachelor's degree in economics from the University of Mumbai and a master's degree in management studies, specialising in marketing from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She is also a certified veterinary nurse from TAFE, Brisbane Australia. Prior to joining the Company, she was associated with Lintas India Private Limited, as Chairman and CEO of Lintas Media Group.

Mr. S. Madhavan – Mr. S. Madhavan is an Independent Director of the Company. He has a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and is a certified Chartered Accountant. He has worked with Hindustan Unilever earlier and before joining the Company Board, he was a senior partner with PricewaterhouseCoopers.

In the opinion of the Board, Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan fulfill the conditions and criteria specified in the Act for their appointment as independent directors of the company. As on March 31, 2017 except Mr. S. Madhavan who was holding 1,500 equity shares of the Company (as on date 2,500 equity shares), none of the Independent Directors of the Company was holding any equity shares of the Company as on March 31, 2017 or as on date.

The Company has received notice under Section 160 of the Act from members of the Company along with requisite deposit proposing candidature of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company.

In line with the aforesaid provisions of the Act and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan, it is proposed to re-appoint them for the second term as Independent Directors on the Board of the Company for a period of five years upto November 19, 2022. Accordingly, the Board recommends passing of the Resolution at Item No. 5, 6 and 7 of the Notice respectively as a Special Resolution.

Copy of the draft letter for appointment of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on all working days between 11.00 a.m. to 01.00 p.m. except Saturday, Sunday and public holidays, up to the date of the Annual General Meeting.

Except Mr. Sanjeev Aga, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Except Ms. Lynn de Souza, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Except Mr. S. Madhavan, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

For Item no. 8

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the Special Resolution at Item No. 8 of the accompanying Notice for members approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

Details of the Director seeking re-appointment in the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2.

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
Date of Birth and Age	November 28, 1975 41 years	February 1, 1952 65 years	October 26, 1960 56 years	October 27, 1956 60 years
Date of Initial Appointment	October 17, 2008	November 20, 2014.	November 20, 2014.	November 20, 2014.
Qualification	Holds a bachelor's degree in industrial engineering from the University of Nagpur and a master's degree in industrial engineering from the Binghamton University, New York, United States of America.	B.Sc.(Honours) Physics,St. Stephen's College, Delhi University. P.G.D.M., Indian Institute of Management, Calcutta.	Holds a bachelor's degree in economics from the University of Mumbai and a master's degree in management studies, specialising in marketing from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She is also a certified veterinary nurse from TAFE, Brisbane Australia.	Holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and is a certified Chartered Accountant.
Experience and Expertise in specific functional areas	More than 18 years of experience in the field of engineering and general corporate management.	Over 44 years in general management in top leadership positions.	Over 25 years in marketing through media planning, buying, research and management, with some stopovers into integrated communications, knowledge management, training and healthcare, and a permanent passion for serving animals in distress. Now serving the social sector through communications.	More than 37 years of experience in the field of finance, taxation, accounts, strategy, and general Corporate Management
No. of meetings of the Board attended during the financial year 2016-17.	6 out of 7	6 out of 7	6 out of 7	6 out of 7
List of Directorship of Board as on March 31, 2017.	1. Valuable Reserves (India) Private Limited 2. Avista Multiventures Private Limited 3. Ve-comm Software Private Limited 4. Valuable Infra-Tech Private Limited 5. Valuable Media Limited 6. Valuable Infrastructure Private Limited 7. Valuable Innovations Private Limited 8. Valuable Edutainment Private Limited	1. Idea Cellular Limited 2. Pidilite Industries Limited 3. Mahindra Holidays & Resorts India Limited 4. Mahindra Logistics Limited 5. UFO Moviez India Limited 6. Manjushree Technopack Limited 7. Larsen and Toubro Limited 8. Larsen & Toubro Infotech Limited	1. Social Access Communications Private Limited 2. Goa Society for Prevention of Cruelty to Animals 3. The Navy Blue Foundation 4. Federation of Indian Animal Protection Organisation 5. UFO Moviez India Limited 6. Scrabble Entertainment Limited 7. Southern Digital Screenz India Private Limited 8. Infiniti Retail Limited	1. HCL Technologies Limited 2. Shopkhoj Content Private Limited 3. UFO Moviez India Limited 4. Scrabble Entertainment Limited 5. Southern Digital Screenz India Private Limited 6. CBIX Technology Solutions Pvt. Ltd. 7. Multiples LLP (Partner)

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
	9. Impact Media Exchange Limited 10. M5 Media Investments Private Limited 11. Sky N Land Video Networks Private Limited 12. Valuable Technologies Limited 13. Spadeworx Software Services Private Limited 14. Titbit Interactive Systems Private Limited 15. Goldencrest Financial Services Private Limited 16. Qwik Entertainment India Limited 17. Asiastar City Holdings Private Limited 18. UFO Moviez India Limited 19. Valuable Technologies Inc, USA 20. Titbit Global Pte Ltd 21. Bluebird Entertainment Pte Ltd. 22. AH Technologies LLC. (Partner) 23. Titbit Inc. 24. Valuable Infocom Ltd., Hong Kong.			
List of Membership / Chairmanship of as on March 31, 2017.	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Nomination and Remuneration Committee-Member 2. Finance Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Chairman 2. Nomination and Remuneration Committee-Member 3. Compensation Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Member 2. Corporate Social Responsibility Committee -Member 3. Compensation Committee-Member	Chairmanship / Membership of Committee UFO Moviez India Limited 1. Audit and Risk Management Committee-Member 2. Nomination and Remuneration Committee-Chairman 3. Compensation Committee-Chairman

UFO MOVIEZ INDIA LIMITED

Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
		Pidilite Industries Limited 1. Stakeholders Relationship Committee-Chairman 2. CSR Committee-Chairman Idea Cellular Limited 1. Finance Committee-Member 2. Shareholders Grievance Committee-Member 3. Securities Allotment Committee-Member Mahindra Holidays & Resorts India Limited 1. Audit Committee-Member 2. Strategy & Review Committee-Member 3. Investment Committee-Member Mahindra Logistics Limited 1. Audit Committee-Member 2. Remuneration Committee-Member 3. MLL Key Exec Stock Option Scheme-2013-Member Larsen and Toubro Limited 1. Audit Committee-Member	Scrabble Entertainment Limited 1. Audit Committee-Member 2. Nomination and Remuneration Committee-Member 3. Corporate Social Responsibility Committee -Member Southern Digital Screenz India Private Limited 1. Audit Committee-Member 2. Nomination and Remuneration Committee-Member Infiniti Retail Limited 1. Audit and Risk Management Committee -Member 2. Corporate Social Responsibility Committee-Member 3. Committee of the Board - Member	Scrabble Entertainment Limited 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Chairman Southern Digital Screenz India Private Limited 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Chairman HCL Technologies Limited 3. Stakeholders Relationship Committee-Chairman 4. Audit Committee-Member 5. Risk Management Committee-Member 6. Finance Committee-Chairman 7. Corporate Social Responsibility Committee-Member
Shareholding in the Company as on date	217,797 equity shares	Nil	Nil	2,500 equity shares
Relationship with other directors, manager and Key Managerial Personnel of the Company	No Relation	No Relation	No Relation	No Relation



Name of Director	Mr. Ameya Hete	Mr. Sanjeev Aga	Ms. Lynn de Souza	Mr. S. Madhavan
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Mr. Ameya Hete is a Non-executive, Non-independent Director of the Company. Remuneration sought to be paid -Nil. Remuneration paid during financial year 2016-17-Nil	Mr. Sanjeev Aga is Chairman, Non-executive and Independent Director of the Company. Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17-₹ 35 lacs.	Ms. Lynn de Souza is Non-executive and Independent Director of the Company Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17-₹ 20 lacs.	Mr. S. Madhavan is Non-executive and Independent Director of the Company Remuneration sought to be paid – Not exceeding 1% of the net profits of the Company in any financial year computed in the manner provided in Section 198 of the Act plus applicable taxes. Remuneration paid during financial year 2016-17-₹ 20 lacs.
Justification for choosing the appointee for the appointment as Independent Directors	NA	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.

By order of the Board of Directors

Sameer Chavan
Company Secretary
M. No. F7211

Date : July 11, 2017
Place : Mumbai

Registered Office Address:
Valuable Techno Park, Plot No. 53/1,
Road No. 7, MIDC, Marol,
Andheri (East), Mumbai – 400 093,
Maharashtra, India
E-mail:investors@ufomoviez.com
CIN: L22120MH2004PLC285453

UFO MOVIEZ INDIA LIMITED

DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting the thirteenth report on the business and operations of your Company for the year ended March 31, 2017.

RESULT OF OPERATIONS

The financial performance of your Company on a standalone and consolidated basis for the year ended March 31, 2017 is summarized below:

(In ₹ Mn)

Particulars	Standalone			Consolidated		
	FY17	FY16	Growth	FY17	FY16	Growth
Revenue from Operations	3,861	3,490	10.6%	5,949	5,655	5.2%
Other Operating Income	6	6	-20.1%	23	46	-50.0%
Other Income	6	12	-47.2%	17	20	-19.2%
Total Income	**3,873**	**3,508**	**10.4%**	**5,989**	**5,721**	**4.7%**
Total Expenses	**2,587**	**2,235**	**15.7%**	**4,144**	**3,873**	**7.0%**
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	**1,286**	**1,273**	**1.0%**	**1,845**	**1,848**	**-0.2%**
EBITDA Margin	33.2%	36.3%		30.8%	32.3%	
Depreciation and Amortisation	615	588	4.6%	838	774	8.2%
Earnings before Interest and Tax (EBIT)	**671**	**685**	**-2.1%**	**1,007**	**1,074**	**-6.2%**
Finance Cost	69	98	-30.0%	102	140	-27.1%
Finance Income	(165)	(137)	20.4%	(54)	(47)	14.5%
Profit before Tax (PBT)	**767**	**724**	**5.9%**	**959**	**981**	**-2.2%**
Tax	224	214	4.6%	362	346	4.6%
Profit after Tax (PAT)	**543**	**510**	**6.5%**	**597**	**635**	**-5.9%**
Profit from Associates	-	-		69	39	-75.2%
Minority Interest	-	-		(34)	(39)	12.7%
Profit after Tax, Profit from Associates & Minority Interest	**-**	**-**	**-**	**632**	**635**	**-0.5%**

For a detailed analysis of the financial performance, please refer to the "Management Discussion and Analysis" Section, forming part of the Annual Report.

There are no material changes or commitments affecting the financial position of the Company between the end of the Financial Year in question and the date of this report.

DIVIDEND

Based on the Company's performance, the directors are pleased to recommend for approval of the members a dividend of ₹ 10.00 per share for the financial year 2016-17. The dividend on equity shares, if approved by the members, would involve a cash outflow of ₹ 332.20 Mn including dividend tax resulting in a payout of 61.20% of the standalone profits of the Company.

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2017, was ₹ 276,008,010. During the year under review, the Company has allotted 101,425 equity shares pursuant to the exercise of the rights granted to the employees of the Company under the Employee Stock Option Scheme 2006 and the Employee Stock Option Scheme 2010, to convert their employee stock options into equity shares. The Company has



not issued any shares with differential voting rights. Also, during the year under review, the Company has not issued any sweat equity shares. As of March 31, 2017, none of the Directors of the Company hold instruments convertible into equity shares of the Company except stock options granted under the relevant employee stock option schemes of the Company.

EMPLOYEE STOCK OPTIONS

During the year under review, employees had exercised employee stock options granted to them under the Employee Stock Option Scheme 2006 and the Employee Stock Option Scheme 2010. Pursuant to the exercise of options by employees, your Company had allotted 2,736 equity shares under the Employee Stock Option Scheme 2006 and 98,689 equity shares under the Employee Stock Option Scheme 2010 to the employees against the same numbers of options exercised by them. As on date there are no outstanding options under Employee Stock Option Scheme 2006 and Employee Stock Option Scheme 2010, and both schemes stand terminated.

Currently, the Company operates the Employee Stock Option Scheme 2014, which is compliant with SEBI ESOP Regulations.

During the year under review, the Company has not granted any employee stock options under employee stock options schemes of the Company.

The details of employee stock options form part of the notes to accounts of the financial statements in the Annual Report and also available on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report.

PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as 'Annexure-1" to this report.

FINANCIAL STATEMENTS

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on a historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of the underlying transactions and to reasonably present the state of affairs as on March 31, 2017 and the profits and cash flows of the Company for the year ended March 31, 2017.

There is no qualification in the standalone or in the consolidated financial statements by the Statutory Auditors for the year under review. The Statutory Auditors have, in their report to the Board of Directors on the financial statements of the Company made the comments which are categorized as "Matter of emphasis", which are self-explanatory and hence no comments in this regard have been offered by your directors.

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals which impact the Company's going concern status and its operations in future.

SCHEME OF ARRANGEMENT

The petition for sanction of the Scheme of Arrangement among Southern Digital Screenz India Private Limited, V. N. Films Private Limited, Edridge Limited, UFO International Limited ("Transferor Companies") and UFO Moviez India Limited ("Transferee Company") and their respective shareholders and creditors is pending before the National Company Law Tribunal.

Following are the key features of the Scheme of Arrangement:

i. The Transferor Companies viz. Southern Digital Screenz India Private Limited, V. N. Films Private Limited, Edridge Limited, UFO International Limited are wholly owned subsidiaries of UFO Moviez India Limited. With a view of consolidating the digital cinema business, it is proposed that the Transferor Companies be merged with UFO Moviez India Limited.

ii. The amalgamation will also result in reduction in multiplicity of legal entities and thereby reduction in regulatory compliances required at present and will also

enhance its ability to compete effectively in the highly competitive digital cinema market in India.

iii. The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.

iv. The amalgamation shall be accounted for in the books of account of the Transferee Company according to the "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations'.

v. Appointed Date" for the Scheme is: a) for the purpose of this scheme relating to amalgamation of Transferor Company 1 (i.e. Southern Digital Screenz India Private Limited) with the UFO Moviez India Limited means July 1, 2016 and b) for the purpose of this scheme relating to amalgamation of Transferor Company 2 (i.e. , V. N. Films Private Limited), Transferor Company 3 (i.e. Edridge Limited) and Transferor Company 4 (i.e. UFO International Limited) with UFO Moviez India Limited means April 1, 2016.

vi. Upon the Scheme coming into effect, the debit balance in profit and loss account of Transferor Companies and the difference arising on account of net assets and reserves acquired and the cancellation of investments in the Transferor Companies shall be adjusted against Securities Premium of the UFO Moviez India Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015'), the Management Discussion and Analysis is set out in the Annual Report.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

At the beginning of the year, your Company had 6 direct subsidiaries, 10 step-down subsidiaries, 4 associates, and 1 joint venture. During the year under review, the joint venture company has become the associate of the Company.

During the year under review, the Board of Directors reviewed the affairs of the subsidiaries. The consolidated financial statements of the Company and all its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013, and form part of the Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiaries of the Company in the prescribed format AOC- 1 is attached to the financial statements. The statement also provides the details of performance and financial position of each of the subsidiaries, associates and joint ventures.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx These documents are also available for inspection during business hours at the Company's registered office in Mumbai, India.

During the year under review, the Company has made an investment of ₹ 140 Mn in Southern Digital Screenz India Private Limited (SDS), a subsidiary company of the Company, by purchasing 680,117 (representing 15.82% of equity share capital of SDS) equity shares from existing shareholders of SDS. Post this acquisition, SDS became a wholly owned subsidiary of the Company.

The Board of Directors of the Company in its meeting held on May 17, 2017 has approved purchase of 66,609 equity shares of Scrabble Entertainment Limited (Scrabble), a subsidiary company of the Company, from the existing equity shareholder of Scrabble at a total consideration of ₹ 145.34 Mn. After completion of share transfer formalities Scrabble will become wholly owned subsidiary of the Company.

CORPORATE GOVERNANCE

The Corporate Governance Report for the financial year ended March 31, 2017, forms part of the Annual Report.

BOARD DIVERSITY

Your Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives, appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at the Board level as an essential element in maintaining competitive advantage. A truly diverse Board will include and make good use of the differences in the skills, regional and industry experience, and background among directors. These differences are considered in determining the optimum composition of the Board. The Board has adopted a Board Diversity Policy which sets out its approach in this regard. The Board Diversity Policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

NUMBER OF MEETINGS OF THE BOARD

The Board met 7 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two consecutive board meetings was within the period prescribed by the Companies Act, 2013.



POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an optimum combination of executive and non-executive directors with an independent, non- executive chairman to maintain the independence of the Board, and to separate the functions of governance and management in the Company.

As on March 31, 2017, the Board consisted of eight members, two of whom are executive directors and six are non-executive directors. Out of the six non-executive directors, three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining the qualifications, the positive attributes, independence and other matters, provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as "Annexure-2" to this report. The remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and under the SEBI (LODR) Regulations, 2015.

BOARD EVALUATION

Regulation 4(2)(f) the SEBI (LODR) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance evaluation of all the individual directors, the Board as a whole and that of its committees was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as recommended by the Chairman of the Nomination and Remuneration Committee.

TRAINING OF INDEPENDENT DIRECTORS

The Company familiarizes its Directors including independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The familiarization programme for Independent Directors is disclosed on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The Managing Director and the Joint Managing Director also have one-on-one discussion with the Directors on a regular basis. In addition, the Senior Management of the Company interacts regularly with the Directors both individually and collectively. The above initiatives help the Directors to understand and keep themselves updated about the Company, its business and the regulatory framework in which the Company operates and equip themselves to effectively fulfill their role as Directors of the Company.

Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The terms and conditions of their appointment are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

INDUCTIONS

There were no fresh appointments of Directors during the year under review.

RETIREMENT AND RE-APPOINTMENTS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Ameya Hete retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The Companies Act, 2013, provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of up to five consecutive years on the board of a company and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Accordingly, all the independent directors, were appointed by the shareholders at the general meeting as required under Section 149(10) for a period of three years with effect from November 20, 2014.

Further, according to Sub-section (11) of Section 149, no independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in Sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such independent directors.

UFO MOVIEZ INDIA LIMITED

The first term of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan as Independent Directors of the Company will expire on November 19, 2017. The Notice of 13th Annual General Meeting of the Company contains the resolution for their appointment for second term of five years.

RESIGNATIONS

During the year under review, Mr. Biswajit Subramanian has resigned from the Board of the Company due to his other professional commitments. The Board while accepting the resignation has recorded its appreciation and gratitude for the invaluable contributions made Mr. Biswajit Subramanian as Director of the Company.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on July 26, 2016, May 17, 2017 and July 11, 2017 *inter alia*, to

(a) review the performance of the Non-Independent Directors and the Board of Directors as a whole;

(b) review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

(c) assess the quality, content and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

INTERNAL FINANCIAL CONTROLS

Your Company has laid an Internal Control Framework which is commensurate with the size, scale and complexity of its operations. This framework ensures the orderly and efficient conduct of its business, including adherence to the 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. Controls have been identified along with risks and mitigation processes covering major areas across all business and functions. Internal controls was reviewed by Internal Audit Department and based on the evaluation, it was concluded that the Company's internal financial controls are adequate and were operating effectively as of March 31, 2017.

Strengthening of controls is a continuous and evolving process in the Company. Based upon observations, findings and recommendations of the internal audit team, process owners develop preventive and corrective actions which are then deployed across the organization.

COMPOSITION OF AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee of the Company as on March 31, 2017 comprised of three Independent Directors, Mr. Sanjeev Aga, Mr. S. Madhavan and Ms. Lynn de Souza and one Non Executive, Non-Independent Director, Mr. Varun Laul. Mr. Sanjeev Aga is the Chairman of the Committee.

All members of the Audit and Risk Management Committee possess requisite experience and knowledge of accounting and financial management. For further details on the Audit and Risk Management Committee, please refer to the Corporate Governance Report forming part of the Annual Report.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The details of the Whistle blower policy are available on the Company's website under web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx. For further details on the Whistle blower policy please refer to the Corporate Governance Report forming part of the Annual Report.

RISK MANAGEMENT

During the year under review, the Company has developed and implemented Risk Management plans in accordance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Risk Management plans defines the risk management approach of the Company and includes a periodic review of such risks and also the documentation, mitigating measures, and reporting mechanism of such risks.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3) (C) OF THE COMPANIES ACT, 2013

Based upon the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors, and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2016-17.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) the financial statements for the financial year ended March 31, 2017 have been prepared on a going concern basis by following the applicable accounting standards, and there is no material departure from the accounting standards;

b) the accounting policies selected were applied consistently and the judgments and estimates related to financial statements have been made on a reasonable and prudent basis so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and are operating effectively; and

e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board has constituted a CSR Committee headed by Mr. Sanjay Gaikwad as Chairman with Ms. Lynn de Souza and Mr. Kapil Agarwal as Members. The Committee is responsible for formulating and monitoring the CSR policy of the Company. The Company has adopted a CSR policy in compliance with the provisions of the Companies Act, 2013.

The average net profit of the Company, computed as per Section 198 of the Companies Act, 2013, during the three immediately preceding financial years was ₹ 480.48 Mn. It was hence required to spend a minimum of ₹ 9.61 Mn on CSR activities during the financial year 2016-17, being 2% of the average net profits of the three immediately preceding financial years.

The Company has contributed an amount of ₹ 15.00 Mn towards CSR activities against its obligation of ₹ 9.61 Mn for the financial year 2016-17.

The annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure-3" forming part of this Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as "Annexure-4" to this report.

GREEN INITIATIVES

Your Company is publishing only the statutory disclosures of the Annual Report in the print version. Additional information is available on the Company's website www.ufomoviez.com. Electronic copies of the Annual Report 2016-17 and Notice of the 13th Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017 and the Notice of the 13th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

AUDITORS

Statutory Auditors

At the Annual General Meeting held on September 4, 2014, S.R. Batliboi & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of S.R. Batliboi & Associates LLP, Chartered Accountants, as statutory auditors of the Company for the financial year 2017-18, is placed for ratification by the members of the Company. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed as auditors of the Company for the financial year 2017-18, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Secretarial Auditor

Mr. Dharmesh Zaveri of D. M. Zaveri & Co., Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the financial year 2016-17, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for financial year 2016-17 forms part of the Annual Report as "Annexure-5" to this report. There are no qualifications or adverse observations by the Secretarial Auditor of the Company for the year under review.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as "Annexure-6" to this report.

HUMAN RESOURCES

Your Directors believe that the key to success of any company are its employees. Your Company has a team of able and experienced professionals, whose dedicated efforts and enthusiasm has been an integral part of your Company's growth. Your Directors would like to place on record their deep appreciation of their continuous effort and contribution to the Company.

Particulars of employees

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

UFO MOVIEZ INDIA LIMITED

Personnel) Rules, 2014 disclosing the ratio of the remuneration of each director to the median employee's remuneration and such other details is appended as "Annexure-7" to this report.

A statement containing the names of every employee employed throughout the financial year 2016-17 and in receipt of remuneration for the said financial year which, in the aggregate, was not less than ₹ 1,02,00,000/- and employed for a part of the financial year 2016-17, was in receipt of remuneration for any part of the said financial year, at a rate which, in the aggregate, was not less than ₹ 850,000/- per month and top 10 employees in terms of remuneration, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as "Annexure-7" to this report.

Policy on prevention, prohibition and redressal of sexual harassment at workplace

The Company has zero tolerance for sexual harassment at workplace, and has adopted a policy against sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the financial year 2016-17.

CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied in the statement. Important factors that could influence the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws, economic developments within the country and other incidental factors.

ACKNOWLEDGMENT

We thank all our customers, vendors, investors, bankers, and all other business partners for their excellent support during the year. We place on record our appreciation of the strong commitment and contribution made by our employees at all levels.

We also take this opportunity to place on record our appreciation for continued co-operation and unstinted support received from the film producers, distributors, exhibitors, and advertisers who have contributed to the success of our Company.

We thank the Central Government and the various State Governments and other Government agencies and bodies for their support, and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

Annexure-1

FORM NO. AOC-2

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit and Risk Management Committee for approval. The policy on Related Party Transactions as approved by the Board is available on the Company's website www.ufomoviez.com

Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	Southern Digital Screenz India Private Limited, subsidiary of the Company
(b) Nature of contracts / arrangements / transactions	(i) Fixed Monthly Rental (ii) Virtual Print Fees (iii) Advertisement Sharing and (iv) Rent Agreement
(c) Duration of the contracts / arrangements / transactions	For (i) to (iii) originally entered in year 2008 and subsequently amended on dated September 1, 2010 and further amended on August 22, 2011, for a period of 10 years, renewable on similar and mutually agreeable terms.(iv) Rent Agreements for various tenure from 11 months to 5 years.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(i) Providing Digital Cinema Equipments on lease basis (ii) Software encryption and digital transmission service (iii) Generating and sharing of advertisement revenue (iv) The subsidiary company has granted the permission to use and occupy the leased premises to the Company. Also the Company has granted the permission to the subsidiary company to use and occupy the leased premises. For the value of the transactions, refer the notes to the financial statements forming part of the Annual Report.
(e) Date(s) of approval by the Board, if any	Not applicable, since the contract was entered into in the ordinary course of business and on an arm's length basis.
(f) Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

UFO MOVIEZ INDIA LIMITED

Annexure-2

NOMINATION AND REMUNERATION POLICY

The Company's policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which Company's human resources management aligns its recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Policy

The Company considers human resources as one of its most valuable assets. Its objective is to pay such remuneration to its employees as is commensurate with the employees' role and responsibilities and the performance of each of its employees in the Company. The Company has adopted a policy for remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and Other Employees, which is aligned to this objective.

The key objectives of this policy are as under:

- To lay down criteria for identifying persons who are qualified to become Directors, KMPs, Senior Management Personnel and Other Employees of the Company.
- To lay down criteria to carry out evaluation of every Director's performance.
- To formulate criteria for determining qualification, positive attributes and independence of a Director.
- To determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and Other Employees to work towards the long term growth and success of the Company.

The criteria for identifying persons who are qualified to be appointed as Directors / Committee Members / KMPs / Senior Management Personnel / Other Employees of the Company:

Directors: Section 164 of the Companies Act, 2013 specifies the disqualifications for appointment of director of any company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as a Director of the Company.

The Nomination and Remuneration Committee of the Board of Directors of the Company shall identify the persons who are qualified to become directors and recommend to the board their appointment / re-appointment.

Independent Directors: For appointing any person as an independent Director, he/she should possess qualifications as mentioned in Section 149 of the Companies Act, 2013, Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Listing Agreement.

The Nomination and Remuneration Committee of the Board of Directors of the Company shall identify the persons who are qualified to become independent directors and recommend to the board their appointment / re-appointment.

Committees of the Board: The Nomination and Remuneration Committee of the Board of Directors of the Company shall determine the criteria for selection of the Board Committee members and recommend to the board the members to be appointed to various committees.

KMPs, Senior Management Personnel and Other employees: The Company has an Organogram displaying positions of Senior Management Personnel including KMP and other positions with the minimum qualifications and experience requirements for each position which is commensurate with the size of the Company's business and the nature and complexity of its operations. Any new recruit in the Company has to match the requirements prescribed in the Organogram of the Company.

The selection of KMPs and Senior Management Personnel shall be done by the Human Resource Department of the Company after obtaining approval of the Managing Director / Joint Managing Director.

The details of appointment and cessation of KMPs and Senior Management Personnel shall be placed before the Committee periodically.

The selection of other employees shall be done by the Human Resource Department of the Company after obtaining approval of the functional head of the respective department.

The term/tenure of Directors / KMPs / Senior Management Personnel / Other Employees shall be as per the provisions of the Companies Act, 2013, the Listing Agreement, any prevailing policies of the Company, and the terms of any appointment letters issued to them by the Company.

Structure of remuneration for the executive Directors, KMPs and Senior Management Personnel:

The Executive Directors, KMPs and Senior Management Personnel (other than non-executive Directors) receive Basic Salary and other Allowances/Perquisites/Benefits such as leave travel concession, medical reimbursement, club fees, company maintained car and driver and fuel. They are also entitled to provident fund, gratuity, group term life insurance, group mediclaim insurance and group personal accident insurance. The total salary includes fixed and variable components.

The Company's policy is that the total salary should be fair and reasonable after taking into account the following factors:

- The scope of duties, the role and nature of responsibilities.
- The level of skill, knowledge and experience of individuals.
- Core performance requirements and expectations of individuals.
- The Company's performance and strategy.

- Legal and commercial obligations and considerations.

The table below depicts the standard components of remuneration package.

Fixed Component		
Basic Salary	Allowances /Perquisites / Benefits such as leave travel concession, medical reimbursement, club fees, company car and driver, fuel and maintenance for company car, group term life insurance, group mediclaim insurance and group personal accident insurance.	Superannuation / statutory contributions to provident fund and group gratuity scheme.

The Executive Directors, KMPs and Senior Management Personnel may also hold and be entitled to stock options of the Company.

The Nomination and Remuneration Committee shall recommend the remuneration of Executive Directors to the Board for its approval.

The management of the Company shall decide the remuneration of KMPs and Senior Management Personnel and update about the same to the Nomination and Remuneration Committee periodically.

Structure of remuneration for non-executive Directors

Non-executive Directors other than the Independent Directors are not currently paid any remuneration by the Company.

Independent Directors are paid remuneration in recognition of the responsibilities, accountability and associated risks of Directors. The total remuneration of Independent Directors may include all, or any combination of following elements:

- Fees for attending meetings of the Board as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the meeting of the Board.
- Fees for attending meetings of committees of the Board as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and decided at the meeting of the Board.
- Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board/shareholders from time to time to be payable to any of the Independent Directors.
- Independent Directors are also entitled to payment of travel and other expenses they incur for attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or committees.
- Independent Directors shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and the Listing Agreement.

The managerial remuneration payable by the Company shall be subject to the conditions specified under the Companies Act, 2013 and the Listing Agreement, including in terms of monetary limits, approval requirements and disclosure requirements. Any increase in the maximum aggregate remuneration payable beyond the permissible limit under the Companies Act, 2013 shall be subject to the approval of the shareholders of the Company at a General Meeting by special resolution and/or of the Central Government, as may be applicable.

Structure of Remuneration for Other Employees: The power to decide the structure of remuneration for Other Employees has been delegated to the Human Resource Department of the Company.

Employees of the Company (excluding Managing Director or Whole-time Director) may be paid salary advance and loans etc. as per the Company's HR policies.

Criteria for evaluating performance of Board members, Key Managerial Personnel, Senior Management Personnel

Criteria for evaluating performance of Board members: Section 149 of the Companies Act, 2013 read with Schedule IV of the Act states that (i) the independent directors shall, at their separate meeting, review the performance of non-independent directors and the Board as a whole and (ii) the performance evaluation of independent directors shall be done by the entire Board excluding the director(s) being evaluated. The performance evaluation of the Managing Director and the Joint Managing Director is carried out by the Board on the basis of performance management system and development plan of the Company. Framework for performance evaluation of the Board members, including independent directors, Board committee is specified in the Nomination and Remuneration Policy.

Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel: The performance evaluation of KMPs (excluding Board members) and Senior Management Personnel is carried out by the Managing Director or the Joint Managing Director on the basis of performance management system and development plan of the Company.

Criteria for evaluating performance of Other Employees: The power to decide criteria for evaluating performance of Other Employees has been delegated to the Human Resource Department of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : July 11, 2017

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Annexure-3

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013]

Your Company is committed to operate and grow its business in a socially responsible way with a vision to be an environment friendly corporate citizen. The Company has taken up various corporate social responsibility initiatives earlier and will continue to do so in future.

Our CSR vision

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

CSR committee

Your Company has a board committee (CSR Committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. The CSR committee comprises of: Mr. Sanjay Gaikwad as Chairman, Ms. Lynn de Souza and Mr. Kapil Agarwal as Members.

Our focus areas

While your Company strives to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, it proposes to promote activities relating to any of the departments of the Central Government, or any of the State Governments, or any of the Union Territories of India, or any other eligible trusts, with respect to their activities specified in Schedule VII to the Act.

Financial details

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more, or a net profit of ₹ 5 crore or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows:

Sr. No.	Particulars	₹ In Mn
1.	Average net profit of the Company for last three financial years	480.48
2.	Prescribed CSR expenditure (2% of the average net profit as computed above)	9.61
3.	Details of CSR expenditure during the financial year:	
a)	Total amount to be spent for the financial year	9.61
b)	Amount unspent, if any	Nil
c)	The manner in which the amount spent during the financial year is detailed below:	

CSR project or activity identified	Spent during the year towards advertisement activity, (towards Swatch Bharat Abhiyan)
Sector in which the project is covered	Swatch Bharat Abhiyan
Projects or programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	PAN India
Amount outlay (Budget) project or program wise	9.61
Amount spent on the projects or programs Sub-heads (1) district expenditure on projects or programs. (2) overheads	15.00
Cumulative expenditure up to the reporting period	15.00
Amount spent direct or through implementing agency	Direct

Our CSR responsibilities

Your directors hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Visit Company's website www.ufomoviez.com for more details related to our CSR Policy.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

Annexure-4

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Particulars pursuant to the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

The Company is in the business of providing digital cinema services and provides digital cinema equipments to the cinema theatres comprising of a sophisticated digital projector and industrial grade digital cinema server supported by a 3KVA UPS system. Typically, digital cinema equipment requires cooling sourced from a 0.75 or 1 ton air conditioner having a power consumption rating of 3KVA. The combined power consumption for a cinema theatre works out to approximately 6KVA which translates into 4.8 Kilo Watts of power consumption per hour. The Company's digital cinema equipments replace the conventional analog projectors which typically operate at 8 to 10 KVA capacity, consuming approximately 6.4 to 8 Kilo Watts of power consumption per hour. Replacement of analog projectors with digital projectors brings substantial savings in power consumption for the cinema theatres. Further, replacement of conventional analog projectors with digital projectors also makes the environment clean by replacing the conventional polyester films used by analog projectors for projection, with digital files used for projection by digital projectors.

B. Research and Development, Technology Absorption, Adaptation and Innovation

The Company provides digital cinema equipments to the cinema theatres, sourced from the equipment manufacturers/ dealers and delivers the film content at the cinema theaters through a two-way VSAT setup across India. To reduce power consumption and time required for delivery of the film content, the Company has developed a low power Download Box which runs for longer periods on available battery back-up. This development has augmented the backup duration. As a process of continuous improvement in the digital cinema services, the Company evaluates and selects the right combination of hardware/software for effective digital cinema services. Adoption of right combination of hardware/software allows the Company to deliver film content with greater speed while maintaining quality and also reduces the file size, which consequently increases the no. of times the film content can be delivered.

The Company is also working on improvements in various other areas of digital cinema services like audio, network operating centre for cinema theater management and theater-end servers.

C. Foreign Exchange Earnings and Outgo

Particulars of foreign exchange earnings and outgo during the year are given in note no. 37, 38 and 40 of the notes to the financial statements forming part of the Annual Report.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

Annexure-5

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,
UFO Moviez India Limited.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UFO Moviez India Limited** (hereinafter called **'the Company'**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the UFO Moviez India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('The SEBI'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not relevant / applicable during the year under review)

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not relevant / applicable during the year under review)

  (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not relevant / applicable during the year under review)

  (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Following laws are applicable to the Company in addition to laws mentioned above

(i) The Cinematography Act, 1952



I have also examined compliance with the applicable clauses to the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with BSE Limited the National Stock Exchange of India Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. including other specific laws to the extent applicable to the Company as represented by management mentioned above.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non–Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review;

1. The Company has further invested in Southern Digital Screenz India Private Limited (SDS) pursuant to which SDS, subsidiary Company of the Company has become wholly owned subsidiary of the Company.

2. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1583 lakhs determined to be in excess of the limits specified under Section 197 read with Schedule V of the Act, for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of Employees Stock Options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the Managing and Joint Managing Director during the year ended March 31, 2016.

   Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of Section 197 read with Schedule V of the Act. Accordingly, the Company is in compliance with section 197 of the Act, for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the applications filed with the Central Government. Accordingly, no adjustment have been made to the financial statements.

3. The members have approved by Special resolution revision in remuneration of Mr. Sanjay Gaikwad (Managing Director) and Mr. Kapil Agarwal (Joint Managing Director) with effect from April 1, 2016 until the end of their current tenure.

4. The Company has sought approval of members in court convened meeting held on 16th January 2017 for approval of Scheme of Amalgamation of Southern Digital Screenz India Private Limited, V N Flims Private Limited, Edridge Limited and UFO International Limited with the Company under section 391 to 394 read with Section 100 to 103 and other applicable provisions of Companies Act, 1956 and/or Companies Act, 2013, Companies (Court) Rules, 1959 read with SEBI LODR Regulations.

Dharmesh Zaveri
Practicing Company Secretary
(FCS: 5418, CP: 4363)

Place : Mumbai
Date : July 11, 2017

Annexure-6

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:	L22120MH2004PLC285453
ii)	Registration Date:	June 14, 2004
iii)	Name of the Company :	UFO Moviez India Limited
iv)	Category / Sub-Category of the Company:	Public Company limited by shares
v)	Address of the Registered office and contact details :	Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093. Tel: +91 22 40305060 Fax: +91 22 40305110 E-mail: investors@ufomoviez.com Website: www.ufomoviez.com
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Financial District Nanakramguda, Gachibowli, Hyderabad – 500 032 Tel No.: 040 6716 2222 Fax No.: 040 2300 1153 Toll Free No.: 1800 345 4001 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Digital Cinema Services and related activity	59	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Scrabble Entertainment Limited 3rd Floor, Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093.	U92190MH2008PLC178456	Subsidiary	91.33	2(87) (ii)
2.	Southern Digital Screenz India Private Limited* Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Andheri (East), Mumbai – 400 093.	U92120MH2008PTC281163	Subsidiary	100	2(87) (ii)
3.	V N Films Private Limited* 30, National Storage Building, Tulsi Pipe Road, Mumbai – 400 016.	U92490MH2007PTC284657	Subsidiary	100	2(87) (ii)

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	UFO Software Technologies Private Limited 30, National Storage Building, Tulsi Pipe Road, Mumbai – 400 016	U74899MH2005PTC284653	Subsidiary	95.97	2(87) (ii)
5.	Valuable Digital Screens Private Limited 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai	U72900MH2006PTC163092	Subsidiary	80	2(87) (ii)
6.	Edridge Limited* 12 Zinonos Sozou, 1075 Nicosia, Cyprus	Registration No.: HE 174845	Subsidiary	100	2(87) (ii)
7.	UFO International Limited* 12 Zinonos Sozou, 1075 Nicosia, Cyprus	Registration No.: HE 180142	Subsidiary	100	2(87) (ii)
8.	United Film Organisers (UFO) (Mauritius) Private Limited C/o First Island Secretarial Limited, Court, Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius	Registration No.: C071429	Subsidiary	100	2(87) (ii)
9.	United Film Organisers Nepal Private Limited Shova Complex, 344/41, Dhobidhara Marg, Kamalpokari, Kathmandu, Nepal.	Registration No.: 48014	Subsidiary	100	2(87) (ii)
10.	UFO Lanka (Private) Limited No. 12, Rotunda Gardens, Colombo 03.	Registration No.: PV 62107	Subsidiary	100	2(87) (ii)
11.	UFO Europe Limited 12 Zinonos Sozou, 1075 Nicosia, Cyprus. [Strike Off]	Registration No.: HE 181371	Subsidiary	100	2(87) (ii)
12.	Scrabble Entertainment (Mauritius) Limited 6th Floor, Tower A, 1 Cyber City, Ebene, Republic of Mauritius	Registration No.: C105426	Subsidiary	100	2(87) (ii)
13.	Scrabble Entertainment DMCC Units No.2405 & 2406, 1-Lake Plaza, Plot No. PH2-T2, Jumeirah Lakes Towers, Dubai, U.A.E.	Registration No.: JLY2591	Subsidiary	100	2(87) (ii)
14.	Scrabble Entertainment (Lebanon) Sarl Achrafieh, Beirut.	Registration No.: 10151121	Subsidiary	100	2(87) (ii)
15.	Scrabble Entertainment (Israel) Limited Rival 7 Tel Aviv, Israel 67778. [Under Liquidation]	Registration No.: 514 787 779	Subsidiary	100	2(87) (ii)
16.	Scrabble Digital INC 10550 Camden Drive, Cypress, California 90630.	Registration No.: C3546619	Subsidiary	100	2(87) (ii)

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S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
17.	Scrabble Digital Limited 501,503,504,509, Fifth Floor, Janki Centre, Off Veera Desai Road, Andheri (West), Mumbai- 400 053	U74999MH2011PLC213170	Associate	33.33	2(6)
18.	Scrabble Digital DMCC Post Box 51899, 2301 and 2308.	Not Applicable	Associate	33.33	2(6)
19.	Scrabble Ventures LLC 10550 Camden Drive, Cypress, California 90630.	Not Applicable	Associate	30.00	2(6)
20.	Scrabble Ventures, S. de R.L. de C.V., Mexico Paseo de las Palmas 405, 1901 Lomas de Chapultec I Seccion, Miguel Hidalgo Distrito Federal 11000.	Not Applicable	Associate	30.00	2(6)
21.	Mukta V N Films Limited Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai- 400 065	U74120MH2013PLC244220	Associate	45.00	2(6)

**[The petition for sanction of the Scheme of Arrangement among Southern Digital Screenz India Private Limited, V.N. Films Private Limited, Edridge Limited, UFO International Limited ("Transferor Companies") and UFO Moviez India Limited ("Transferee Company") and their respective shareholders and creditors is pending before the National Company Law Tribunal.*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter And Promoter Group									
(1) Indian									
a) Individual /HUF	682,063	-	682,063	2.48	481,695	-	481,695	1.75	(0.73)
b) Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	7,283,657	-	7,283,657	26.49	7,283,657	-	7,283,657	26.39	(0.10)
d) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub-Total A(1) :	**7,965,720**	**-**	**7,965,720**	**28.97**	**7,765,352**	**-**	**7,765,352**	**28.13**	**(0.83)**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total A=A(1) + A(2)	**7,965,720**	**-**	**7,965,720**	**28.97**	**7,765,352**	**-**	**7,765,352**	**28.13**	**0.83**
(B) Public Shareholding									
(1) Institutions									
a) Mutual Funds /UTI	4,268,345	-	4,268,345	15.52	5,926,944	-	5,926,944	21.47	5.95
b) Financial Institutions /Banks	3,574	-	3,574	0.01	22,050	-	22,050	0.08	0.07
c) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	758,882	-	758,882	2.76	652,427	-	652,427	2.36	0.40
f) Foreign Institutional Investors	1,889,267	-	1,889,267	6.87	896,920	-	896,920	3.25	(3.62)
g) Foreign Venture Capital Investors	5,251,608	-	5,251,608	19.10	5,251,608	-	5,251,608	19.03	(0.07)
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	**12,171,676**	**-**	**12,171,676**	**44.26**	**12,749,949**	**-**	**12,749,949**	**46.19**	**1.93**
(2) Non-Institutions									
a) Bodies Corporate	918,294	-	918,294	3.34	1,246,186	-	1,246,186	4.52	1.18
b) Individuals									
i) Individuals holding nominal share capital upto ₹1 lakh	1,418,458	31,572	1,450,030	5.27	2,345,988	17949	2,363,937	8.56	3.29
ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	1,585,931	279,240	1,865,171	6.78	2,552,927	10500	2,563,427	9.29	2.50
c) Others									
Clearing Members	121,352	-	121,352	0.44	236,734	-	236,734	0.86	0.42
Foreign Bodies	2,664,879	313,341	2,978,220	10.83	313,341	-	313,341	1.14	(9.69)

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NBFC	-	-	-	-	37,225	-	37,225	0.13	0.13
Non-Resident Indians	27,680	-	27,680	0.10	96,337	-	96,337	0.35	0.25
NRI Non-Repatriation	-	-	-	-	12,855	-	12,855	0.05	0.05
Trusts	-	1,233	1,233	-	214,225	1233	215,458	0.78	0.78
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :	**6,736,594**	**625,386**	**7,361,980**	**26.77**	**7,055,818**	**29,682**	**7,085,500**	**25.67**	**(1.10)**
Total B=B(1)+B(2) :	**18,908,270**	**625,386**	**19,533,656**	**71.03**	**19,805,767**	**29,682**	**19,835,449**	**71.87**	**0.83**
Total (A+B) :	**26,873,990**	**625,386**	**27,499,376**	**100.00**	**27,571,119**	**29,682**	**27,600,801**	**100.00**	**0.00**
C) Shares held by custodians, against which	-	-	-	-	-	-	-	-	-
Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
(1) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2) Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C):	**26,873,990**	**625,386**	**27,499,376**	**100.00**	**27,571,119**	**29,682**	**27,600,801**	**100.00**	

Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

(ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Sanjay Gaikwad	263,797	0.96	-	263,797	0.96	-	-
2	Mr. Raaja Kanwar#	200,369	0.73	-	-	-	-	(0.73)
3	Mr. Uday Gaikwad	100	-	-	101	-	-	-
4	Mr. Ameya Hete	217,797	0.79	-	217,797	0.79	-	-
5	Advent Fiscal Pvt. Ltd.	737,182	2.68	-	737,182	2.67	-	(0.01)
6	Nifty Portfolio Services Private Limited	542,136	1.97	-	542,136	1.96	-	(0.01)
7	Apollo International Limited	2,266,417	8.24	-	2,266,417	8.21	-	(0.03)
8	Valuable Technologies Limited	2,243,657	8.16	-	2,243,657	8.13	-	(0.03)
9	Valuable Media Limited	1,494,265	5.43	-	1,494,265	5.41	-	(0.02)
	Total	**7,965,720**	**28.97**	**-**	**7,765,352**	**28.13**	**-**	**0.83**

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

 # Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

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(iii) Change in promoters' shareholding (please specify, if there is no change)

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
1	Mr. Sanjay Gaikwad	263,797	0.96	-	No Purchase / Sale	-	-	263,797	0.96
				31.03.17	At the end of the year	-	-	263,797	0.96
2	Mr. Raaja Kanwar#	200,369	0.73	30.03.17	Sale	(200,369)	(0.73)	-	-
				31.03.17	At the end of the year	-	-	-	-
3	Mr. Uday Gaikwad	100	-	15.07.16	Purchase	1	-	101	-
				31.03.17	At the end of the year	-	-	101	-
4	Mr. Ameya Hete	217,797	0.79	-	No Purchase / Sale	-	-	217,797	0.79
				31.03.17	At the end of the year	-	-	217,797	0.79
5	Advent Fiscal Pvt. Ltd.	737,182	2.68	-	No Purchase / Sale	-	-	737,182	2.68
				31.03.17	At the end of the year	-	-	737,182	2.67
6	Nifty Portfolio Services Private Limited	542,136	1.97	-	No Purchase / Sale	-	-	542,136	1.97
				31.03.17	At the end of the year	-	-	542,136	1.96
7	Apollo International Limited	2,266,417	8.24	-	No Purchase / Sale	-	-	2,266,417	8.24
				31.03.17	At the end of the year	-	-	2,266,417	8.21
8	Valuable Technologies Limited	2,243,657	8.16	-	No Purchase / Sale	-	-	2,243,657	8.16
				31.03.17	At the end of the year	-	-	2,243,657	8.13
9	Valuable Media Limited	1,494,265	5.43	-	No Purchase / Sale	-	-	1,494,265	5.43
				31.03.17	At the end of the year	-	-	1,494,265	5.41

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

Note: On March 30, 2017 Mr. Raaja Kanwar, member of Promoter Group sold 200,369 equity shares to his wife.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
1	P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.10	-	No Purchase / Sale	-	-	5,251,608	19.10
				31.03.17	At the end of the year			5,251,608	19.03
2	3i Research (Mauritius) Limited	2,664,879	9.69	29.07.16	Sale	(2,664,879)	(9.66)	-	-
				31.03.17	At the end of the year			-	-
3	SBI Magnum Global Fund	870,000	3.16	-	No Purchase / Sale	-	-	870,000	3.16
				31.03.17	At the end of the year		-	870,000	3.15

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Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
4	Reliance Capital Trustee Co. Ltd. A/C-Reliance	642,330	2.34	08.04.16	Purchase	50,000	0.18	692,330	2.51
				29.07.16	Purchase	200,000		892,330	3.23
				18.11.16	Purchase	6,300		898,630	3.26
				31.03.17	At the end of the year		-	898,630	3.26
5	Reliance Capital Trustee Co. Ltd. A/C-Reliance	605,500	2.20	-	No Purchase / Sale	-	-	605,500	2.20
				31.03.17	At the end of the year	-	-	605,500	2.19
6	SBI Magnum Midcap Fund	591,456	2.15	29.07.16	Purchase	208,000	0.76	799,456	2.91
				31.03.17	At the end of the year		-	799,456	2.90
7	SBI Magnum Balanced Fund	550,000	2.00	-	No Purchase / Sale	-	-	550,000	2.00
				31.03.17	At the end of the year	-	-	550,000	1.99
8	Max Life Insurance Company Limited A/C -	513,565	1.87	08.04.16	Purchase	25,000	0.09	538,565	1.95
				15.04.16	Sale	(67,197)	-0.24	471,368	1.71
				01.07.16	Sale	(2,235)	-0.01	469,133	1.70
				29.07.16	Purchase	97,867	0.35	567,000	2.05
				23.09.16	Purchase	298	0.00	567,298	2.06
				25.11.16	Sale	(32,000)	-0.12	535,298	1.94
				02.12.16	Sale	(74,095)	-0.27	461,203	1.67
				16.12.16	Sale	(2)	-0.00	461,201	1.67
				23.12.16	Sale	(11,415)	-0.04	449,786	1.63
				30.12.16	Sale	(60,708)	-0.22	389,078	1.41
				06.01.17	Sale	(35,380)	-0.13	353,698	1.28
				13.01.17	Sale	(23,271)	-0.08	330,427	1.20
				20.01.17	Sale	(63)	-0.00	330,364	1.20
				27.01.17	Sale	(123)	-0.00	330,241	1.20
				03.02.17	Sale	(6,410)	-0.02	323,831	1.17
				10.02.17	Sale	(41,856)	-0.15	281,975	1.02
				17.02.17	Sale	(2,275)	-0.01	279,700	1.01
				10.03.17	Sale	(44,386)	-0.16	235,314	0.85
				17.03.17	Sale	(103,354)	-0.37	131,960	0.48
				31.03.17	At the end of the year		-	131,960	0.48
9	The Wellington Trust Company National Association	450,384	1.64	05.08.16	Sale	(10,365)	(0.04)	440,019	1.59
				12.08.16	Sale	(7,914)	(0.03)	432,105	1.57
				19.08.16	Sale	(5,069)	(0.02)	427,036	1.55
				26.08.16	Sale	(56,021)	(0.20)	371,015	1.34
				09.09.16	Sale	(1,343)	(0.00)	369,672	1.34
				16.09.16	Sale	(369,672)	(1.34)	-	-
				31.03.17	At the end of the year		-	-	-
10	SBI Small And Midcap Fund	390,000	1.42	-	No Purchase / Sale	-	-	390,000	1.42
				31.03.17	At the end of the year			390,000	1.42
11	DSP Blackrock Micro Cap Fund	-	-	29.07.16	Purchase	594,481	2.15	594,481	2.15
				26.08.16	Purchase	1,102	0.00	595,583	2.16
				16.09.16	Purchase	250,000	0.91	845,583	3.06
				23.09.16	Purchase	61,413	0.22	906,996	3.29
				30.09.16	Purchase	5,123	0.02	912,119	3.30
				31.03.17	At the end of the year			912,119	3.30

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
12	Kuroto Fund LP	-	-	04.11.16	Purchase	7,300	0.03	7,300	0.03
				11.11.16	Purchase	63,743	0.23	71,043	0.26
				18.11.16	Purchase	61,457	0.22	132,500	0.48
				25.11.16	Purchase	40,500	0.15	173,000	0.63
				02.12.16	Purchase	283,000	1.03	456,000	1.65
				09.12.16	Purchase	82,368	0.30	538,368	1.95
				31.03.17	At the end of the year			538,368	1.95
13	Ashish Kacholia	-		23.12.16	Purchase	270,000	0.98	270,000	0.98
				30.12.16	Purchase	238,415	0.86	508,415	1.84
				31.03.17	At the end of the year			508,415	1.84

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
					Directors				
1	Mr. Sanjeev Aga	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
2	Mr. Ameya Hete	217,797	0.79	-	No Purchase / Sale	-	-	217,797	0.79
				31.03.17	At the end of the year			217,797	0.79
3	Mr. Biswajit Subramanian*	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
4	Mr. Kapil Agarwal	372,694	1.36	24.03.17	Purchase	89,700	0.32	462,394	1.68
				31.03.17	At the end of the year			462,394	1.68
5	Ms. Lynn de Souza	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
6	Mr. Raaja Kanwar	200,369	0.73	30.03.17	Sale	(200,369)	(0.73)	-	-
				31.03.17	At the end of the year			-	-
7	Mr. S. Madhavan	-	-	18.11.16	Purchase	400	-	400	-
				25.11.16	Purchase	100	-	500	-
				03.03.17	Purchase	500	-	1,000	-
				10.03.17	Purchase	500	-	1,500	0.01
				31.03.17	At the end of the year			1,500	0.01

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Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / (Decrease) of Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company*
8	Mr. Sanjay Gaikwad	263,797	0.96	-	No Purchase / Sale	-	-	263,797	0.96
				31.03.17	At the end of the year			263,797	0.96
9	Mr. Varun Laul	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-
Key Managerial Personnel									
1	Mr. Rajesh Mishra, CEO	57,149	0.21	10.06.16	Sale	(28,500)	(0.10)	28,649	0.10
				31.03.17	At the end of the year			28,649	0.10
2	Mr. Ashish Malushte, CFO	43,424	0.16	10.06.16	Sale	(25,000)	(0.09)	18,424	0.07
				31.03.17	At the end of the year			18,424	0.07
3	Mr. Sameer Chavan, Company Secretary	-	-	-	No Purchase / Sale	-	-	-	-
				31.03.17	At the end of the year			-	-

Mr. Biswajit Subramanian ceased to be a director of the Company with effect from March 2, 2017.

** The paid-up share capital of the Company at the beginning of the year i.e. on April 1, 2016 was: 27,499,376 equity shares. The paid-up share capital of the Company at the end of the year i.e. March 31, 2017 increased to 27,600,801 equity shares.*

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Mn)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01.04.2016)				
i) Principal Amount	644.28	-	-	644.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.32	-	-	6.32
Total (i+ii+iii)	**650.60**	**-**	**-**	**650.60**
Change in Indebtedness during the financial year (FY 2016-17)				
• Addition	612.37	-	-	612.37
• Reduction	664.30	-	-	664.30
Net Change	**(51.93)**	**-**	**-**	**(51.93)**
Indebtedness at the end of the financial year (As on 31.03.2017)				
i) Principal Amount	593.44	-	-	593.44
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	5.23			5.23
Total (i+ii+iii)	**598.67**			**598.67**



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Particulars	Salary paid for the FY 2016-17 (₹ in Mn)
Mr. Sanjay Gaikwad, Managing Director	32.50
Mr. Kapil Agarwal, Joint Managing Director	32.50
Total	**65.00**
Overall limit @ 10% of profit u/s 198 of the Companies Act, 2013	**84.61**
Excess Remuneration	**-**

B. Remuneration to other directors

(₹ In Mn)

Sl. No.	Particulars of Remuneration	Name of Independent Directors			Other Non-Executive Directors				Total Amount
		Mr. S. Madhavan	Ms. Lynn de Souza	Mr. Sanjeev Aga	Mr. Raaja Kanwar	Mr. Biswajit Subramanian	Mr. Ameya Hete	Mr. Varun Laul	
1	Fee for attending board/committee meetings	1.00	0.90	0.95	-	-	-	-	**2.85**
	Commission	1.00	1.10	2.55	-	-	-	-	**4.65**
	Others, please specify	-	-	-	-	-	-	-	**-**
2	Total Managerial Remuneration	2.00	2.00	3.50	-	-	-	-	**7.50**
3	Overall Ceiling as per the Act @1% of profit calculated under Section 198 of the Companies Act, 2013	8.46							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ In Mn)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Rajesh Mishra CEO	Mr. Ashish Malushte CFO	Mr. Sameer Chavan Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12.31	9.98	1.68	**23.97**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.04	0.04	-	**0.08**
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	**-**

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Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Rajesh Mishra CEO	Mr. Ashish Malushte CFO	Mr. Sameer Chavan Company Secretary	
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Company Provident Fund Contribution	1.26	0.48	0.10	**1.84**
	Medical Allowance	0.02	0.02	0.02	**0.06**
	Total	**13.62**	**10.51**	**1.80**	**25.93**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

UFO MOVIEZ INDIA LIMITED

UFO digital cinema

Annexure-7

PARTICULARS OF REMUNERATION OF EMPLOYEES

[Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Name of Director/ Key Managerial Personnel	Remuneration (₹ in Mn)		Previous year Remuneration ₹ in Mn)*	% increase / (decrease) in remuneration	Ratio of Director's remuneration to median remuneration	Comparison of remuneration of each KMP against Company's performance	
	Salary*	Perquisite arising due to exercise of employee stock options				% of turnover	% of Net Profit before tax
Non-Executive Directors							
Mr. Sanjeev Aga	2.55	-	2.35	8.51	5.08	NA	NA
Mr. S. Madhavan	1.00	-	0.85	17.65	1.99	NA	NA
Ms. Lynn de Souza	1.10	-	0.85	29.41	2.19	NA	NA
Mr. Raaja Kanwar	-	-	-	-	-	NA	NA
Mr. Ameya Hete	-	-	-	-	-	NA	NA
Mr. Biswajit Subramanian	-	-	-	-	-	NA	NA
Mr. Varun Laul	-	-	-	-	-	NA	NA
Executive Directors							
Mr. Sanjay Gaikwad	32.50	-	87.99	-63.06	64.77	0.84	4.24
Mr. Kapil Agarwal	32.50	-	148.65	-78.14	64.77	0.84	4.24
Key Managerial Personnel							
Mr. Rajesh Mishra	13.62	-	29.01	-53.05	27.15	0.35	1.78
Mr. Ashish Malushte	10.51	-	23.34	-54.97	20.95	0.27	1.37
Mr. Sameer Chavan	1.80	-	2.53	-28.85	3.59	0.05	0.23

** Sitting fees paid to independent directors for attending the meetings of the Board and committee is not included in the remuneration. The commission paid to independent directors during the previous year was on pro-rata basis. The perquisite value arising due to exercise of employee stock options has been considered while calculating the previous year's remuneration.*

 # The perquisite value arising due to exercise of employee stock options has been considered while calculating the ratio of remuneration to median remuneration and % increase / (decrease) in remuneration. The median remuneration of employees of the Company was ₹ 0.50 Mn.

Requirement	Disclosure
The Percentage increase in median remuneration of employees in financial year	8.72% - without considering the perquisite value arising due to exercise of employee stock options 8.25% - considering the perquisite value arising due to exercise of employee stock options
Number of permanent employees on the rolls of the Company	As at March 31, 2017 – 463

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Requirement	Disclosure
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average annual increase (without considering the perquisite value arising due to exercise of employee stock options and incentives) in the salaries of employees other than the managerial personnel during the year was 12.16%. The average annual increase in the salaries (without considering incentives) of the managerial personnel during the year was 10%.
Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company.

B. Particulars of remuneration of employees

1. Particulars of employees employed throughout the financial year 2016-17, was in receipt of remuneration for the financial year 2016-17 which, in the aggregate, was not less than ₹ 1,02,00,000/- and top 10 employees in terms of remuneration.

Name & Designation	Qualification	Age	Experience	Gross Remuneration ₹			No. of shares held as on March 31, 2017 and % of share capital	Date of Commencement of employment	Previous Employment & designation
				Salary and Perquisites paid	Perquisites airing due to exercise of employee stock options	Total			
				(A)	(B)	(A+B)			
Mr. Sanjay Gaikwad - Managing Director	B.E.(Chemical), MBA (Operations)	52 Yrs	23 Yrs	32,500,000	-	32,500,000	263,797 0.96%	01-Jan-07	Apollo International Ltd – COO
Mr. Kapil Agarwal - Joint Managing Director	FCA	56 Yrs	30 Yrs	32,500,000	-	32,500,000	462,394 1.68%	01-Mar-09	Apollo International Ltd - Executive Director
Mr. Sanjay Chavan – CTO	B.E.(Electronics)	51 Yrs	27 Yrs	12,027,635	10,847,708	22,875,343	27,563 0.10%	01-Apr-06	Play Win Infravest Private Limited - Vice President - Special Projects
Mr. Siddharth Bhardwaj CMO & National Sales Head (Corporate Advertising Revenue)	B.E, MBA	45 Yrs	20 Yrs	16,372,043	2,998,860	19,370,903	3,000 0.01%	01-Aug-12	Reliance Broadcast Network Limited – National Sales Head Radio Business
Mr. Vishnu Patel – CEO-Special Projects	Masters in Broadcasting & Films from Boston University	60 Yrs	33 Yrs	12,017,455	3,579,499	15,596,954	31,750 0.12%	01-Apr-06	Zee Telefilms Limited President - Network Programming
Mr. Deepak Ranjan - Chief - Ad Sales	B.Sc (Hon), Diploma in Advertising	49 Yrs	25 Yrs	14,324,850	-	14,324,850	41,755 0.15%	01-Jan-07	B4U Television India Pvt. Ltd, National – Sales Head
Mr. Rajesh Mishra – CEO-Indian Operations	B.Com, A.C.A.	50 Yrs	27 Yrs	13,622,049	-	13,622,049	28,649 0.10%	01-Apr-06	Bennett Coleman & Co. Limited General Manager - Corporate Affairs
Mr. Ashish Malushte – CFO	B.Com, CA	42 Yrs	20 Yrs	10,514,570	-	10,514,570	18,424 0.07%	14-May-05	Iqara Telecoms Pvt Ltd, Sr. Manager



Name & Designation	Qualification	Age	Experience	Gross Remuneration ₹			No. of shares held as on March 31, 2017 and % of share capital	Date of Commencement of employment	Previous Employment & designation
				Salary and Perquisites paid	Perquisites airing due to exercise of employee stock options	Total			
				(A)	(B)	(A+B)			
Mr. Praveen Sugandh – VP, Ad Sales	BA, MBA	48 Yrs	21 Yrs	9,725,140	-	9,725,140	2,908 0.01%	01-Aug-08	Sahara One Media & Entertainment Ltd Regional Sales Head
Mr. Pankaj Jaysinh COO	B. Com, MBA	55 Yrs	33 Yrs	9,233,879	-	9,233,879	200 0.00%	1-Feb-07	Shree Ashtavinayak Cine Vision Ltd Distribution Head

2. Particulars of employees employed for a part of the financial year 2016-17, was in receipt of remuneration for any part of financial year 2016-17, at a rate which, in the aggregate, was not less than ₹ 850,000/- per month. – NIL

Notes :

1. All appointments are contractual and terminable by notice on either side.
2. None of the employees stated above are related to any of the Directors.
3. Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Medical Benefits, Leave Travel.
4. Allowance & Other Perquisites and benefits valued on the basis of the provisions of Income Tax Act, 1961.
5. During the year under review, employees had exercised Employee Stock Options (ESOPs) granted to them. Perquisite value arising out of ESOPs included in the gross remuneration computed above.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

UFO MOVIEZ INDIA LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis

The Management of UFO Moviez India Limited is pleased to present below its analysis on the performance of UFO for the Fiscal Year ended March 31, 2017 and its outlook for the financial year 2017-18. UFO Moviez India Limited and its subsidiaries have been collectively referred to as "UFO".

Economy Overview and Industry Trends

The Indian Economy fared modestly in fiscal year 2017 delivering 7.1% GDP growth. Demonetization of higher currency notes and the passage of the Goods and Services Tax (GST) bill were the two major milestones in the economic history of the Country. We believe that the benefits arising out of demonetization and the implementation of GST will be reaped in the long term, however this will have a short term impact on the economy. While there was temporary slowdown, India's strong economic fundamentals like contained inflation, lower current account deficit and forex reserves combined with healthy domestic consumption supported the economy in these difficult times.

The Film Industry was also adversely impacted by demonetization growing merely by 3% in 2016, however it is expected to recover and grow by 7.7% CAGR till 2021 primarily driven by the growing acceptance for Regional movie content[1]. However, the limited number of ~9,200 screens in India is the primary limiting factor of growth for the high potential Indian Film Industry. The next phase of screen growth is expected to be driven by theatre addition in under penetrated regions of the Country which will benefit the industry as a whole including digital integrators.

Demonetization also impacted the overall advertising revenues which grew by 11.2% in 2016 to ₹ 528.2 Bn[1]. Going forward, advertising revenues are expected to grow by 15.3% CAGR to ₹ 1,078.1 Bn by 2021[1]. In Cinema Advertising was also severely impacted however, it is expected to be the largest beneficiary of increased advertisement spends going forward. In Cinema advertising represents ~1% of the overall advertisement spends and is expected to grow at 20-25% CAGR from 2017 to 2021[1].

[1]FICCI-KPMG, Indian Media and Entertainment Report, 2017.

I. **Digitization of Cinema in India**

In the pre digitization era, until 2005-06, films used to be distributed to theatres on prints in analogue form. The cost to produce an analog print was approximately ₹ 60,000 to ₹ 70,000 per print, which was borne by content owners. The high cost of making analog prints limited the ability of the content owners to produce more number of prints of a movie. Traditionally, only 250 – 300 analog prints used to be made for big budget movies, 50 – 60 analogs prints were produced for small budget / niche and 10 – 15 prints were made for regional movies. This limited the reach of films and they could only be released in staggered manner across theatres in the metropolitan or tier I cities first and then the next level of cities and towns.

There were significant logistical challenges associated with the physical movement of analog prints as well. Analog prints had to be physically distributed to theatres across the Country which was very cumbersome and costly. In addition to that, the looming threat of prints being stolen during transit existed resulting in piracy. Movies are like a perishable consumer product whose appeal atrophies over time. Delayed release and often poor quality pirated prints greatly diminished the revenue and profits in the entire cinema value chain. Further, analog prints required distributors to invest based upon demand prediction which led to either opportunity loss or dead investment all too frequently.

The drawbacks of analog print led to the evolution of digitization. Digitization in India picked up in 2005-06 when UFO entered the Indian movie industry. UFO deployed its proprietary UFO M4 technology platform which allowed content owners to digitally reach a large number of theaters by making a usage based fee payment. Digital cinema started to eclipse analog prints in 2005-06 and physical prints became almost obsolete by the end of 2013 in India.

Digitization of cinema infused new life into the Film Industry. Cost of reaching theaters digitally was significantly lower than the cost of producing analog prints. Movies started simultaneously releasing in theatres across the Country ensuring higher revenue collection for content owners. Digital cinema brought the proverbial First Day First Show experience of yesteryears to moviegoers across India, also thereby effectively curbing piracy. Digitization of movies involves encryption of the data so that it is safeguarded from unauthorized dissemination. This ensures the safety of film content from piracy. Freshness, safety of content, and High Definition picture quality redefined the overall movie experience for moviegoers in India.

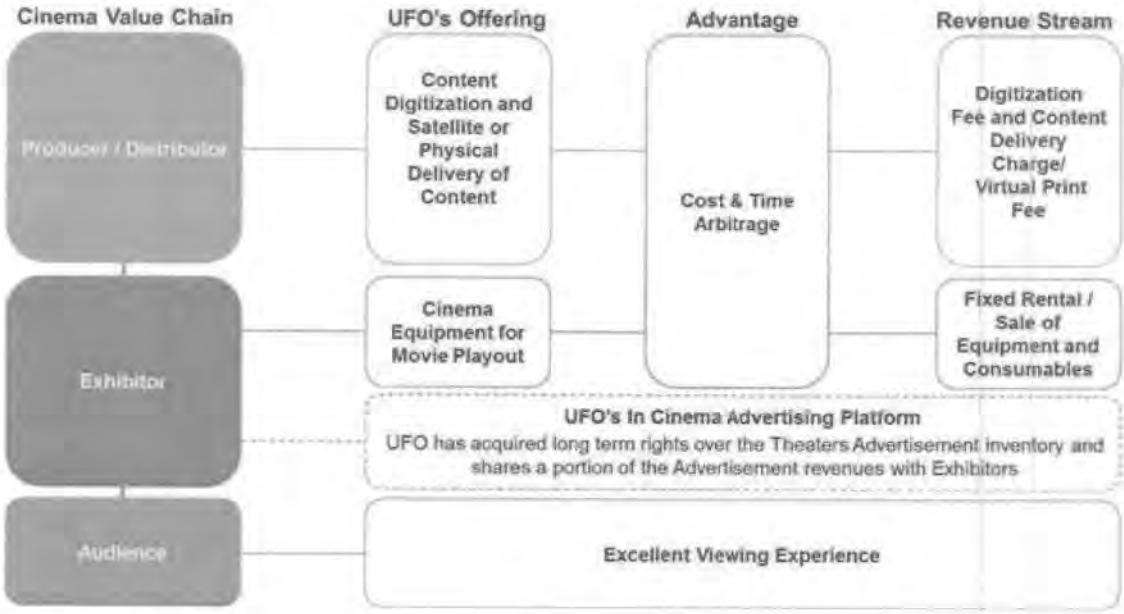
Digitization of cinema in India has been instrumental in transforming the Indian Film industry. Directly and indirectly, UFO has played an unseen but significant role in enhancing the Indian movie exhibition industry in quantity and quality in India.

UFO's Theatrical Business

UFO operates India's largest satellite-based, digital cinema distribution network in terms of the number of screens using its UFO-M4 platform, as well as India's largest D-Cinema network in terms of the number of screens. UFO delivers movies to theatres across the country in MPEG 4 format, using satellites (E-Cinema), as well as in JPEG 2000 (D-Cinema) format using physical devices.

UFO digitally delivered 1,790 movies in 25 languages to 5,105 screens with aggregate seating capacity of approximately 2.1 Mn viewers per show spread across 30 States and Union territories in India and Nepal in fiscal 2017. Over 12,000 movies have been digitally delivered in India since the beginning of UFO's operations. UFO's global network spans 6,579 screens worldwide which includes 1,474 screens across the Middle East, Israel, Mexico and the USA in addition to screens in India and Nepal as mentioned above.

UFO, through is theatrical service offerings, adds value to all stakeholders in the cinema value chain, as depicted below:



Technology Overview

UFO-M4 Technology

UFO-M4 is UFO's satellite-based, E-Cinema movie delivery technology platform. UFO-M4 technology platform provides an end-to-end platform for the satellite delivery of movies. UFO-M4 technology compresses and encrypts digital movie files prior to distributing them across UFO's satellite network.

UFO-M4 technology has a variety of technological benefits, including:

- Small file size - The file size of a raw digital file for a typical full length movie of approximately 150 minutes is 2.5 to 3 Terabyte. Through UFO's technology, this raw digital file is converted into a relatively small 8 to 10 Gigabyte encrypted file which is economically viable for satellite based delivery.
- Supports multiple formats like 2D, 2D Live, 3D and 3D Live.
- Content security features such as invisible fingerprinting technology. Each movie screening is marked with a code that allows tracing of pirated movies to the particular cinema, as well as the date and time of the screening of a pirated movie, which discourages piracy.
- All content is encrypted using Rijndael Algorithm (the algorithm used by industry standard Advanced Encryption Standard (AES)) encryption with 192 bit key length. Without the correct decryption keys, content is not playable. The decryption keys are shared with the target devices using 1024 bit RSA key pairs making the content very secure.
- Support of separate audio and visual tracks which allows for multiple audio languages as well as subtitles in different languages.
- Digital surround sound capabilities when played through UFO's servers.
- UFO-M4 movie files can be edited easily using UFO's software, allowing movie producer or distributor to make edits instantly.
- UFO-M4 files are intended to be compatible with new hardware, allowing UFO to upgrade the digital cinema equipment we provide to exhibitors as newer and better hardware becomes available.

UFO MOVIEZ INDIA LIMITED

II. Introduction to In-Cinema Advertising

Movie viewing is one of India's greatest passions and a way of life. India is also the largest producer of movies in the world. Approximately 1,800 movies are released in 25 languages annually. India certainly is a Film crazy nation which sells ~2.6 billion tickets annually, making India highest in terms of theatres admissions.

In the pre digitization era, typically the advertisement content shown prior to a feature film were slideshows or short commercials or promotions of a product or service which were delivered to theatres in analog form in advance. The advertisement content was mostly hyperlocal as they were most easily accessible by fragmented theater owners. Internationally, Cinema owners did not have access to national level advertisers which gave rise to advertising Companies which under an asset light model started aggregating and monetizing advertisement inventory of multiplex and single screens in the US and UK. In India, digitization of Cinema gave rise to digital cinema integrators who invested in digital cinema equipment to operate their core business. These digital cinema integrators also started aggregating and monetizing advertisement inventory of fragmented Cinemas.

Aggregating and monetizing advertisement inventory of screens made business sense because advertisers could access a wider network of screens without dealing with fragmented theater owners. Cinema advertising is an Impact Advertising platform because of its three key differentiators from traditional frequency mediums for advertising i.e.

- Big Screen Experience
- Access to Captive Audience
- Exposure to Longer Duration Advertisements

Globally, Companies like National Cine Media with ~50% screen share and Screen Vision with ~35% screen share became the two largest cinema advertising Companies in the US and Digital Cine Media with ~83% screen share became the largest cinema advertising Company in the UK. In India, digital cinema service providers to single screens and multiplex screens and large multiplex chains started monetizing advertisement inventory. UFO became the largest in cinema advertising network in terms of screens and also the largest multiplex advertisement network.

The Indian cinema advertising industry has emerged as a two demographic market unlike developed Countries like the US and UK. India has a Premium demographic segment which is led by ~2,000 organized multiplex screens which have an average ticket price ranging between ₹ 150 to ₹ 200 and Non Premium segment comprising over 7,000 fragmented single and multiplex screens having an average ticket price ranging between ₹ 30 to ₹ 100. The Premium and Non Premium Screens coexist in a single geography, only the target audience, experience and target advertisements are different as the price points offered are not the same. Both, Premium and Non-Premium demographic segments cater to different audience as their per capita Income and spending capacity differs materially.

However, like developed countries, in-cinema advertising inventory which is monetized by few large Companies depending on their sales capabilities and value proposition, India is expected to emerge from a multiplayer market to a 2 to 3 player market.

In cinema advertising has emerged as one of the fastest growing advertisement verticals in the last 6 years in India and is expected to continue growing. This growth is going to be largely driven by higher advertisement inventory utilization and improved pricing in the Non Premium segment which is currently very low and has significant head room for growth. This growth will be realized as advertisers scale up media spends in cinemas.

Digital cinema service providers and large multiplex chains in India have provided advertisers the means to reach theater audiences in the most efficient and transparent way. UFO being the largest digital service provider and in-cinema advertising network has played an instrumental role in re-creating in cinema advertising in India.

UFO's In-Cinema Advertising Platform

UFO has created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,745 screens under revenue share deals with the theatres with an aggregate seating capacity of approximately 1.73 Mn viewers and a reach of 1,874 locations across India, as on March 31, 2017. During the year, UFO's in-cinema Advertisement platform delivered an estimated viewership of over 100 Mn eyeballs on a monthly basis.

During the fiscal year ended March 31, 2017, UFO reported advertisement revenue growth of 13.41% to ₹ 1,789.95 Mn compared to ₹ 1,578.34 Mn in the fiscal year ended March 31, 2016. UFO's average annual advertisement revenue per screen stood at ₹ 474,597 in FY17 compared to ₹ 410,275 in FY16. The number of minutes sold per show per advertising screen stood at 4.34 minutes in FY17 compared to 4.15 minutes in FY16.

UFO's in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. The advantages of using UFO's in-cinema advertising platform over traditional advertising methods are:

- High levels of transparency - data logs of the actual advertisements played has enhanced advertiser confidence in UFO's in-cinema advertising platform.

- Remote capability allows for last minute scheduling and content changes.
- Advanced technology enables multi-lingual support.
- Elimination of physical prints of advertisements required to be sent to theatres in advance.

Advertisers do not have to deal with a large and fragmented group of exhibitors across the Country. The logistics of advertising is simplified by UFO as it controls, schedules and manages all advertising on its network of 3,745 screens. During the year, 2,824 advertisers from the private and Government sector advertised on UFO's network compared with 2,556 advertisers in the previous fiscal year 2016.

UFO's in-cinema advertising platform has benefited fragmented and standalone exhibitors as they can effectively monetize their advertisement inventory through UFO which they were earlier unable to do due to their limited scale and reach.

III. Synergetic Business Initiatives

Caravan Talkies and Club Cinema

Caravan Talkies housed under Valuable Digital Screens Private Limited (VDSPL), a subsidiary of UFO, provides movie screenings with low capital expenditure in under-penetrated, media-dark parts of rural India through its cinema-on-wheels solution, creating a unique opportunity for advertisers to reach captive audiences by partnering with various brands. Movies are screened free to viewers and Caravan Talkies derives its revenues through advertising. This is an effective advertisement platform for the Government and Corporates targeting rural markets. During the year, Caravan Talkies which operates in rural areas was adversely impacted due to demonetization of high currency notes.

Club Cinema provides movie screenings of recently released films in clubs and private screens at remote industrial townships, corporate auditoriums, housing complexes and educational institutions. By providing a complete digital cinema solution to such customers, UFO will be able to reach an untapped and niche segment of the Indian exhibition sector.

NOVA Cinemaz

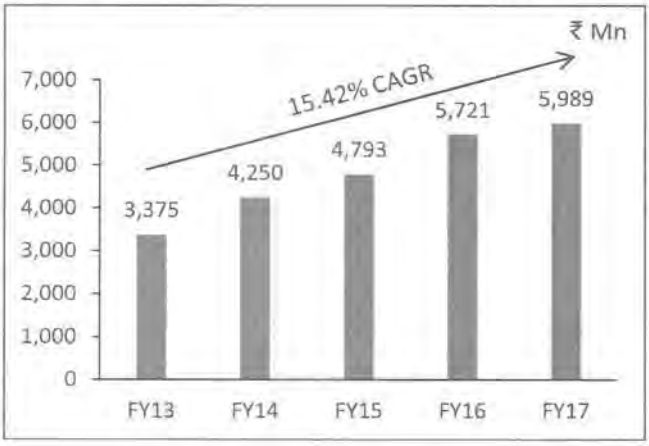
VDSPL under NOVA Cinemaz encourages local entrepreneurs to own and operate NOVA Cinemaz branded theaters in various part of the Country. These theatres will operate as franchisees of VDSPL. The local entrepreneurs will be primarily responsible for making the requisite investment for setting up theatres and will also be responsible for the day to day operations of their theatres. VDSPL will ensure that the theater is setup at a competitive cost for the franchisees. VDSPL shall also grant rights to use the brand 'NOVA Cinemaz' to the local entrepreneurs for a fee, and will take end to end responsibility of providing theatrical technologies as well as sourcing of film content. Under this asset light initiative, VDSPL aims to recreate the screen growth in non-metro regions across India. Contractually, NOVA Cinemaz franchisees shall be required to use UFO's service offering thereby providing a dedicated and captive customer base for UFO's digital cinema and advertising business.

Nova co-branded theatres have already been operationalized in the States of Punjab and Maharashtra. Additionally 3 cinema sites are currently under construction in Gujarat, Punjab and Uttarakhand. In addition to that, MoUs have been signed with 5 franchisees in Haryana, Maharashtra and Punjab. NOVA Cinemaz has also received notable number of enquiries from across India.

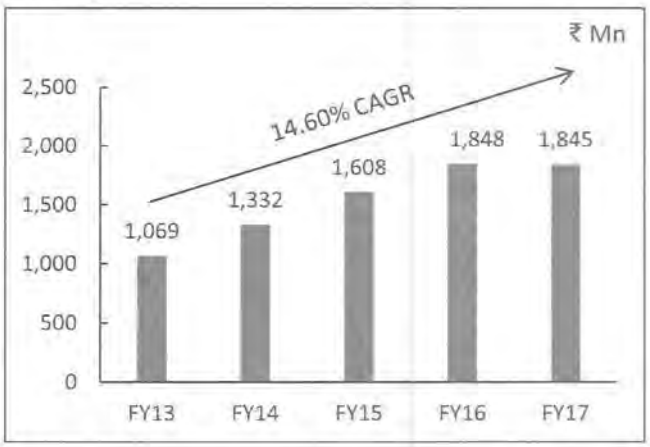
IV. Financial Performance

Performance Overview (FY13 – FY17)

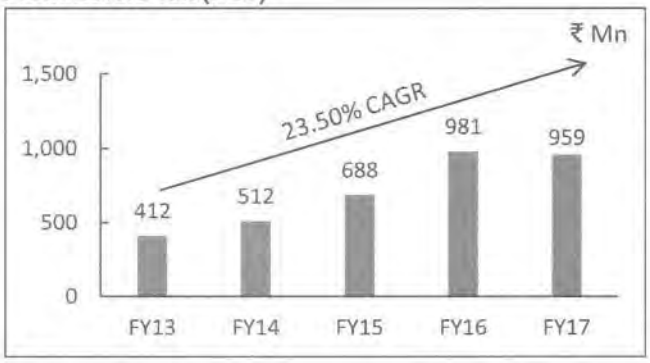
Revenue



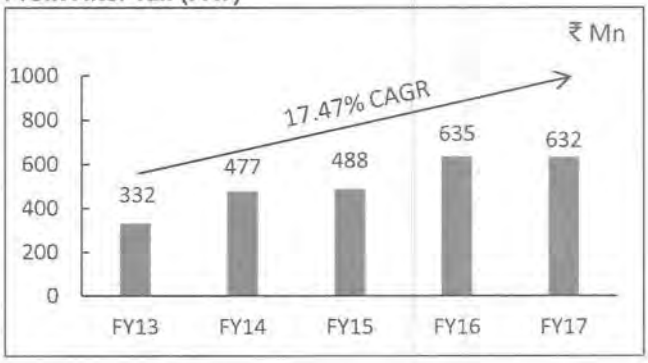
Earnings Before Interest Tax Depreciation and Amortization (EBITDA)



Profit Before Tax (PBT)



Profit After Tax (PAT)



Revenues Analysis

UFO receives revenues primarily from (i) advertisers, through in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, through equipment rental and sales for digital cinema equipment and consumables.

Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
A. Revenue from operations				
I. Advertisement revenue	**1,789.95**	**1,578.34**	**211.61**	**13.41**
II. Revenue from Content Owners	**2,575.27**	**2,589.23**	**(13.96)**	**(0.54)**
Virtual Print Fees (VPF) - E-Cinema	1,027.04	988.87	38.18	3.86
Virtual Print Fees (VPF) - D-Cinema	1,486.57	1,540.44	(53.87)	(3.50)
Digitisation income	61.65	59.92	1.74	2.90
III. Revenue from Exhibitors	**1,410.49**	**1,348.67**	**61.82**	**4.58**
Lease rental income - E-Cinema	450.60	396.44	54.16	13.66
Lease rental income - D-Cinema	138.97	158.59	(19.62)	(12.37)
Sales of Products	820.92	793.63	27.29	3.44
IV. Other Operating Revenue	**196.37**	**184.36**	**12.01**	**6.51**
A. Revenue from operations (I to IV)	**5,972.07**	**5,700.60**	**271.48**	**4.76**
B. Other income	**16.58**	**20.53**	**(3.95)**	**(19.24)**
Total Income (A+B)	**5,988.65**	**5,721.12**	**267.53**	**4.68**

UFO shares a significant portion of its D-Cinema VPF earned in India and in International territories with the exhibitors under the VPF sharing agreements and as such it is important to analyse the VPF revenues on a net basis which is given in the table below;

Particulars	31-Mar-17 ₹ in Mn	31- Mar-16 ₹ in Mn	Growth ₹ in Mn	% Growth
E- Cinema (India)				
E- Cinema VPF	1,027.04	988.87	38.18	3.86
less : VPF Sharing with exhibitors	49.48	26.39	23.09	87.48
E- Cinema VPF (Net)	**977.56**	**962.47**	**15.09**	**1.57**
D- Cinema (India)				
D- Cinema VPF	824.97	857.23	(32.27)	(3.76)
less : VPF Sharing with exhibitors	235.62	242.83	(7.21)	(2.97)
D- Cinema India VPF (Net) - (A)	**589.35**	**614.40**	**(25.06)**	**(4.08)**



Particulars	31-Mar-17	31- Mar-16	Growth	% Growth
	₹ in Mn	₹ in Mn	₹ in Mn	
D- Cinema (International)				
D- Cinema VPF	661.61	683.21	(21.61)	(3.16)
less : VPF Sharing with exhibitors	446.14	464.40	(18.26)	(3.93)
D- Cinema International VPF (Net) - (B)	**215.47**	**218.82**	**(3.35)**	**(1.53)**
Total D- Cinema VPF (Net) (A+B)	**804.81**	**833.22**	**(28.41)**	**(3.41)**
Total VPF Sharing	**731.24**	**733.62**	**(2.37)**	**(0.32)**

Expense Details

The following table gives an overview of the consolidated expenses of UFO.

Particulars	31-Mar-17	31- Mar-16	Growth	% Growth
	₹ in Mn	₹ in Mn	₹ in Mn	
Operating direct costs	2,479.00	2,425.22	53.77	2.22
Employee benefit expenses	814.64	688.22	126.41	18.37
Other expenses	850.51	759.71	90.80	11.95
Total Expenses	**4,144.14**	**3,873.15**	**270.98**	**7.00**

Operating direct costs

Operating direct costs in fiscal year ended March 31, 2017 increased marginally by 2.22% to ₹ 2,479.00 Mn compared to ₹ 2,425.22 Mn in fiscal year ended March 31, 2016.

Employee benefit expenses

Employee benefit expenses in fiscal year ended March 31, 2017 increased by 18.37% to ₹ 814.64 Mn compared to ₹ 688.22 Mn in fiscal year ended March 31, 2016 which is attributable to increase in salaries and wages on account of annual increase in employee salaries, higher incentives paid to advertisement sales employees and revision in remuneration of the Managing Director and Joint Managing Director as per the Shareholder approval.

Earnings before interest, tax, depreciation and amortization (EBITDA)

Consolidated EBITDA stood at ₹ 1,844.52 Mn in the fiscal year ended March 31, 2017 compared to ₹ 1,847.97 Mn in the fiscal year ended March 31, 2016. As a percentage of total revenue, the consolidated EBITDA margin decreased from 32.30% in the fiscal year ended March 31, 2016 to 30.80% in the fiscal year ended March 31, 2017 primarily led increase in Employee benefit expenses and Other operating expenses.

Profit before tax

Consolidated profit before tax stood at ₹ 958.77 Mn in the fiscal year ended March 31, 2017 compared to ₹ 980.53 Mn in the fiscal year ended March 31, 2016. Consolidated profit before tax was impacted by ₹ 70.00 Mn loss in VDSPL's Caravan Talkies of on account of increase operating expenses and higher depreciation and interest costs.

Profit for the year attributable to equity shareholders of UFO

Consolidated profit for the year attributable to equity shareholders of UFO stood at ₹ 631.56 Mn in the fiscal year ended March 31, 2017 compared to ₹ 634.63 Mn in the fiscal year ended March 31, 2016.

V. Strategy and Outlook

Key elements of UFO's growth strategy include the following:

The in-cinema advertisement platform provides UFO with significant growth opportunity. UFO intends to achieve this growth by increasing spot rates and through higher sales of advertisement inventory. UFO's current inventory utilization as on March 31, 2017 stands at 4.34 minutes per show per screen which has significant head room for delivering growth.

UFO believes that there is significant revenue growth opportunity in the Corporate and Government segment. UFO continues to strengthen engagements with existing advertisers, garnering repeat orders while continuing to form engagements with new advertisers. UFO through its dedicated Government and Corporate sales teams has been able to expand its advertising client base from 563 advertisers in fiscal year ended March 31, 2013 to 2,824 advertisers in fiscal year ended March 31, 2017.

Further, UFO has extended its existing in-cinema advertising platform to enable hyperlocal advertising business, UFO Framez. UFO Framez is a cloud-based advertising technology platform which is intended to drive the UFO's in-cinema inventory utilization through a network of Direct Sales Associates. It offers hyper local advertising clients a seamless avenue to advertise on UFO's in cinema advertising platform.

In addition to the in-cinema advertising growth opportunity, UFO also continues to focus on growing advertisement revenues through strategic business initiatives. Through Caravan Talkies, whose opportunity is complimentary to the existing advertisement opportunity, UFO intends to leverage on strengths like existing advertiser relationships, easy access to content and digital distribution capabilities to drive advertisement revenues. While this business was impacted negatively by demonetization in fiscal year 2017, Caravan has started witnessing healthy traction and is expected to deliver improved performance going forward.

In order to drive growth, UFO continues to consider inorganic growth opportunities by acquiring advertisement rights of other digital cinema service providers and multiplex chains. Aggregating advertisement rights enable UFO to further enhance its existing advertisement offering. Consistent with this strategy, UFO entered into a strategic tie up with United Media Works Private Limited (UMW), a digital cinema technology and service provider having more than 300 digitized cinema screens on its network in India. UFO has demonstrated the strength of its advertising business by acquiring long term exclusive rights from UMW to monetize the advertising inventory on these screens.

UFO continues to leverage its technology platform and its relationships with distributors to expand the movie exhibition market in India through innovative models. UFO through its asset light franchisee business, NOVA Cinemaz, aims to recreate screen growth in non-metro regions across India. NOVA Cinemaz focuses on creating an additional UFO customer base in India by developing Greenfield and Brownfield exhibition centers. Through NOVA Cinemaz, UFO expects to intensify organic screen growth thereby creating additional theatrical customers and acquiring their long term advertisement rights.

VI. Risks and Concerns

Dependence on exhibitors

UFO's digital cinema equipment rental contracts with exhibitors are usually for a fixed-monthly fee for duration of five to ten years and there is no assurance that these contracts will be renewed at existing or favorable commercial terms, or it at all. Further, these rental contracts generally allow termination rights to exhibitors after a certain period. UFO relies on its ability to create value and additional streams of revenue, including from advertising, to retain its exhibitor customers, but there is no assurance that exhibitors will not terminate the rental contracts prior to their expiration date or continue to renew their contracts with UFO.

Expiry of agreements with Hollywood Studios

UFO's rights to collect D-Cinema VPF under its agreements with major Hollywood studios (which form part of its total D-Cinema VPF) are set to expire by June 2018. UFO does not expect to extend or renew these contracts and if these are not extended or renewed, UFO will be unable to continue to collect D-Cinema VPF from major Hollywood studios after the aforesaid expiry.

VII. Risk Management

Like any other business, UFO is also prone to risks and concerns which can affect the operating performance, cash flows, financial performance and sustainability. UFO has developed appropriate risk management framework for identification, assessment, monitoring and mitigation of various risks to ensure smooth flow of operations adhering to stringent guidelines. As such, risk management is integral to the creation, protection and enhancement of shareholder value.

Overall, UFO has emerged as an organization that has strong focus on improving processes, reducing operational risks, enhance service quality and improving overall performance.

VIII. Internal Control and Adequacy

UFO has controls and procedures in place that are designed to provide reasonable assurance that material information relating to UFO is disclosed on a timely basis. Management has reviewed UFO's disclosure controls and has concluded that they were effective during the reporting period. The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have evaluated the effectiveness of UFO's disclosure controls and procedures related to the preparation of Management's Discussion and Analysis and the consolidated financial statements. UFO's management, with the participation of its CEO and CFO, is also responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian GAAP. UFO has robust financial controls in place through a combination of internal controls and processes. The controls ensure that transactions are recorded in timely manner, they are complete in all aspects, resources of UFO are effectively utilized and its assets are adequately safeguarded.

UFO has deployed a qualified independent firm as its Internal Auditor. The Internal Audit scope includes review

of efficacy of the business processes and review of the procedures and policies in place as designed by the management across all functional areas, and assessing the internal control strength in all areas. Also the Internal Auditor findings are discussed with the process owners and corrective action is taken as necessary.

IX. Human Resources and Industry Relations

The Human Resources (HR) function in UFO remains focused on developing and wellbeing of all its employees through improved organizational effectiveness and providing a conducive and ethical work place amidst a rapidly changing business environment such that employees can offer their best. It is UFO's endeavor to promote a healthy and safe work environment for all the employees. UFO continues to focus on reviewing Human Resources policies including remuneration, employee welfare plans, health and safety, professional training, etc.

The total employee strength including group Companies and top management stood at 602 as on March 31, 2017.

Material developments in human resources:

Recruitment and Selection:

UFO has a talented pool of employees that prides itself in providing effective and efficient customer service to its clients. The focused recruitment and selection process ensures that UFO hires the best talent for the job that aligns with the overall goals of the organization. UFO takes pride in having a stable manpower strength coupled with low rate of attrition that gives it a strategic advantage to sustain long term business objectives.

Training and Development:

UFO, from time to time, plans and arrange for training of its employees for their overall development to achieve long term business objectives of UFO.

Industrial Relations:

UFO believes in maintaining cordial and friendly relations with its employees and resolves conflict, controversies and disputes, if any, between the employees and management in an amicable manner.

Cautionary Statement

Certain Statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations or predictions, estimates and others may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Important factors that could make a significant difference to the Company's operations are demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

COMPANY'S GOVERNANCE PHILOSOPHY

The Company firmly believes that effective corporate governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The Corporate Governance is essentially a system by which companies are directed and controlled by the management in the best interest of all stakeholders. Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholders' value and discharge its social responsibility. The Company recognizes that strong corporate governance is an indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. The Company, therefore, continues to lay great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

BOARD OF DIRECTORS

The Board of Directors of the Company is broad based and consists of eminent individuals having experience of industry, management, technical, financial and marketing functions. The Board periodically evaluates the need for change in its composition and size.

As on March 31, 2017, the composition of the Board is as below:

Category	No. of Directors
Non-Executive & Independent Directors including the Chairman	3
Other Non-Executive Directors	3
Executive Directors (Managing Director and Joint Managing Director)	2
Total	**8**

The Chairman of the Board of Directors is an Independent Director. As required under Section 149 of the Companies Act, 2013, Ms. Lynn de Souza, a lady Director, has been appointed as an Independent Director on the Board.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Ameya Hete retires by rotation in the ensuing Annual General Meeting (AGM) and is eligible for re-appointment. The details of Mr. Ameya Hete, Director seeking re-appointment, are disclosed in the notice of the AGM.

Further, tenure of Mr. Sanjeev Aga, Ms. Lynn de Souza and Mr. S. Madhavan, as Independent Directors will expire on November 19, 2017 and they are eligible for re-appointment. The details of Mr. Sanjeev Aga, Chairman and Independent Director, Ms. Lynn de Souza, Independent Director and Mr. S. Madhavan, Independent Director seeking re-appointment, are disclosed in the notice of the AGM.

CATEGORY AND ATTENDANCE OF DIRECTORS

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last AGM, as also the number of Directorship and Committee positions held by them in public limited companies (including the Company) are given below:

Name of Director	Category	No. of Board Meetings Attended during 2016-17 / (No. of meetings held during the tenure)	Attendance at AGM held on September 15, 2016	No. of Directorship * (As on March 31, 2017)			No. of committee positions in Mandatory Committees** (As on March 31, 2017)		
				Chairman	Board Member	Total	Chairman	Committee Member	Total
Mr. Sanjeev Aga	Chairman, Non-Executive, Independent	6 (7)	Yes	1	7	8	2	4	6
Mr. Ameya Hete#	Non-Executive^	6 (7)	No	Nil	5	5	Nil	Nil	Nil
Mr. Biswajit Subramanian$	Non-Executive$	3 (7)	No	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Name of Director	Category	No. of Board Meetings Attended during 2016-17 / (No. of meetings held during the tenure)	Attendance at AGM held on September 15, 2016	No. of Directorship * (As on March 31, 2017)			No. of committee positions in Mandatory Committees** (As on March 31, 2017)		
				Chairman	Board Member	Total	Chairman	Committee Member	Total
Mr. Kapil Agarwal	Executive	7 (7)	Yes	Nil	2	2	Nil	2	2
Ms. Lynn de Souza	Non-Executive, Independent	6 (7)	Yes	Nil	3	3	Nil	3	3
Mr. Raaja Kanwar	Non-Executive^	2 (7)	No	1	2	3	Nil	1	1
Mr. S. Madhavan	Non-Executive, Independent	6 (7)	Yes	Nil	3	3	3	2	5
Mr. Sanjay Gaikwad	Executive^	7 (7)	Yes	Nil	6	6	Nil	1	1
Mr. Varun Laul	Non-Executive^	6 (7)	No	Nil	1	1	1	1	2

* Excludes directorships in associations, private limited companies, foreign companies, government bodies and companies registered under Section 8 of the Companies Act, 2013.

** Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Mention as the Listing Regulations.

^ Mr. Sanjay Gaikwad is one of the promoters of the Company and Mr. Ameya Hete and Mr. Raaja Kanwar form part of the promoter group.

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Ameya Hete, retires by rotation in the forthcoming AGM and is eligible for re-appointment. The details of Mr. Ameya Hete, Director seeking re-appointment are disclosed in the notice of the AGM.

$ Mr. Biswajit Subramanian ceased to be a director of the Company with effect from March 2, 2017.

During the year under review, the Board met 7 times on the following dates: May 26, 2016; July 26, 2016; August 2, 2016; September 1, 2016; November 8, 2016 and twice on February 2, 2017. The gap between any two consecutive meetings did not exceed 120 days.

BOARD PROCEDURE

The agenda along with the notice of the Board Meetings is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II of the Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Company Secretary regarding compliance with applicable laws, on a quarterly basis.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for all the employees of the Company, including the Managing Director and the Joint Managing Director. The Board has also approved a Code of Conduct for Directors and Senior Management of the Company, which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct for the Directors and Senior Management is posted on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

All the Board members and Senior Management personnel have affirmed their compliance with the Code of Conduct for Directors and Senior Management. A declaration to this effect, signed by the Chief Executive Officer, forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are *inter-se* related to each other.

The Directors and Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

REMUNERATION TO NON-EXECUTIVE DIRECTORS

During the year under review, the non-executive independent directors were paid sitting fees at the rate of ₹ 100,000/- for attending each of the board meetings and ₹ 50,000/- for attending each of the committee meetings.

The non-executive independent directors were appointed at a fixed remuneration consisting of sitting fees and commission on net profits of the Company. The total remuneration agreed with Mr. Sanjeev Aga, Chairman and Independent Director is ₹ 3,500,000/- p.a. and the total remuneration agreed with each of Ms. Lynn de Souza and Mr. S. Madhavan, both independent directors is ₹ 2,000,000/- p.a. as approved by the shareholders at their Extra-ordinary General Meeting held on November 20, 2014. The total remuneration payable to Independent Directors for the financial year ended March 31, 2017 is as below:

Name of Director	Sitting Fees (₹)	Commission (₹)	Total (₹)
Mr. Sanjeev Aga	950,000	2,550,000	3,500,000
Ms. Lynn de Souza	900,000	1,100,000	2,000,000
Mr. S. Madhavan	1,000,000	1,000,000	2,000,000
Total	**2,850,000**	**4,650,000**	**7,500,000**

The terms and conditions of the appointment of aforesaid independent directors and criteria for making payments to non-executive directors are disclosed on the Company's website www.ufomoviez.com

No sitting fees is payable to non-executive non-independent directors as they have waived their entitlement for the same.

As on March 31, 2017, except Mr. Ameya Hete and Mr. S. Madhavan who hold 217,797 and 1,500 equity shares of the Company respectively (as on date Mr. Ameya Hete and Mr. S. Madhavan holding 217,797 and 2,500 equity shares of the Company respectively), none of the non-executive directors was holding any equity shares of the Company on March 31, 2017 or as on date.

REMUNERATION TO THE EXECUTIVE DIRECTORS

Mr. Sanjay Gaikwad, Managing Director of Company had been appointed for a period of five years from October 17, 2013 to October 16, 2018. Mr. Kapil Agarwal, Joint Managing Director of Company had been appointed for a period of five years from March 1, 2014 to February 28, 2019. During the year under review, the Company had paid ₹ 32,500,000/- each to Mr. Sanjay Gaikwad, Managing Director and Mr. Kapil Agarwal, Joint Managing Director of the Company. The remuneration drawn was within the limits of managerial remuneration prescribed under Section 198 of the Companies Act, 1956 (at the time of appointment) and during the financial year 2016-17 under Section 197 of the Companies Act, 2013 considering the profits of the Company for the financial year 2016-17.

All elements of remuneration package of executive directors given herein below:

Particulars		Mr. Sanjay Gaikwad	Mr. Kapil Agarwal
1.	Salary	₹ 1,100,000 per month.	₹ 1,100,000 per month.
2.	Perquisites	The total remuneration as per para 1 and 2 i.e. Salary and Perquisites shall be restricted to an amount of ₹ 27,500,000/- p.a.	The total remuneration as per para 1 and 2 i.e. Salary and Perquisites shall be restricted to an amount of ₹ 2,7500,000/- p.a.
3.	One time performance incentive	Mr. Sanjay Gaikwad was paid a one time performance incentive of ₹ 5,000,000/- for the performance of the Company for past periods, in the financial year 2016-17.	Mr. Kapil Agarwal was paid one time performance incentive of ₹ 5,000,000/- for the performance of the Company for past periods, in the financial year 2016-17.
4.	Yearly performance incentive	In addition to above, and subject to the Nomination and Remuneration Committee's final determination based on certain defined parameters, with effect from April 1, 2016, Mr. Sanjay Gaikwad will also be entitled for yearly performance incentive of an amount not exceeding ₹ 12,500,000/-. Accordingly, Mr. Sanjay Gaikwad was paid performance incentive of ₹ 5,000,000/-, for the financial year 2016-17.	In addition to above, and subject to the Nomination and Remuneration Committee's final determination based on certain defined parameters, with effect from April 1, 2016, Mr. Kapil Agarwal will also be entitled for yearly performance incentive of an amount not exceeding ₹ 12,500,000/-. Accordingly, Mr. Kapil Agarwal was paid performance incentive of ₹ 5,000,000/-, for the financial year 2016-17.
5.	Employees Stock Options (ESOPs) as on March 31, 2017 and as on date.	Nil	212,500 ESOPs convertible into 212,500 equity shares of the Company. As on date 50% of above ESOPs are vested.

As on March 31, 2017 and as on date Mr. Sanjay Gaikwad and Mr. Kapil Agarwal were holding 263,797 and 462,394 equity shares of the Company respectively.

The appointment of the Executive Directors may be terminated earlier than the term of 5 years by either party by giving to the other party three months' notice of such termination or the Company paying three month's remuneration in lieu of such notice. The Executive Directors may be entitled to severance benefits depending on the circumstances of their termination of employment.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meetings of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the Management, were held on July 26, 2016, May 17, 2017 and July 11, 2017 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of the Listing Regulations At the said meetings, the Independent Directors:

a) reviewed the performance of Non-Independent Directors and the Board as a whole;

b) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and

c) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Sanjeev Aga and Mr. S. Madhavan attended the Meeting of Independent Directors held on July 26, 2016. All the Independent Directors attended the meeting of Independent Directors held on May 17, 2017 and July 11, 2017. Mr. Sanjeev Aga chaired all the three Meetings.

BOARD AND DIRECTORS' EVALUATION AND CRITERIA FOR EVALUATION

For the year under review, the Board has carried out an evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the performance evaluation process of the Board members. The criteria for evaluation include inter alia, knowledge to perform the role, time and level of participation, performance of duties and level of oversight, professional conduct and independence.

BOARD TRAINING, INDUCTION AND FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarizes its Directors including independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The familiarization programme for Independent Directors is disclosed on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The Managing Director and the Joint Managing Director also have one-on-one discussion with the Directors on a regular basis. In addition, the Senior Management of the Company interacts regularly with the Directors both individually and collectively. The above initiatives help the Directors to understand and keep themselves updated about the Company, its business and the regulatory framework in which the Company operates and equip themselves to effectively fulfill their role as Directors of the Company.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted various committees viz, Audit and Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Compensation Committee, Corporate Social Responsibility Committee and Finance Committee.

Each of these Committees has been mandated to operate within a given framework. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are headed by the respective Chairmen, who also inform the Board about the summary of discussions held in those Meetings. The minutes of the Committee Meetings are sent to all the respective Committee Members individually and tabled at the Board Meetings.

A. AUDIT AND RISK MANAGEMENT COMMITTEE:

The Audit and Risk Management Committee acts as a link between the statutory / internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The scope and function of the Audit and Risk Management Committee is in accordance with the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The powers of the Audit and Risk Management Committee include the power to (i) investigate any activity within its terms of reference; (ii) seek information from any employee; (iii) obtain outside legal or other professional advice; and (iv) secure attendance of outsiders with relevant expertise, if it considers the attendance of such outsiders necessary.

The Audit and Risk Management Committee is mandatorily review amongst others, (i) the management discussion and analysis of financial condition and results of operations; (ii) the statement of significant related party transactions submitted by the management; (iii) the



management letters / letters of internal control weaknesses issued by the statutory auditors; (iv) the internal audit reports relating to internal control weaknesses; and (v) the appointment, removal and terms of remuneration of the chief internal auditor/ internal auditor.

The role of the Audit and Risk Management Committee includes the scope as specified in Part C of Schedule II of the Listing Regulations in addition to the requirements of Section 177 of the Companies Act, 2013. Also the Audit and Risk Management Committee is responsible for monitoring and reviewing the risk management plan of the Company.

The composition of the Audit and Risk Management Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. Sanjeev Aga	Chairman	Non-Executive, Independent Director	5 (6)
Mr. S. Madhavan	Member	Non-Executive, Independent Director	5 (6)
Mr. Varun Laul	Member	Non-Executive Director	5 (6)
Ms. Lynn de Souza	Member	Non-Executive, Independent Director	5 (6)

Necessary quorum was present at the above Committee Meetings. All the Members on the Audit and Risk Management Committee have the requisite qualifications for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are invited to attend the Meeting of the Audit and Risk Management Committee. They have attended all the meetings where their Audit Reports were tabled for discussion. The Managing Director, Joint Managing Director, Chief Executive Officer and Chief Financial Officer usually attend all the Audit and Risk Management Committee Meetings. The Company Secretary is the Secretary to the Committee.

During the year under review, 6 meetings of the Audit and Risk Management Committee were held on May 26, 2016; July 26, 2016; August 2, 2016; September 1, 2016; November 8, 2016 and February 02, 2017.

B. NOMINATION AND REMUNERATION COMMITTEE:

The scope and terms of reference of the Nomination and Remuneration Committee includes recommending to the Board from time to time the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel as more specifically detailed in Part D of Schedule II of the Listing Regulations in addition to the requirements of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Policy is part of the Directors Report.

The composition of the Nomination and Remuneration Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. S. Madhavan	Chairman	Non-Executive, Independent Director	3 (3)
Mr. Sanjeev Aga	Member	Non-Executive, Independent Director	2 (3)
Mr. Biswajit Subramanian (Ceased to be a member with effect from March 2, 2017.)	Member	Non-Executive Director	0 (3)
Mr. Ameya Hete	Member	Non-Executive Director	2 (3)

During the year under review, 3 meetings of the Nomination and Remuneration Committee were held on May 26, 2016; July 26, 2016 and November 8, 2016.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The terms of reference of the Stakeholders' Relationship Committee of the Company are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the the Listing Regulations which *inter alia* include:

a) Redressal of grievances of shareholders, debenture holders and other security holders.

b) Consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The composition of the Stakeholders' Relationship Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 / (No. of meetings held during the tenure)
Mr. Varun Laul	Chairman	Non-Executive, Non-Independent Director	3 (4)
Mr. Sanjay Gaikwad	Member	Executive Director	4 (4)
Mr. Kapil Agarwal	Member	Executive Director	4 (4)

During the year under review, 4 meetings of the Stakeholders' Relationship Committee were held on May 26, 2016; August 2, 2016; November 8, 2016 and February 2, 2017.

Mr. Sameer Chavan, Company Secretary of the Company is the Compliance Officer of the Company.

The number of complaints received, resolved to the satisfaction of shareholders and numbers of complaints pending during the financial year ended March 31, 2017 are as under.

Particulars	Received	Resolved	Pending
No. of Complaints	42	42	Nil

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

a) Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The composition of the Corporate Social Responsibility Committee as at March 31, 2017 and the details of Members participation at the meetings of the Committee are as under:

Name of the member	Position in the Committee	Designation	No. of meetings attended during the year 2016-17 (No. of meetings held during the tenure)
Mr. Sanjay Gaikwad	Chairman	Executive Director	1 (1)
Ms. Lynn de Souza	Member	Non-Executive, Independent Director	1 (1)
Mr. Kapil Agarwal	Member	Executive Director	1 (1)

During the year under review, the Corporate Social Responsibility Committee met once on May 26, 2016.

The policy on Corporate Social Responsibility is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

E. COMPENSATION COMMITTEE:

The scope and terms of reference of Compensation Committee is in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which *inter alia* includes:

a) Administration and superintendence of the employee stock options schemes.

UFO MOVIEZ INDIA LIMITED

b) Formulate the detailed terms and conditions of the schemes which shall include the provisions as specified by Board in this regard.

c) Frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the trust, the Company and its employees, as applicable.

The Members of the Compensation Committee are as below:

Name of the member	Position in the Committee	Designation
Mr. S. Madhavan	Chairman	Non-Executive, Independent Director
Mr. Sanjeev Aga	Member	Non-Executive, Independent Director
Mr. Biswajit Subramanian (Ceased to be a member with effect from March 2, 2017.)	Member	Non-Executive Director
Ms. Lynn de Souza	Member	Non-Executive, Independent Director
Mr. Sanjay Gaikwad	Member	Executive Director

During the year under review, no meeting of Compensation committee took place.

F. FINANCE COMMITTEE:

The Finance Committee comprises of four members Mr. Ameya Hete, Mr. Kapil Agarwal, Mr. Sanjay Gaikwad and Mr. Varun Laul.

The terms of reference of Finance Committee includes matters related to Share Allotment, Share Transfer, Banking & Finance and merger related activities.

SUBSIDIARY COMPANIES

The Company has a material subsidiary namely Scrabble Entertainment Limited who has generated more than 20% of the consolidated income of the Company during the year under review. The Board of Directors of the Company has approved a policy for determining material subsidiaries of the Company and the same is disclosed on the website of the Company under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

The audited annual financial statements of the subsidiary companies are tabled at the Audit and Risk Management Committee and Board Meetings. Copies of the Minutes of the Board Meetings of subsidiary companies are tabled at the subsequent Board Meetings.

GENERAL BODY MEETINGS

A. Annual General Meetings:

Details of the Annual General Meetings of the Company during the preceding three years are as follows:

Financial Year	Venue	Date	Time
2015-16	Sivaswamy Auditorium of Fine Arts Cultural Centre, Fine Arts Chowk, R. C. Marg, Chembur, Mumbai – 400071.	September 14, 2016	10:30 a.m.
2014-15	FICCI K.K. Birla Auditorium, Tansen Marg, Near Mandi House, New Delhi – 100 001	September 15, 2015	12.00 Noon
2013-14	1-B, Sagar Apartments, 6 Tilak Marg, New Delhi – 100 001	September 4, 2014	11.00 a.m.

During the three preceding Annual General Meetings of the Company, no special resolutions were passed.

B. Special resolution passed through Postal Ballot

During the financial year 2016-17, pursuant to Section 110 of the Companies Act, 2013 read with Rules made thereunder and other applicable provisions, if any, (including any amendment thereto or re-enactment thereof), the Company has passed special resolutions through Postal Ballot as per details mentioned below:

Date of Postal Ballot Notice	Voting Period	Date of Report by Scrutinizer	Date of declaration of Results / Date of Approval of Members	Name of the Scrutinizer	Description of Special Resolution passed through Postal Ballot
November 8, 2016	From December 27, 2016 at 9.00 a.m. to January 25, 2017 at 5.00 p.m.	January 28, 2017	January 30, 2017	Mr. Dharmesh Zaveri, Practicing Company Secretary of D.M. Zaveri & Co.	1. Revision in the remuneration of Mr. Sanjay Gaikwad, Managing Director of the Company. 2. Revision in the remuneration of Mr. Kapil Agarwal, Joint Managing Director of the Company.

The details of voting pattern on aforesaid resolutions are mentioned below:

Details of resolution	No. of outstanding shares	No. of votes polled			% of Votes polled on outstanding shares	No. of Votes – in favour	No. of Votes – against
		Physical ballot	e-voting	Total			
Revision in the remuneration of Mr. Sanjay Gaikwad, Managing Director of the Company.	27,600,801	2,157	20,788,958	20,791,115	75.33%	19,763,697	1,027,418
Revision in the remuneration of Mr. Kapil Agarwal, Joint Managing Director of the Company.	27,600,801	2,157	20,788,938	20,791,095	75.33%	19,763,666	1,027,429

As of now, no Special resolution is proposed to be conducted through Postal Ballot.

Procedure of Postal Ballot followed by the Company is mentioned below:

In addition to the physical voting, the Company transacts the business of Postal Ballot through electronic voting. The Company in compliance with Regulation 44 of the SEBI (LODR) Regulations, 2015 and the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, provides facility to the Members (whether holding shares in physical or in dematerialized form) to exercise their right to vote on the matters included in the notice of the postal ballot by electronic means i.e. through e-voting services. The Company engages the services of M/s. Karvy Computershare Private Limited for the purpose of providing e-voting facility to all its members. The members have an option to vote either by physical ballot or by e-voting. The Company dispatches the postal ballot notices and postal ballot form along with self-addressed, postage pre-paid business reply envelopes by permissible mode to its members whose names appear on the register of members / list of beneficial owners as on the cut-off date. The postal ballot notice along with postal ballot form is sent to members in electronic form to the e-mail addresses registered with their

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depository participants or the Company. The Company also publishes notice in the newspapers declaring the details of completion of dispatch of notice and other requirements as mandated under the Companies Act, 2013 read with the Rules framed thereunder. Voting is reckoned in proportion to the Member's share of voting rights on the paid-up share capital of the Company as on the record date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report to the Chairman, after completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorised persons. The results are also displayed on the website of the Company i.e. www.ufomoviez.com, besides being communicated to the stock exchanges, agency providing e-voting facility and registrar and share transfer agent of the Company.

C. Resolutions passed at Court Convened Meeting

During the financial year 2016-17 the Company has passed following resolutions at Court Convened Meeting (CCM) of shareholders held on January 16, 2017 at 11:00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 as per details mentioned below:

Date of CCM notice	Voting period	Date of report by Scrutinizer	Date of declaration of results / Date of Approval of members	Name of the Scrutinizer	Description of resolutions passed
November 8, 2016	From January 13, 2017 at 09:00 a.m. to January 15, 2017 at 5:00 p.m.	January 16, 2017	January 16, 2017	Mr. Dharmesh Zaveri, Practicing Company Secretary of D.M. Zaveri & Co.	1. Approval of with or without modification(s), the Scheme of Arrangement between Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited and UFO Moviez India Limited and their respective shareholders ("Scheme") which inter-alia provides for amalgamation of Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited with UFO Moviez India Limited. 2. Approval of the reduction of securities premium of UFO Moviez India Limited.

The details of voting pattern on aforesaid resolution are mentioned below:

Details of resolution	No. of outstanding shares	No. of votes polled			% of Votes polled on outstanding shares	No. of Votes – in favour	No. of Votes – against
		Physical ballot	e-voting	Total			
Approval of with or without modification(s), the Scheme of Arrangement between Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited and UFO Moviez India Limited and their respective shareholders ("Scheme") which inter-alia provides for amalgamation of Southern Digital Screenz India Private Limited, V N Films Private Limited, Edridge Limited, UFO International Limited with UFO Moviez India Limited.	27,600,801	257,168	20,626,536	20,883,704	75.66	20,883,348	356
Approval of the reduction of securities premium of UFO Moviez India Limited.	27,600,801	257,167	20,626,536	20,883,703	75.66	20,883,347	356

MEANS OF COMMUNICATION

Communication with the Members / Shareholders

As per the requirements of the the Listing Regulations the unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter and the audited annual results are announced within sixty days from the close of the financial year.

The aforesaid financial results are sent to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after they are approved by the Board. The results thereafter are given by way of a press release to various news agencies/analysts. Further, the results were published within forty-eight hours in leading English daily newspaper i.e. 'The Financial Express' and Marathi daily newspaper i.e. 'Loksatta'. Prior shifting of the registered office of the Company from New Delhi to Maharashtra, the same were published in a Hindi daily newspaper i.e. 'Jansatta' alongwith English daily newspaper i.e. 'The Financial Express'. The audited financial statements form part of the Annual Report which are sent to the Members well in advance of the AGM.

The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members/ investors and subsequently issues a press release in regard to the same.

The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are placed on the Company's website under the web link: http://www.ufomoviez.com/IR_Finance.aspx and can be downloaded. Also, all the official news releases, intimation of analyst meets, presentations made to the investors, etc. are displayed on the website of the Company under the section 'Events & Updates.'

In compliance with Regulation 10 of the the Listing Regulations the quarterly results, shareholding pattern, quarterly compliances and all other corporate communications are filed electronically with BSE on its Listing Centre portal and with NSE on its NEAPS portal.

DISCLOSURES

Related party transactions

All transactions entered in to with the related parties as defined under the Companies Act, 2013 and under Regulation 23 of the the Listing Regulations during the year under review were in the ordinary course of business and on arm's length basis. All the transactions with the related parties are in the normal course of business and do not conflict with the interest of the Company.

Except as disclosed in 'Annexure-1" to the Directors' Report, there were no materially significant transactions with related parties during the year under review. Related party transactions have been disclosed in the notes to the financial statements in accordance with Accounting Standards 18.

As required under Regulation 23 of the Listing Regulations the Company has formulated a policy on related party transactions. The Policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Strictures and penalties

During the year under review, no strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets.

Whistle Blower policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 4(2)(d) of Chapter II of the Listing Regulations the Company has formulated a Whistle Blower Policy for establishing a vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimization of Employees and Directors who may use such mechanism and makes provision for direct access to the Chairman of the Audit and Risk Management Committee. None of the personnel of the Company has been denied access to the Chairman of the Audit and Risk Management Committee. The details of the Whistle Blower policy are available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the SEBI (LODR) Regulations, 2015

The Company has to the extent applicable complied with all the mandatory requirements of the Listing Regulations. As to non-mandatory requirements, the company has appointed separate persons to the posts of Chairman, Managing Director(s), and Chief Executive Officer.

Commodity price risk and Hedging Activities

As the Company is not dealing in commodities, there are no commodity price risk and hedging activities undertaken by the Company during the year under review.

Disclosure of the compliance with Corporate Governance

The Company has complied with all the corporate governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of Sub Regulation (2) of Regulation 46 of the Listing Regulations.

Disclosure with respect to demat suspense account / unclaimed suspense account

As on April 1, 2016, total 48 shares of 2 shareholders were lying in the suspense account.

During the year under review, the Company has received request from these shareholders to transferred said shares to their demat accounts and accordingly the Company has transferred said shares to respective shareholders demat account. As on March 31, 2017, there were no outstanding shares which were lying in the suspense account. The voting rights on aggregate of 48 outstanding shares were frozen till the shares were in suspense account.

Prevention of Insider trading

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The policy also includes practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosure. The Company has automated the declarations and disclosure to identified designated employees and the Board reviews the policy on a need basis. The policy on Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

Policy for determination for materiality of event or information

In accordance of Regulation 30 of the Listing Regulations the Company has framed the Policy for determination for materiality of event or information for the purpose of making disclosures of event or information to the Stock Exchanges under Listing Regulations. The Policy includes criteria for determination of materiality of event and information and the manner for making disclosure of such events and information to the Stock Exchanges. The policy is available on the Company's website under the web link: http://www.ufomoviez.com/IR_Corporate_Governance.aspx

GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L22120MH2004PLC285453.

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Financial Calendar for the Financial Year 2017-18

Financial Year	April to March
Board Meeting for consideration of Accounts for the financial year ended March 31, 2017	May 17, 2017
Book Closure Dates	Tuesday, September 19, 2017 to Tuesday, September 26, 2017 (both days inclusive)
	Dividend payment Date after Wednesday, September 27, 2017
Last date for receipt of Proxy Forms	Sunday, September 24, 2017
Day, Date, Time & Venue of the 13th Annual General Meeting	Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri - East, Mumbai - 400059.
Board Meeting for consideration of unaudited quarterly results for three quarters i.e. June, 2017; September, 2017 and December, 2017 of the financial year 2017-18.	Within forty-five days from the end of the quarter or within such other time as stipulated under the SEBI (LODR) Regulations, 2015.
Annual audited results for the financial year ending March 31, 2018	Within sixty days from the end of the last quarter or within such other time as stipulated under the SEBI (LODR) Regulations, 2015.

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges:

Name & Address of the Stock Exchanges	Stock Code / Scrip Code	Name & Address of the Stock exchanges
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	UFO / 539141	INE527H01019
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	UFO	

The Company has paid the listing fees to these Stock Exchanges for the financial year 2017-18.

Market Price Data: High, low during each month in last financial year and performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.

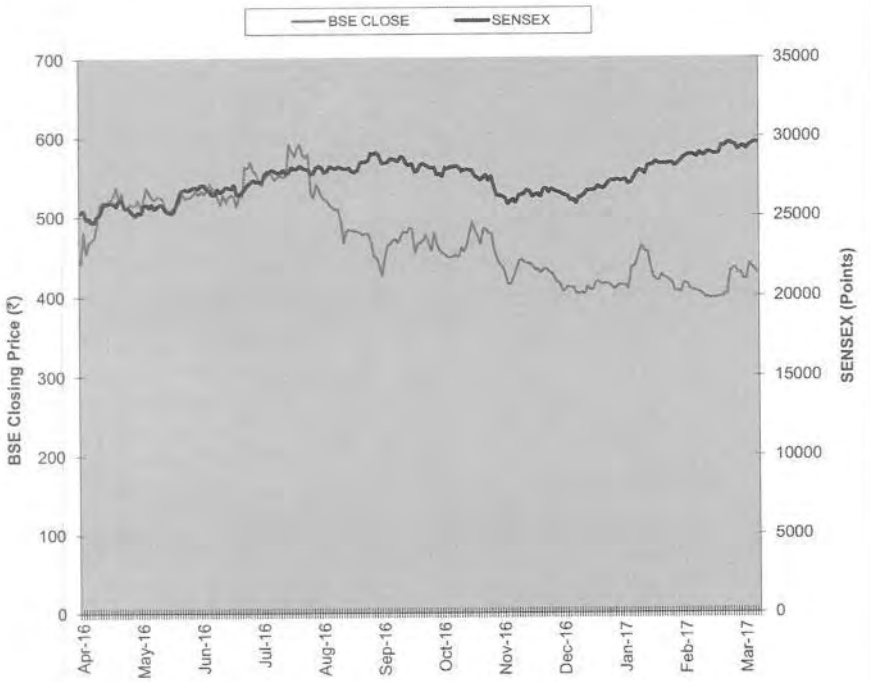
The performance of the Equity Shares of the Company i.e. the high, low and number of Equity Shares traded during each month in the financial year 2016-17 on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) depicting the liquidity of the Company's Equity Shares for the financial year ended March 31, 2017, on the said exchanges is given below:

Month	BSE Share Price Month's High (₹)	BSE Share Price Month's Low (₹)	Total Turnover (₹ In lacs)	NSE Share Price Month's High (₹)	NSE Share Price Month's Low (₹)	Total Turnover (₹ In lacs)
Apr-16	545.00	420.10	1,162.15	546.25	411.00	4,540.67
May-16	548.00	502.00	456.25	549.00	495.15	2,293.34
Jun-16	583.00	504.00	971.77	583.65	486.00	2,383.56
Jul-16	625.00	536.00	18,315.00	623.75	536.90	8,409.49
Aug-16	606.00	465.00	1,429.33	606.00	464.20	6,662.20
Sep-16	501.50	425.00	2,044.26	500.80	421.00	6,050.58
Oct-16	501.90	435.55	394.34	503.00	437.00	2,362.75
Nov-16	503.00	405.40	557.36	505.00	405.00	4,658.98
Dec-16	450.90	397.00	1,332.33	448.75	396.00	3,046.54
Jan-17	473.00	405.00	833.72	474.00	401.00	3,841.84
Feb-17	463.50	403.00	800.86	464.00	402.00	4,652.20
Mar-17	457.00	389.90	2,657.68	456.65	389.85	9,574.52



Performance of UFO Share price in Comparison to:

BSE Sensex:



NSE Nifty:



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Share Transfer System and other related matters

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Registrar & Share Transfer Agent of the Company i.e. M/s. Karvy Computershare Private Limited or download the same from their website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Distribution of shareholding as on March 31, 2017

Range (In ₹) *	No. of Equity Shares	Amount (₹)	% to capital	No. of shareholders	% to total shareholder
up to 5000	1,477,297	1,4,772,970	5.35	27849	99.46
5001-10000	294,950	2,949,500	1.07	48	0.17
10001-20000	288,688	2,886,880	1.05	36	0.13
20001-30000	183,929	1,839,290	0.67	16	0.06
30001-40000	131,919	1,319,190	0.48	5	0.02
40001-50000	105,810	1,058,100	0.38	7	0.02
50001-100000	362,081	3,620,810	1.31	6	0.02
100001 & Above	24,756,127	247,561,270	89.69	34	0.12
Total	**27,600,801**	**276,008,010**	**100**	**28001**	**100**

* The amount is calculated considering nominal value of per equity share i.e. ₹ 10/- per share

Shareholding Pattern as on March 31, 2017

Category	No. of shares held	Percentage
Promoter and Promoter Group	7,765,352	28.13
FII/FVCI/Foreign Bodies Corporates, NRI, etc.	7,854,472	28.47
Individuals	4,927,364	17.85
Others	7,053,613	25.55
Total	**27,600,801**	**100.00**

Dematerialization of shares

The Company's shares are tradable compulsorily in the electronic form. Through Karvy Computershare Private Limited, Registrars and Share Transfer Agents, the Company has established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE527H01019.

Percentage of shares held in physical and dematerialization form as on March 31, 2017 are as mentioned below:

Physical form : 0.11%

Dematerialization form : 99.89%

Investor Correspondence

For any assistance regarding share transfers, transmissions, change of address, duplicate share certificates and other relevant matters, please write to the Registrar & Share Transfer Agent of the Company at the address given below:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032.
Tel No.: 040 6716 2222; Fax No.: 040 2300 1153
Toll Free No.: 1800 345 4001
Email: einward.ris@karvy.com

For Investor correspondence and queries relating to financial statements:

Mr. Ashish Malushte
Chief Financial Officer
Tel: +91 22 40305060
Email: ashish.malushte@ufomoviez.com

Mr. Ashwin Chhugani
Sr. Manager - Investor Relations
Tel: +91 22 40305060
Email: ashwin.chhugani@ufomoviez.com

For queries relating to shares / compliance

Mr. Sameer Chavan
Company Secretary and Compliance Officer
Tel : +91 22 40305060
Email: investors@ufomoviez.com

Outstanding GDRS/ADRS/Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments issued by the Company except employees stock options, the details of which are disclosed in the Annual Report.

Plant Locations

As the Company is not a manufacturing Company, it has no plant. The regional / sales offices of the Company are situated at Ahmadabad, Amravati, Bengaluru, Bhusawal, Chennai, Cochin, Cuttack, Delhi, Ghaziabad, Gorakhpur, Guwahati, Hyderabad, Indore, Jaipur, Jalandhar, Kolkata, Lucknow, Nagpur, Patna, Ranchi, Raipur, Silliguri and Vijaywada with corporate and registered office at Mumbai.

For and on behalf of the Board of Directors

Sanjay Gaikwad
Managing Director
DIN: 01001173

Kapil Agarwal
Joint Managing Director
DIN: 00024378

Place : Mumbai
Date : July 11, 2017

UFO
digital cinema

DECLARATION BY CHIEF EXECUTIVE OFFICER

This is to declare that as provided under Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Directors and Senior Management for the year ended March 31, 2017.

For UFO Moviez India Limited

Place: Mumbai
Date: May 17, 2017

Rajesh Mishra
Chief Executive Officer – Indian Operations

CEO & CFO CERTIFICATION

To
The Board of Directors of
UFO Moviez India Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of UFO Moviez India Limited ("the Company") to the best of our knowledge and belief certify that:

A We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2017 and that to the best of our knowledge and belief, we state that:

   I. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   II. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

C We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit and Risk Management Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

D We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit and Risk Management Committee:

   a. significant changes, if any, in internal control over financial reporting during the year;

   b. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For UFO Moviez India Limited

Place : Mumbai
Date : May 17, 2017

Rajesh Mishra
Chief Executive Officer – Indian Operations

Ashish Malushte
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

I have examined the compliance of conditions of Corporate Governance by UFO Moviez India Limited ('the Company'), for the Financial Year ended 31st March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D, E of the Schedule V of the Listing regulations for the respective periods of applicability as specified under paragraph 1 above, during the period ended March 31, 2017.

I further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dharmesh M. Zaveri
Practicing Company Secretary
FCS No: 5418
CP No : 4363

Place : Mumbai
Dated : July 11, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of UFO Moviez India Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of UFO Moviez India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated 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 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 and consolidated cash flows of the Group including its associates in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 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 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.

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 associates, the aforesaid consolidated 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 its associates as at March 31, 2017, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 34(d)(ii) to the consolidated financial statement for a demand of ₹ 220,111,033/- (excluding interest and penalty) received by the Holding Company during the year ended March 31, 2016 for disallowance of CENVAT credit on digital cinema equipments and which is more fully described therein. Based on legal opinion obtained, the Holding Company is of the view that it should be entitled to avail CENVAT credit and is contesting this demand. Hence, no provision has been considered by the management in these consolidated financial statements. Our opinion is not qualified in respect of this matter.

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 and associates as noted in the 'other matter' paragraph 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 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, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

(e) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the group;

(f) 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 and associate companies incorporated in India, none of the directors of the Group's companies and its associates incorporated in India are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(h) 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 and associates as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates – Refer Note 34 to the consolidated financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2017.

iv. The Holding Company, has, for itself and its subsidiaries incorporated in India, have provided requisite disclosures in Note 40 to these consolidated financial statements 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 by these companies. 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 and as produced to us by the Management of the Holding Company.

3.4 Revenue Recognition

Income from Sale of Goods:

Revenue from sale of equipments and spares is recognized when significant risks & rewards of ownership of goods have been transferred to the buyer, which generally coincides with dispatch of goods to customers. Sales exclude sales tax and value added tax.

Income from Services:

a. Qube :

Revenue from Right to use the Qube (Digital Cinema) projection system is recognised in accordance with the Letter of Understanding with the theatres, either on installation of the equipment or based on the usage.

Mastering Revenue & Digital Print Fee is recognised on delivery of content/ on conclusion of content play back.

b. QMedia Revenue:
Revenue from Advertising is recognised based on the agreements with the customers.

c. DTS License fee is recognised as and when the service agreement is entered.

d. Revenue from Annual Maintenance Contract (service income) is recognised on time proportionate basis over the period of the contract.

e. Commission income is recognized based on confirmation received from the principals.

f. Revenue from Audio Recording Services is recognized based on the studio time utilized.

g. Income from Online ticketing is recognized on rendering of service to the customer.

h. Deferred revenue of the Company and its subsidiaries are recorded when invoices are raised upon underlying maintenance agreement for post contract support. Such service revenue are recognised on a straight line basis over the term of contract , which is generally 12 months.

Other Income :

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.5 Inventories

The inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis and includes freight, taxes and duties net of VAT credit wherever applicable.

3.6 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.7 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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3.8 Fixed Assets and Depreciation

Tangible Assets

a. Fixed assets are stated at historical cost less accumulated depreciation. Cost comprises inward freight, duties, taxes and other incidental expenses attributable to the acquisition, development and installation of fixed assets.

b. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. All assets costing individually Rs. 5,000 and below are fully depreciated in the year of addition. Refer Note 30 with regard to change in the method of depreciation of fixed assets effected during the previous year.

c. Depreciation is accelerated on fixed assets, based on their condition, usability etc., as per the estimates of the Management, where necessary.

d. In respect of the Plant & equipment of Qube Cinema Inc., depreciation is computed using straight line method over the estimated useful lives of the related assets , which is five years. Small tools and equipments purchased under $1000 are expensed as incurred.

e. Since it is not practically possible to use uniform accounting policy, the fixed assets of a subsidiary have been depreciated in accordance with the respective accounting policy followed by the subsidiary. The proportion of such fixed assets is less than 1% of the consolidated value of fixed assets.

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets

Software product development cost incurred after establishment of the technological feasibility of the product is capitalized and amortized on a product wise basis over the economic life of the product or over a period of 5 years whichever is lower, on straight line basis.

Intangible assets under development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of internally generated intangible assets are capitalised, in case the technical feasibility has been established. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Expenditure on research and development eligible for capitalisation are carried as Intangible Assets under Development where such assets are not yet ready for their intended use.

3.9 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

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When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

3.10 Investments

Long term investments are valued at cost and provision for diminution in the value of investments is made if such diminution is other than of temporary in nature.

3.11 Employee Benefits

a. **Defined Contribution Plan**

The Company's contribution to provident fund are considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made.

b. **Defined Benefit Plan**

For defined benefit plans in the form of gratuity which is funded, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date by an independant actuary. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c. **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

d. **Long term compensated absences**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

3.12 Deferred Employee Stock Compensation Cost

Deferred employee stock compensation cost for stock options is recognised as per the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to the employee stock options using the fair value method. The compensation cost, if any, is amortised uniformly over the vesting period of the options.

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3.13 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date, are restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year-end restatements of foreign currency monetary items, excluding long term foreign currency monetary items (see below), are dealt with in the Statement of Profit and Loss.

Exchange differences arising on reporting of long term foreign currency monetary items (as defined in the Accounting Standard - 11 notified by the Government of India) relating to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and in other cases are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the Company's Balance Sheet and amortised over the balance period of such long term asset / liability by recognition as income or expense in each of such periods.

Foreing currency transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. All assets and liabilities of non-integral foreign operations are translated at the year-end rates.

3.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.15 Taxation

a. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

b. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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CHARTERED ACCOUNTANTS

3.16 Research & Development

Fixed Assets purchased for Research and Development are capitalized under appropriate heads and depreciated as per the Company's policy in this regard. Revenue Expenditure incurred on Research and Development activities is charged to Statement of Profit and Loss.

3.17 Borrowing Costs

Borrowing Costs that are attributable to the acquisition of Qualifying Assets are capitalized as part of such assets. All other borrowing costs are charged to Revenue.

3.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.19 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding employee benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at the each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are not recognised in the financial statements.

3.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

4 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised				
Equity Shares of Rs.10 Each	1,65,00,000	16,50,00,000	1,65,00,000	16,50,00,000
Compulsorily Convertible Preference Shares of Rs.10 Each	75,00,000	7,50,00,000	75,00,000	7,50,00,000
(b) Issued, Subscribed and Fully Paid-up				
Equity Shares of Rs. 10 Each	99,40,858	9,94,08,580	99,40,858	9,94,08,580
Less: Equity Shares of Rs. 10 each held by the RIMT Employee Trust under ESOP Scheme (Refer Note 4.5)	8,10,242	81,02,420	8,10,242	81,02,420
	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Compulsorily Convertible Preference Shares of Rs. 10 Each	74,43,611	7,44,36,110	74,43,611	7,44,36,110
	1,65,74,227	**16,57,42,270**	**1,65,74,227**	**16,57,42,270**

Note:

Above includes

(i) 2,877,725 (As at 31 March 2016 - 2,877,725) Equity Shares issued for consideration other than cash.
(ii) 770,000 (As at 31 March 2016 - 770,000) Equity Shares issued as fully paid up Bonus Shares by capitalization of profits.

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the Year

a. Equity Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
At the Beginning of the Year	91,30,616	9,13,06,160	91,30,616	9,13,06,160
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**91,30,616**	**9,13,06,160**	**91,30,616**	**9,13,06,160**

b. Compulsorily Convertible Preference Shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
At the Beginning of the Year	74,43,611	7,44,36,110	74,43,611	7,44,36,110
Issued during the Year	-	-	-	-
Outstanding at the End of the Year	**74,43,611**	**7,44,36,110**	**74,43,611**	**7,44,36,110**

4.2 Details of Shareholders holding more than 5% shares in the Company

a. Equity Shares

Name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Real Image LLP (Formerly known as Real Image Pvt Ltd.)	24,62,225	26.97%	24,62,225	26.97%
Street Edge Capital L.P.USA	15,97,302	17.49%	15,97,302	17.49%
Nomura Asia Investment (MB) Pte Ltd	6,25,747	6.85%	6,25,747	6.85%
V. Senthil Kumar	5,53,100	6.06%	5,53,100	6.06%
Canara Bank	5,31,567	5.82%	5,31,567	5.82%
Meena Veerappan	5,03,800	5.52%	5,03,800	5.52%

b. Compulsorily Convertible Preference Shares

Name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Nomura Asia Investment (MB) Pte Ltd	30,95,160	41.58%	30,95,160	41.58%
Intel (Capital) Mauritius Limited - Series A and Series C	27,68,569	37.20%	27,68,569	37.20%
CSI BD (Mauritius) -Series B	7,89,941	10.61%	7,89,941	10.61%
Pavone Enterprises Pvt. Ltd	7,89,941	10.61%	7,89,941	10.61%

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4.3 Disclosure of Rights

a. Equity Shares

The Company has only one class of equity shares having a par value of Rs.10. Each holder is entitled to vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

b. Compulsorily Convertible Preference Shares

The Company has only one class of Compulsorily Convertible Preference Shares having a par value of Rs.10. The Compulsorily Convertible Preference Shares were convertible based on the terms and conditions contained in the Shareholders Agreement dated 18 July 2008, at any time after the Initial Investment Closing Date (as defined in the Agreement) but before 31 March 2013. As per the Amendment Agreement between the Shareholders dated 16 January 2013, the Compulsorily Convertible Preference Shares are convertible at any time after the Initial Investment Closing Date but before 31 March 2016. During the year, at the Meeting held on 10 March 2016, the Board of Directors have decided to extend the date of conversion by 2 years, i.e., 31 March 2018.

4.4 Shares Reserved for Issuance

Refer Note 4.1.b with respect to Compulsorily Convertible Preference Shares and Note 4.5 with respect to Employee Stock Option Plan.

4.5 Employee Stock Option Plan

ESOP Scheme - 2006

On 6 May 2006, the Company adopted the Employee Stock Option Plan ("the Plan") that provides for the issuance of options to eligible employees in full time service of the Company and its subsidiary. On 31 May 2006, approval was granted by the shareholders of the Company for issue of up to 1,162,928 options under the Plan.

Pursuant to the scheme, the Company has issued and alloted 80,140 equity shares to the employees of the Company and 810,242 equity shares to the RIMT Employees Trust as at 31 March 2016.The Trust holds these shares for the benefit of the employees as defined under the Plan and transfers the shares to them based on the recommendation of the Compensation Committee.

As at 31 March 2016, 810,242 (As at 31 March 2015 810,242) Equity Shares are being held by RIMT employee trust. Equity Shares held by RIMT Employee Trust has been shown as deduction from share capital and the same is in accordance with Guidance Note on Accounting for Employee Share Based Payments issued by Institute of Chartered Accountants of India, ICAI.

Out of the 1,162,928 Options approved by the shareholders, Options of 300,000 shares were reserved for allotment to Senior Management personnel of the Company/ subsidiary. The Compensation Committee during their deliberations held on 2 April 2012, decided to make a grant of 300,000 Options under ESOP Scheme 2006 at an exercise price of Rs.10/- per Option to such Senior Management Personnel.

The Company has determined the fair value of the Equity Shares on the date of grant using the black scholes model. The difference between the said fair value and the value at which each of the options are exercisable is being expensed over the vesting period. The fair value of the option granted to employees is Rs. 50 per share

	99000 options	99000 options	102000 options
Grant Date	1 April 2012	1 April 2012	1 April 2012
Risk Free Interest Rate	8.51%	8.53%	8.55%
Expected Life	2.50 years	3.50 years	4.50 years
Expected Volatility (%)	19%	29%	29%
Expected Dividend Yield	0%	0%	0%

Movement in employee stock option outstanding is as follows:

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	3,00,000	3,00,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	3,00,000	3,00,000
Of the above:		
- Vested	3,00,000	3,00,000
- Balance to be Vested	-	-

ESOP Scheme - 2012

On 19 July 2012, the Company had adopted Employee Stock Option Scheme "ESOP Scheme - 2012" for issuance of fresh options to the extent of 300,000 Options at a exercise price of Rs.130/- per Option, which was approved by the shareholders of the Company on 25 October 2012 . Out of the above, 50,000 Options has been granted as at 31 March 2016.

Particulars	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
Options outstanding at the beginning of the year	50,000	50,000
Options granted during the year	-	-
Options Exercised during the year	-	-
Options outstanding at the end of the year	50,000	50,000
Of the above:		
- Vested	50,000	50,000
- Balance to be Vested	-	-

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5 Reserves and Surplus

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Capital Redemption Reserve	**13,119,040**	**13,119,040**
(b) Securities Premium Account		
Opening balance	799,489,455	799,489,455
Add : Premium on shares issued during the year	-	-
Closing balance	799,489,455	799,489,455
Less: Premium on Shares held by Trustees of RIMT Employees Trust under ESOP Scheme (Refer Note 4.5)	16,204,840	16,204,840
	783,284,615	**783,284,615**
(c) Share Options Outstanding Account (Refer Note 4.5)		
Opening balance	12,757,861	11,291,100
Add : Amounts recorded during the year	-	1,466,761
Less : Transferred to Securities Premium Account	-	-
Closing Balance	**12,757,861**	**12,757,861**
(d) General Reserve	**1,490,154**	**1,490,154**
(e) Surplus in Statement of Profit and Loss		
Opening balance	1,150,860,470	861,214,091
Add: Profit for the year	320,964,450	289,646,379
Closing balance	**1,471,824,920**	**1,150,860,470**
(f) Foreign Currency Monetary Translation Difference		
Opening balance	(6,455,566)	(3,195,972)
Add: Effect of foreign exchange rate variations during the year		(7,134,611)
Less: Amortisation for the year	2,151,855	3,875,017
Closing balance	**(4,303,711)**	**(6,455,566)**
(g) Foreign Currency Translation Reserve		
Opening balance	19,974,254	20,439,387
Add: Additions during the year	38,354	-
Less: Deletions during the year	-	465,133
Closing balance	**20,012,608**	**19,974,254**
Total	**2,298,185,487**	**1,975,030,828**

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6 Long-Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Term loans		
From Banks - Secured (Refer Note 6.1)	21,15,08,673	18,82,25,958
From other parties - Unsecured (Refer Note 6.2)	10,00,80,973	20,47,79,445
	31,15,89,646	**39,30,05,403**

6.1 Details of Term Loans from Banks - Secured

a. The loans are secured by hypothecation of Plant & Equipment acquired out of the loan, inventories, in addition to first charge over the other fixed assets of the Company. The company has given an additional collateral security of Rs.12,500,000 as fixed Deposit.

b. The details of interest rate , tenor and repayment terms of the Term Loans from Banks are as follows:

Tenor	Interest Rate (Refer Note (c) below)	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
48 months	11.40%	2	48 Monthly Instalments	1,49,99,999	10,49,99,991
48 months	11.40%	20	48 Monthly Instalments	7,12,50,000	11,40,00,000
48 months	11.40%	36	48 Monthly Instalments	7,50,00,000	10,00,00,000
48 months	11.40%	30	48 Monthly Instalments	9,43,09,878	2,69,75,960
48 months	11.10%	44	48 Monthly Instalments	8,35,10,092	-
Total				**33,90,69,969**	**34,59,75,951**
Less : Current Maturities of Long Term Borrowings from banks (Refer Note 9)				12,75,61,296	15,77,49,993
Long Term Borrowings from Banks				**21,15,08,673**	**18,82,25,958**

c. Interest rates are on floating rate basis. The interest rates disclosed above represents the rate of interest as at 31 March 2017.

d. The Company has not defaulted in the repayment of dues to banks.

6.2 Details of Term Loans from Other Parties - Unsecured

a. The Company has entered into an agreement with one of its suppliers for purchase of D-Cinema Projectors. The supplier has extended a Supplier's Credit Facility in foreign currency through Belfius Bank, Belgium.

b. The details of interest rate, tenor and repayment terms of the Term Loans from are as follows:

Tenor	Interest Rate	No. of Instalments outstanding (Principal) as at 31 March 2017	Repayment Terms	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
5 years	1.98%	4	10 Semi Annual Instalments	9,58,96,289	14,71,59,539
3 years	2.48%	4	6 Semi Annual Instalments. Repayment of interest and principal will commence after 24 months	10,42,65,656	16,00,02,914
Total				**20,01,61,945**	**30,71,62,453**
Less : Current Maturities of Long Term Borrowings from other parties (Refer Note 9)				10,00,80,972	10,23,83,008
Long Term Borrowings from Other Parties				**10,00,80,973**	**20,47,79,445**

c. The Company has not defaulted in the repayment of dues to Other Parties.

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7 Other Long -Term Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits Received	24,55,14,606	17,96,66,198
	24,55,14,606	**17,96,66,198**

8 Short -Term Borrowings

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Loans Repayable on Demand		
(a) Cash Credit from Banks		
- Secured (Refer Note (i) below)	27,22,74,361	19,15,01,913
	27,22,74,361	**19,15,01,913**

Notes:

(i) Details of secured Short Term Borrowings:
The loans are secured by hypothecation of 25% of inventories and receivables not exceeding 90 days. The interest rate prevailing at the date of Balance Sheet for CC limit is 11.3% and WCDL is 10.8%

9 Disclosures required under Companies Act, 2013

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) The amount of interest by the Buyer along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iii) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Companies Act, 2013	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Based on and to the extent of information available with the management, there are no transactions with Micro and Small Enterprises.

10 Other Current Liabilities

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Current Maturities of Long Term Debt		
- Term Loans from Banks - Secured	12,75,61,296	15,77,49,993
- Term Loans from Others Parties - Unsecured	10,00,80,972	10,23,83,008
(b) Advances from Customers	27,13,35,117	24,08,29,931
(c) Interest accrued but not due on Borrowings	57,55,390	1,41,47,395
(d) Statutory Remittances	2,21,27,803	2,09,58,030
(e) Income received in advance	2,06,60,356	2,81,20,194
(f) Gratuity Payable	28,76,009	-
	55,03,96,943	**56,41,88,551**

11 Short-Term Provisions

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Provision for Compensated Absences	1,89,76,355	1,37,58,594
(b) Provision for Taxation (Net of Advance Tax Rs. 536,713,175 (As at 31 March 2016 - Rs. 345,792,701))	1,67,36,825	2,67,57,299
	3,57,13,180	**4,05,15,893**

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12 Fixed Assets

Amount in Rs.

Particulars	Gross Block					Accumulated Depreciation/Amortisation					Net Block	
	Balance as at 1 April 2016	Additions	Disposals	Adjustments	Balance as at 31 March 2017	Balance as at 1 April 2016	For the year	Eliminated on disposal of assets	Adjustments	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
12A Tangible Assets												
Buildings	-	-	-		-	-	-	-		-	-	-
	(2,31,58,194)	-	(2,31,58,194)		-	(2,31,58,194)	-	(2,31,58,194)		-	-	-
Plant & Equipment	2,89,20,70,405	46,95,31,207	3,34,90,004	5,28,007	3,32,75,83,601	87,14,74,444	23,79,29,129	1,60,76,611	3,97,412	1,09,29,29,550	2,23,46,54,051	2,02,05,95,961
(Refer Note 31(i))	(2,58,17,56,409)	(36,91,10,272)	(5,99,87,447)	(11,91,171)	(2,89,20,70,405)	(68,39,06,025)	(21,14,74,236)	(2,43,87,552)	(6,79,735)	(87,14,74,444)	(2,02,05,95,961)	(1,89,82,48,384)
Computers	8,82,42,262	2,85,44,666	26,93,051		11,40,93,877	6,78,88,102	1,18,95,684	26,02,393		7,71,81,483	3,69,12,394	2,03,54,160
	(7,77,65,715)	(1,06,44,797)	(1,68,250)		(8,82,42,262)	(5,78,75,955)	(1,00,98,751)	(86,603)		(6,78,88,103)	(2,03,54,159)	(1,98,89,760)
Office Equipment	4,24,60,052	58,75,624	-		4,83,35,676	2,06,33,090	63,77,857	68		2,70,10,879	2,13,24,797	2,18,26,962
	(2,81,18,151)	(1,54,15,915)	(10,74,014)		(4,24,60,052)	(1,52,71,592)	(56,49,493)	(2,87,995)		(2,06,33,090)	(2,18,26,962)	(1,28,46,559)
Furniture and Fixtures	8,57,17,294	67,32,865	2,28,608	16,326	9,22,05,225	1,03,41,860	85,67,553	1,58,512	15,096	1,87,35,803	7,34,69,422	7,53,75,434
	(2,95,31,390)	(6,27,10,535)	(65,65,524)	(40,893)	(8,57,17,293)	(1,18,25,490)	(37,65,998)	(52,81,398)	(31,770)	(1,03,41,860)	(7,53,75,434)	(1,77,05,900)
Vehicles	1,06,97,002	38,51,125	16,42,755		1,29,05,372	44,08,640	16,05,543	13,78,140		46,36,045	82,69,327	62,88,362
	(1,01,78,618)	(19,21,622)	(12,03,238)		(1,08,97,002)	(37,77,719)	(15,14,908)	(8,83,987)		(44,08,640)	(64,88,362)	(64,00,899)
Total (A)	**3,11,93,87,015**	**51,43,35,487**	**3,80,54,418**	**5,44,333**	**3,59,51,23,751**	**97,47,46,136**	**26,63,75,768**	**2,02,15,624**	**4,12,510**	**1,22,04,93,770**	**2,37,46,29,981**	**2,14,46,40,879**
	(2,75,05,08,477)	**(45,98,03,141)**	**(9,21,86,667)**	**(12,32,064)**	**(3,11,93,87,015)**	**(79,54,16,975)**	**(23,25,03,386)**	**(5,40,85,729)**	**(9,11,505)**	**(97,47,46,136)**	**(2,14,46,40,879)**	**(1,95,50,91,502)**
12B Intangible Assets												
Computer Software (Refer Notes (iii) below)	5,96,71,753	67,07,573	-	40,181	6,63,39,145	3,59,49,482	71,47,087	-	21,143	4,30,75,427	2,32,63,718	2,37,22,271
	(3,53,70,095)	(2,43,01,013)	-	(1,00,645)	(5,96,71,753)	(3,08,60,734)	(50,67,582)	-	(21,166)	(3,59,49,482)	(2,37,22,271)	(45,09,361)
Online ticketing portal (Refer Note below)	5,07,40,650	-	-	-	5,07,40,650	1,40,25,256	96,76,218	-	-	2,37,01,474	2,70,39,176	3,67,15,394
	(3,29,24,089)	(1,78,16,561)	-	-	(5,07,40,650)	(54,70,790)	(85,54,466)	-	-	(1,40,25,256)	(3,67,15,394)	(2,74,53,299)
Total (B)	**11,04,12,403**	**67,07,573**	**-**	**40,181**	**11,70,79,795**	**4,99,74,738**	**1,68,23,305**	**-**	**21,143**	**6,67,76,901**	**5,03,02,894**	**6,04,37,665**
	(6,82,94,184)	**(4,20,17,574)**	**-**	**(1,00,645)**	**(11,06,12,403)**	**(3,63,31,524)**	**(1,36,22,048)**	**-**	**(21,166)**	**(4,99,74,738)**	**(6,04,37,665)**	**(3,19,62,660)**
Grand Total (A) + (B)	**3,22,97,99,418**	**52,10,43,060**	**3,80,54,418**	**5,84,514**	**3,71,22,03,546**	**1,02,47,20,874**	**28,31,99,073**	**2,02,15,624**	**4,33,653**	**1,28,72,70,671**	**2,42,49,32,875**	**2,20,50,78,544**
	(2,81,88,02,661)	**(50,18,20,715)**	**(9,21,86,667)**	**(13,32,709)**	**(3,22,97,99,418)**	**(83,17,48,499)**	**(24,61,25,434)**	**(5,40,85,729)**	**(9,32,671)**	**(1,02,47,20,874)**	**(2,20,50,78,544)**	**(1,98,70,54,162)**
							28,31,99,074					
							1.06					

Notes:

(i) In the Previous year, disposal in buildings represents retirement of fully depreciated Leasehold building.

(ii) In the previous year, disposals under Plant & Equipment and computers with Gross block of Rs.31,523,375 and accumulated depreciation of Rs.10,812,619 damaged during the floods in December 2015, in respect of the which the Company has subsequent received a sum of Rs.19,626,874 towards insurance claim settlement and the balance loss of Rs.983,838 has been provided for and included under exceptional item (Also Refer Note 29)

(iii) The Gross Block of Computer Software comprises :
- Cost of Acquired Software - Rs.26,388,544 (As at 31 March 2016: Rs. 26,388,544)
- Cost of Internally Generated Software - Rs. 40,030,963 (As at 31 March 2016: Rs.31,399,540)

(iv) Amounts in brackets represent previous year figures.

12C The Company is in the process of developing a state of the art web-based, self-service integrated platform along with the underlying software for generation & management of digital cinema assets, territorial rights assignments for content, transmission of digital content and generation of content keys and towards this it has incurred cumulative cost upto 31 March 2017 amounting to Rs. 107,297,642 (upto 31 March 2016 Rs. 37,014,457), including Rs. 70,283,186 (Previous year Rs. 21,784,027) incurred during the year in the nature of direct employee costs and services received from vendors. These costs have been considered Intangible Assets under Development as at 31 March 2017.

The company is in the process of developing a software to be deployed and underlying services marketed under the names Slydes and Cheers. The software provides just-in-time Digital Cinema Package creation and scheduling capabilities as well as on-screen greeting card functionality for cinemas amounting to Rs. 1,211,499 (Previous year- Rs. Nil)

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13 Non-Current Investments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Other Non-Current Investments - at Cost		
National Saving Certificate (Lodged with Sales tax authorities)	6,000	6,000
	6,000	**6,000**

14 Long-Term Loans and Advances - Unsecured, Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	3,34,88,969	1,55,00,000
(b) Loans and Advances to Related Parties (Refer Note 29.2)	18,00,000	24,00,000
(Includes amount due from directors of Rs. 800,000, Previous year- Rs. 1,600,000)		
(c) Loans to Employees	2,32,787	40,338
(d) Advance Income Tax (Net of Provisions Rs. 137,504,148 (As at 31 March 2016 - Rs. 137,504,148))	3,69,70,598	3,68,85,980
(e) Balances with Government Authorities - VAT and Service Tax Paid under Protest	54,60,743	19,82,546
(f) Advance to suppliers	18,78,361	86,16,460
	7,98,31,458	**6,54,25,324**

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15 Other Non-Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Long Term Trade Receivables		
- Unsecured, considered good	3,13,08,182	2,23,85,257
	3,13,08,182	**2,23,85,257**

16 Inventories

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Stock-in-Trade	35,80,46,421	42,49,51,460
	35,80,46,421	**42,49,51,460**

17 Trade Receivables

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	19,13,62,897	12,40,91,432
- Unsecured, considered doubtful	3,80,34,723	4,08,59,584
	22,93,97,620	16,49,51,016
Less: Provision for doubtful trade receivables	3,80,34,723	4,08,59,584
	19,13,62,897	12,40,91,432
Other Trade Receivables		
Unsecured, considered good	53,72,38,449	52,22,84,949
	72,86,01,346	**64,63,76,381**

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18 Cash and Cash Equivalents

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Cash on Hand	225,312	200,299
(b) Balances with Banks		
-In Current Accounts	119,181,347	72,590,978
-In EEFC Accounts	3,581,309	58,177,078
-In Deposits Accounts - Under Lien	10,579,430	22,694,566
-In Deposits Accounts - Free of Lien	215,337,488	221,909,519
	348,904,886	**375,572,440**
Notes:		
1. Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	122,987,968	130,968,355
2. Deposits Accounts under Lien includes Fixed Deposit given as collateral security for CC Facility, Margin Money, Security against borrowings, guarantees and other commitments which have a maturity of more than 12 months from the Balance Sheet date.	10,579,430	22,694,566

18 a) Specified Bank Notes Disclosure (SBN's)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated 31 March, 2017 on the details of the specified Bank Notes (SBN) held during the period from 8 November, 2016 to 30 December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing Cash on hand as on 8 Nov 16	2,692,500	150,025	2,842,525
(+) Permitted Receipts	-	8,328,980	8,328,980
(-) Permitted Payments		1,220,811	1,220,811
(-) Amount deposited in banks	2,692,500	6,853,062	9,545,562
Closing Cash on hand as on 30 Dec 16	-	405,132	405,132

19 Short-Term Loans and Advances - Unsecured , Considered Good

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Security Deposits	26,245,661	27,976,244
(b) Loans and Advances to Employees	841,444	789,650
(c) Prepaid Expenses	117,025,442	35,657,159
(d) Service Tax Input Credit Receivable	44,498,753	36,033,696
(e) Advances to Suppliers	41,432,220	48,657,590
(f) Loans and Advances to Related Parties (Refer Note 29.2) (Includes amount due from directors of Rs. 8,00,000/- Previous year- Rs. NIL)	1,000,000	400,000
	231,043,520	**149,514,339**

20 Other Current Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
(a) Unbilled Revenue	54,004,884	38,683,586
(b) Interest Accrued on Deposits	1,861,277	2,675,408
(c) Gratuity (Refer Note 26.2)	-	807,547
(d) Insurance claims recoverable (net of Rs.14,000,000 claims received upto March 31, 2016)	-	41,091,620
	55,866,161	**83,258,161**

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21 Revenue from Operations

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Sale of goods (Refer Note (a) below)	74,73,03,618	56,80,14,247
(b) Sale of services (Refer Note (b) below)	2,84,72,96,260	2,53,14,87,506
	3,59,45,99,878	**3,09,95,01,753**

Notes :

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
a. Sale of goods Comprises:		
Traded Goods		
Computer based Systems, Accessories, UPS, projectors and Lamps	74,73,03,618	56,80,14,247
Total - Sale of Traded Goods	**74,73,03,618**	**56,80,14,247**
b. Sale of Services Comprises :		
Mastering & Virtual Print Fee	1,37,96,46,478	1,27,97,03,358
Advertisement Fee	1,07,96,25,635	94,98,21,742
Right to Use Fees and Pay Per Show	13,80,04,078	12,62,25,837
Service Income	15,53,74,765	8,98,38,685
License Fees	1,50,000	2,80,000
Commission Received	2,52,86,273	4,82,37,959
Studio Recording & Hire Charges	-	17,77,580
Online Ticket Sales	6,92,09,031	3,56,02,345
Total - Sale of Services	**2,84,72,96,260**	**2,53,14,87,506**

22 Other Income

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Income from Bank Deposits	2,10,53,733	1,69,78,613
(b) Insurance Claim Received	40,01,445	6,01,549
(c) Miscellaneous Income	10,947	20,101
(d) Profit on Sale/Retirement of Fixed Assets (Net)	72,97,430	39,26,421
	3,23,63,555	**2,15,26,684**

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Qube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

23.a Purchase of traded goods

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Purchase of Traded Goods	58,37,96,636	45,31,47,242
	58,37,96,636	**45,31,47,242**

23.b Changes in Inventories of Stock in Trade

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Inventories at the end of the year:		
Stock in Trade	35,80,46,421	42,49,51,460
Inventories at the beginning of the year:		
Stock in Trade	42,49,51,460	50,75,83,962
	6,69,05,039	**8,26,32,502**
Less: Loss of Inventory due to floods (Refer Note 30)	-	**(3,37,66,642)**
Net decrease	**6,69,05,039**	**4,88,65,860**

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Qube Cinema Technologies Private Limited
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24 Employee Benefits Expense

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Salaries and Bonus	54,27,60,079	49,41,37,691
(b) Contributions to Provident and Other Funds	3,00,55,724	2,32,55,654
(c) Staff welfare expenses	5,41,31,636	4,88,09,577
	62,69,47,439	**56,62,02,922**

25 Finance Costs

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Interest Expense on:		
(i) Borrowings	6,34,34,608	8,22,68,864
(ii) Others - Interest on delayed payment of income tax	9,00,000	22,50,000
(b) Other Borrowing Costs	30,82,304	20,37,143
	6,74,16,912	**8,65,56,007**

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Oube Cinema Technologies Private Limited
(Formerly known as Real Image Media Technologies Private Limited)

Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

26 Other Expenses

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Licence Fee - DTS	1,51,000	1,51,200
(b) Freight, Clearing & Forwarding and Cargo Handling Charges	5,44,84,711	4,99,57,110
(c) Telecine, Digitising, Censor, Theatre Advertisement Charges and VSAT	4,18,89,983	5,94,79,227
(d) Packing Materials and Consumables	3,61,22,936	2,79,30,829
(e) Service Charges - Avid Assurance	38,67,772	1,28,33,232
(f) Share of Revenue - Advertisement	45,16,99,006	35,99,12,425
(g) Share of Revenue - Virtual Print Fee	33,41,80,782	28,32,12,092
(h) Share of Revenue - Online ticketing	3,54,69,047	1,49,51,776
(i) Payment gateway charges- Online ticketing	58,84,429	28,49,872
(j) Power and Fuel	2,03,65,588	2,06,70,216
(k) Rent including Lease Rentals (Refer Note 29)	6,40,61,573	4,89,36,624
(l) Repairs and Maintenance - Buildings	12,98,119	11,09,034
(m) Repairs and Maintenance - Plant and Machinery	8,42,42,215	6,34,35,122
(n) Repairs and Maintenance - Others	4,58,63,916	3,11,54,320
(o) Insurance	1,14,88,142	63,15,978
(p) Rates and Taxes	85,14,483	63,76,162
(q) Communication	3,31,40,193	2,98,98,245
(r) Travelling and Conveyance	5,84,79,694	4,83,57,363
(s) Printing and Stationery	71,05,412	36,38,657
(t) Software Expenses	52,59,226	28,00,776
(u) Sales Discount and Commission	3,46,91,899	2,55,40,494
(v) Advertisement and Business Promotion	7,29,64,813	3,06,94,342
(w) Expenditure on Corporate Social Responsibility (Refer Note below)	84,50,000	75,97,000
(x) Legal and Professional	7,16,08,816	6,31,76,890
(y) Loss on Sale/Retirement of Fixed Asset (Net)	-	-
(z) Auditors' Remuneration (Net of service tax input credit)		
- Statutory Audit	18,00,000	18,00,000
- Other Services	-	-
- Out of Pocket Expenses	20,979	-
(aa) Bad Debts Written Off	1,60,28,727	1,87,99,376
Less: Release of Provision for Doubtful Trade Receivables	(1,60,28,727)	(1,87,99,376)
(ab) Provision for Doubtful Trade Receivables	1,92,82,194	2,83,47,675
(ac) Bank Charges	55,42,914	1,84,15,027
(ad) Exchange Loss (Net)	86,70,195	30,75,214
(ae) Web Hosting Charges	67,67,372	59,52,121
(af) Miscellaneous Expenses	1,69,59,422	88,48,023
	1,55,03,26,831	**1,26,74,17,046**

Note :
Expenditure on Corporate Social Responsibility

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
(a) Gross amount required to be spent by the company during the year	84,52,394	65,96,104
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	84,50,000	75,97,000

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27 Employee Benefits

27.1 Defined Contribution Plan

The Company makes Provident fund contributions and Employee state Insurance Scheme contributions to defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 21,244,977 (Previous year Rs. 18,341,233) towards Provident Fund contributions and Rs. 2,543,516 (Previous year Rs. 2,260,961) towards Employee State Insurance scheme contribution in the Statement of Profit and Loss. The contributions payable to the fund by the Company is at rates specified in the rules of the scheme.

27.2 Defined Benefit Plans

The details of actuarial valuation as provided by the Independent Actuary is as follows:

Particulars	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Change in defined benefit obligations during the Year		
Projected Benefit Obligations as at the Beginning of the Year	3,20,92,262	2,59,48,758
Current Service Cost	41,02,763	39,46,044
Interest cost	24,44,642	20,19,938
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial (Gain) /Losses	50,48,781	15,76,579
Present value of Defined Benefit Obligation at End of the Year	**4,25,91,463**	**3,20,92,262**
Change in Fair Value of Assets during the Year		
Plan Assets at Beginning of the Year	3,28,99,809	2,71,12,076
Expected Return on Plan Assets	30,49,037	25,04,367
Employer's Contribution	49,89,631	44,17,585
Benefits Paid	(10,96,985)	(13,99,057)
Actuarial Gains /(Losses)	(1,26,037)	2,64,838
Plan Assets at End of the Year	**3,97,15,455**	**3,28,99,809**
Liability Recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation as at the End of the Year	4,25,91,463	3,20,92,262
Fair Value of Plan Assets as at the End of the Year	3,97,15,455	3,28,99,809
Net (Asset)/Liability Recognised in the Balance Sheet	**28,76,008**	**(8,07,547)**
Cost of Defined Benefit Plan for the Year		
Current Service Cost	41,02,763	39,46,044
Interest Cost	24,44,642	20,19,938
Expected Return on Plan Assets	(30,49,037)	(25,04,367)
Net Actuarial (Gains)/Losses	51,74,818	13,11,741
Net Cost Recognized in the Statement of Profit and Loss	**86,73,186**	**47,73,356**
Actual Return on Plan Assets		
Assumptions		
Discount Rate	7.25%	7.75%
Future Salary Increase	5.00%	5.00%
Expected Rate of Return on Plan Assets	8.75%	8.75%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes:

a. The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

b. The expected return on plan assets is as provided by an independent actuary appointed by the Company.

c. The entire Plan Assets are managed by LIC. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

d. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

e. Expected Company Contribution to the Fund during the year 2016-2017 is Rs 9,000,000

f. Experience Adjustments:

Particulars	FY 2016-17 Amount in Rs.	FY 2015-16 Amount in Rs.	FY 2014-15 Amount in Rs.	FY 2013-14 Amount in Rs.
Projected Benefit Obligation	4,25,91,463	3,20,92,262	2,59,48,758	2,00,71,793
Fair Value of Plan Assets	3,97,15,455	3,28,99,809	2,71,12,076	2,15,61,265
(Surplus)/Deficit	28,76,008	(8,07,547)	(11,63,318)	(14,89,472)
Experience Adjustments on Plan Liabilities - Gain/(Loss)	50,48,781	(15,76,579)	3,91,840	14,78,646
Experience Adjustments on Plan Assets - Gain	(1,26,037)	2,64,838	(24,34,993)	73,125

The details of the experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are disclosed to the extent of information available in the actuarial valuation report.

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27.3 Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation done by an Independent Actuary are as given below:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Assumptions		
Discount Rate	7.25%	7.75%
Expected return on assets	0.00%	0.00%
Future Salary Increase	5.00%	5.00%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

28 Segment Reporting

The primary reporting of the Company has been made on the basis of business segments. The Company has only one business segment as defined in Accounting Standard (AS) 17 on Segment Reporting, which is the "Media & Entertainment Industry". Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

The details in respect of the geographical segments which is considered as secondary segment as defined in the said Standard are given below:

a. Revenue by Geographical Market

Particulars	2016-2017 Amount in Rs.	2015-2016 Amount in Rs.
India	3,41,99,57,374	2,88,34,12,399
Outside India	17,46,42,504	21,26,06,098
Total	**3,59,45,99,878**	**3,09,60,18,497**

b. Segment Assets by Geographic Market

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	4,31,02,14,091	3,90,06,90,233
Outside India	8,92,28,606	9,24,54,092
Unallocated	3,69,76,598	3,68,91,980
Total	**4,43,64,19,295**	**4,03,00,36,305**

c. Additions to fixed Assets

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
India	52,08,44,499	49,94,92,620
Outside India	1,98,561	23,28,095
Total	**52,10,43,060**	**50,18,20,715**

29 Related Party Transactions

29.1 Names of Related Parties and Nature of Relationship

Description of Relationship	As at 31 March 2017	As at 31 March 2016
Enterprises having Significant Influence	M/s. StreetEdge Capital L.P.USA	M/s. StreetEdge Capital L.P.USA
	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)	M/s Nomura Asia Investment (MB) Pte. Ltd (Singapore)
Key Management Personnel	Mr. V. Senthil Kumar	Mr. V. Senthil Kumar
	Mr. P.Jayendra	Mr. P.Jayendra
	Mr. Arvind Ranganathan	Mr. Arvind Ranganathan
	Mr. P. Venkatesh	Mr. P.Venkatesh
Relative of Key Management Personnel	Mr.Arun Veerappan	Mr.Arun Veerappan
	Mrs. Vee. Vijayalakshmi	Mrs. Vee. Vijayalakshmi
	Mr. V. Sivakumar	Mr. V. Sivakumar
	Mrs. Meena Veerappan	Mrs. Meena Veerappan
	Mrs. Sudha Panchapakesan	Mrs. Sudha Panchapakesan
	Mrs. Sujatha Arvind	Mrs. Sujatha Arvind
Entities in which Relatives of KMP can exercise significant influence	Digital Film Technologies Pvt. Ltd., in which Mrs. Sudha Panchapakesan wife of Director Mr. P.Jayendra & Mrs. Vandana Gopikumar wife of Director Mr.V. Senthil Kumar	Not applicable

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29.2 Transactions with the Related Parties

Transaction	Related Party	For the year ended 31 March 2017 Amount in Rs.	For the year ended 31 March 2016 Amount in Rs.
Income			
Sale of Services	Digital Film Technologies Pvt Ltd	14,72,671	-
Expenses			
Vehicle Hire Charges	V Senthil Kumar	10,80,000	8,95,484
	P. Jayendra	6,00,000	6,00,000
	Vee. Vijayalakshmi	3,60,000	3,60,000
	Meena Veerappan	7,00,968	4,80,000
	Sujatha Arvind	6,00,000	6,00,000
Lease Rent for Land / Premises	V Senthil Kumar	-	23,60,769
	V Sivakumar	-	12,84,500
	Vee. Vijayalakshmi	-	30,38,877
Remuneration	V Senthil Kumar	1,39,24,400	1,39,24,400
	Arun Veerappan	24,05,739	23,53,322
	P. Jayendra	1,39,24,400	1,39,24,400
	Arvind Ranganathan	1,26,00,000	1,26,00,000
	Sudha Panchapakesan	34,02,012	34,02,012
	P. Venkatesh	60,00,000	53,25,000
Others			
Balance as at Year End		**As at 31 March 2017 Amount in Rs.**	**As at 31 March 2016 Amount in Rs.**
Payables	V Senthil Kumar	45,85,000	45,85,000
	P. Jayendra	45,85,000	45,85,000
	Arvind Ranganathan	41,99,587	42,06,671
Trade Receivables	Digital Film Technologies Pvt Ltd	16,86,208	-
Long Term Loans and Advances	V Senthil Kumar	8,00,000	8,00,000
	Arun Veerappan	2,00,000	2,00,000
	P. Jayendra	8,00,000	8,00,000
	Meena Veerappan	2,00,000	2,00,000
	Sujatha Arvind	8,00,000	8,00,000



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30 Exceptional Items

During the previous year the company had a net loss of Rs. 11,899,134 arising from damage to Inventories and certain Fixed Assets, net of insurance claims. Such damage had happened on account of unusually heavy rains during December 2015 and resulting inundation in the Company's warehouse at Chennai.

31 Lease Rentals

(i) As Lessor

The Company has leased out Digital Cinema Equipment to theaters on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.

Lease income recognised from the above lease arrangement (included under "Right to Use Fees and Pay per Show" under Note 20 (b)) - Rs. 129,606,573 (PY- Rs. 117,381,487)

(ii) As Lessee

The Company is obligated under some cancelable operating leases for office premises which are renewable on a periodical basis.
The Lease payments under cancelable operating leases for the year ended 31 March 2017 amounts to Rs. 7,184,012 (Previous year- Rs. 44,894,124) and the Lease payments under non-cancelable operating lease for the year ended 31 March 2017 amounts to Rs. 44,068,351 (Previous year- Rs. 4,042,500).

Future minimum lease payments relating to Non-Cancelable Operating lease are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Not later than one year	4,77,98,095	1,61,70,000
Later than one year and not later than five years	9,72,05,889	8,65,49,925
Later than five years	6,82,83,889	7,53,27,945

32 Earnings Per Share

32.1 Basic

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	32,09,64,450	28,96,46,379
Weighted Average Number of Equity Shares	91,30,616	91,30,616
Earnings Per Share (Basic) - in Rs.	35.15	31.72
Face Value Per Share - in Rs.	10	10

32.2 Diluted

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit after Tax attributable to Equity Shareholders - in Rs.	25,78,05,264	26,40,90,066
Weighted Average Number of Equity Shares for Basic EPS	91,30,616	91,30,616
Add: Effect of Compulsorily Convertible Preference Shares and ESOPs which are Dilutive	1,07,06,649	1,07,02,498
Weighted Average Number of Equity Shares for Dilutive EPS	1,98,37,265	1,98,37,265
Earnings Per Share (Diluted) - in Rs.	13.00	13.31
Face Value Per Share - in Rs.	10	10

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33 Foreign Currency Exposure

As at 31 March 2017 and 31 March 2016, the Company does not have any outstanding position in respect of any of the derivative products.

The un-hedged foreign currency exposure is as given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		Foreign	Rs.	Foreign Currency	Rs.
Trade Payables	USD	11,84,237	7,67,84,241	14,03,276	9,30,83,356
	EURO	480	33,239	-	-
Term Loans from Other Parties	USD	30,87,080	20,01,61,945	46,30,620	30,71,62,453
Trade Receivables	USD	9,02,884	5,85,41,763	5,25,786	3,48,76,896
	EURO	-	-	-	-

34 Deferred Tax

Break up of deferred tax assets / liabilities and reconciliation of current year deferred tax charge is as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred Tax Liability		
Difference between depreciation as per Books of Account and Income Tax Act, 1961	16,08,98,759	14,56,95,408
Total	**16,08,98,759**	**14,56,95,408**
Deferred Tax Asset		
Provision for Doubtful Trade Receivables	1,48,69,038	1,20,37,793
Provision for Employee Benefits	65,67,716	47,61,849
Total	**2,14,36,754**	**1,67,99,642**
Net Deferred Tax Liability	**13,94,62,005**	**12,88,95,766**

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Notes Forming Part of the Consolidated Financial Statements for the Year Ended 31 March 2017

35 International Transactions

The Company has entered into international transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

36 Contingent liabilities and commitments

Particulars	As at 31 March 2017 Amount in Rs.	As at 31 March 2016 Amount in Rs.
Contingent liabilities:		
Counter Guarantees Issued to Banks	47,93,656	47,93,656
Other matters for which the company is contingently liable		
Disputed Central Excise Demand (Rs. 11,857,892 Paid Under Protest)	2,37,15,784	2,37,15,784
Service Tax Demand	5,87,76,065	6,92,37,793
AP Value Added Tax Demand (Rs.1,041,359 Paid Under Protest)	83,30,864	83,45,570
Kerala Value Added Tax Demand	-	41,35,746
Maharashtra Value Added Tax Demand	36,47,936	36,47,936
TN VAT	52,98,491	-
Income Tax	2,05,89,771	18,34,837
Bonus provision FY 14-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High Court of Madras	93,81,235	93,81,235

The Company expects a favourable decision with respect to all the above disputes demands / claims based on professional advice.

37 Additional information as per Schedule III to the Companies Act, 2013

Particulars	Net assets, i.e., total assets		Share of profit or loss	
	As % of consolidated net assets	Amount in Rs.	As % of consolidated profit or loss	Amount in Rs.
Parent : Qube Cinema Technologies Private Limited	101.71%	2,54,03,34,375	116.38%	37,35,50,186
Subsidiaries				
Indian				
Justickets Pvt. Ltd.	2.48%	6,18,85,343	(30.11%)	(9,66,30,456)
Foreign				
Qube Cinema Inc. USA	0.60%	1,50,65,378	(5.95%)	(1,91,13,128)
Minority Interests in all subsidiaries	1.00%	3,35,47,147	(19.68%)	(6,31,59,186)

38 Merger with Real Image LLP

At the Board meeting held on 8th June 2016, the Board has proposed to merge the Real Image LLP with Real Image Media Technologies Private Limited (Now Qube Cinema Technologies Private Limited). The effective date of merger would be 1st April 2016 subject to necessary approval from the Hon'ble High Court of Madras

39 Previous Year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the **Board of Directors**

P. Jayendra
Chairman

V. Senthil Kumar
Wholetime Director

P. Venkatesh
Chief Financial Officer

Preethi Nayaganti
Company Secretary

Place : Chennai
Date: 18 May 2017

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Other Matter

(a) We did not audit the financial statements and other financial information, in respect of seven subsidiaries, whose financial statements include total assets of ₹ 1,358,512,953/- and net assets of ₹ 344,952,916/- as at March 31, 2017, and total revenues of ₹ 1,258,118,683/- and net cash outflows of ₹ 160,592,942/- for the year ended on that date. These financial statement 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 financial statements also include the Company's share of net profit of ₹ 36,038,026/- for the year ended March 31, 2017, in respect of three associates, 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, 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 and associates, is based solely on the reports of such other auditors. Our opinion is not qualified in respect of this matter.

Certain of these subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of five subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 868,502,263/- and net assets of ₹ 802,601,341/- as at March 31, 2017, and total revenues of ₹ 1,734,690/- and net cash outflows of ₹ 10,953,438/- for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Company's share of net profit of ₹ 32,921,878/- for the year ended March 31, 2017, in respect of two associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associates, 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 and associates, is based solely on such unaudited financial statement and other unaudited financial information. Our opinion is not qualified in respect of this matter. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our above opinion on the consolidated 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 & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of UFO Moviez India 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 UFO Moviez India Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of UFO Moviez India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies and its associate 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 and its associate 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

The management has certified to us that in respect of one unaudited Indian Subsidiary, the internal financial controls over financial reporting are adequate and operating effectively. In our opinion and according to information and explanation given to us this subsidiary is not material to the Group.

Read with above paragraph, 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 two subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Consolidated Balance Sheet as at 31 March 2017

(In ₹)

Particulars	Notes	31 March 2017	31 March 2016
Equity and liabilities			
Shareholder's Funds			
Share capital	3	276,008,010	274,993,760
Reserves and surplus	4	5,507,492,445	4,889,664,662
		5,783,500,455	**5,164,658,422**
Minority Interest		**113,975,913**	**106,209,585**
Non-current liabilities			
Long-term borrowings	5	319,895,796	435,916,273
Other long-term liabilities	7	410,959,313	485,213,406
Deferred Tax liabilities (net)	11	236,753	236,753
Long-term provisions	6	28,014,482	8,165,006
		759,106,344	**929,531,438**
Current liabilities			
Short-term borrowings	8	107,300,204	108,502,827
Trade payables	7	954,526,672	893,213,018
Other current liabilities	7	1,154,275,361	1,135,836,050
Short-term provisions	6	51,214,523	145,709,759
		2,267,316,760	**2,283,261,654**
TOTAL		**8,923,899,472**	**8,483,661,099**
Assets			
Non-current Assets			
Fixed Assets			
Property, plant and equipment	9	2,584,823,433	2,881,305,709
Intangible assets	9	30,863,757	38,913,709
Capital work-in-progress		69,126,145	70,536,424
Goodwill on consolidation		1,832,824,477	1,720,744,312
Non-current investments	10	155,360,561	80,137,614
Deferred tax assets (net)	11	346,298,324	275,044,347
Long-term loan and advances	12	383,014,975	441,311,772
Other non-current assets	17	3,859,412	76,183,087
		5,406,171,084	**5,584,176,974**
Current Assets			
Current investments	13	597,394,492	280,771,132
Inventories	14	134,831,803	114,822,325
Trade receivables	15	1,482,390,601	1,515,045,644
Cash and bank balances	16	957,034,785	667,677,706
Short-term loan and advances	12	247,176,181	254,559,664
Other current assets	17	98,900,526	66,607,654
		3,517,728,388	**2,899,484,125**
TOTAL		**8,923,899,472**	**8,483,661,099**
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO digital cinema

Consolidated Statement of Profit and Loss for the year ended 31 March 2017

(In ₹)

Particulars	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations	18	5,948,712,887	5,654,881,689
Other operating income	19	23,360,585	45,715,334
Other income	20	16,578,867	20,527,794
Total Income (I)		**5,988,652,339**	**5,721,124,817**
Expenses			
Operating direct costs	21	2,478,995,006	2,425,221,240
Employee benefit expenses	22	814,635,147	688,222,432
Other expenses	23	850,506,333	759,709,196
Total Expenses (II)		**4,144,136,486**	**3,873,152,868**
Earnings before interest,tax,depreciation and amortisation (EBITDA) (I) - (II)		**1,844,515,853**	**1,847,971,949**
Depreciation and amortisation expenses	9	837,071,955	773,904,962
Finance cost	24	102,327,895	140,395,788
Finance income	25	(53,653,136)	(46,856,438)
Profit before tax		**958,769,139**	**980,527,637**
Tax expenses			
Current tax		433,507,953	406,423,549
Deferred tax		(71,741,330)	(60,585,142)
Total tax expenses		**361,766,623**	**345,838,407**
Profit for the year before share of profit from associates		**597,002,516**	**634,689,230**
Share of profit from associates (net)		68,959,905	39,368,902
Profit for the year		**665,962,421**	**674,058,132**
Minority Interest		**(34,402,503)**	**(39,428,642)**
Profit for the year attributable to equity shareholders		**631,559,918**	**634,629,490**
Earnings per equity share [nominal value of share of ₹ 10/- (31 March 2016: 10/-)]	26		
Basic		22.89	24.22
Diluted		22.88	23.33
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Consolidated Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from / (used in) operating activities			
Profit before tax		**958,769,139**	**980,527,637**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation		837,071,955	773,904,963
Unrealised Foreign exchange gain (net)		(2,793,027)	(683,299)
Loss on sale/ discarding of fixed assets		2,033,111	1,247,283
Bad debt written off		12,313,325	8,425,377
Provision for doubtful debts		26,464,417	33,134,577
Provision for doubtful advances		-	5,885,107
Utilisation of provision for warranty (net)		-	(3,018,278)
Provision for compensated absences		8,079,093	5,203,935
Provision for gratuity		20,823,672	10,613,541
Provision for diminution in value of fixed assets		-	701,928
Sundry credit balances written back		(22,601,178)	(10,428,047)
Profit on sale of current investments (net)		(6,663,879)	(6,234,251)
Dividend income		(4,495,270)	(3,045,943)
Interest income		(42,493,987)	(37,576,245)
Interest expense		96,220,985	132,748,023
Operating profit before working capital changes		**1,882,728,356**	**1,891,406,308**
Movements in working capital:			
(Decrease)/ Increase in trade payables		179,601,911	202,224,169
(Decrease)/ Increase in long-term provisions		17,781,634	(684,628)
(Decrease)/ Increase in short-term provisions		(23,970,188)	(342,530)
(Decrease)/ Increase in other current liabilities		187,408,644	65,598,014
(Decrease)/ Increase in other non current liabilities		(102,794,032)	(9,911,261)
Decrease/ (Increase) in trade receivables		(166,145,910)	(452,308,326)
Decrease/ (Increase) in inventories		(21,463,187)	(2,586,918)
Decrease/ (Increase) in long-term loans and advances		72,056,976	17,538,296
Decrease/ (Increase) in short-term loans and advances		(109,209,204)	(151,822,271)
Decrease/ (Increase) in other current assets		(1,573,880)	108,273,215
Decrease/ (Increase) in other non-current assets		-	(100,001)
Cash generated from operations		**1,914,421,120**	**1,667,284,068**
Direct tax paid (net of refunds)		(349,098,704)	(419,266,472)
Net cash flow from operating activities	**(A)**	**1,565,322,416**	**1,248,017,596**
Cash flow from/(used in) investing activities			
Purchase of fixed assets including intangible, Capital-work-in-progress and capital advances		(592,253,090)	(624,819,220)
Payment of purchase consideration for purchase of subsidiary shares (from minority)		(190,000,000)	(151,498,117)
Purchase of current investment including dividend reinvestment		(2,054,495,274)	(1,942,545,948)
Redemption of current investments		1,744,535,793	1,735,101,433
Proceeds from sale of fixed assets		21,636,279	23,289,546
Interest received		37,482,018	42,309,971
Dividend received		30,539,894	21,572,227
Maturity/(Placement) of bank deposits (having original maturity of more than three months) (net)		(241,089,234)	83,837,934
Net cash flow (used in) investing activities	**(B)**	**(1,243,643,614)**	**(812,752,175)**

UFO digital cinema

Consolidated Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from/(used in) financing activities			
Proceeds from issuance of share capital (including premium)		16,485,240	248,946,423
Proceeds from long- term borrowings		622,840,886	397,387,850
Repayment of long-term borrowings		(821,421,556)	(641,045,939)
Proceeds from short-term borrowings		92,307,899	43,420,319
Repayment of short term borrowings (net)		(117,122)	(23,173,439)
Dividend paid on equity shares		(94,976,400)	(147,737,545)
Tax on dividend paid on equity shares		(16,856,621)	(27,991,130)
Interest and finance cost paid		(121,486,485)	(147,077,851)
Net cash flow from/(used in) financing activities	**(C)**	**(323,224,159)**	**(297,271,312)**
Net (decrease)/increase in cash and cash equivalent	**(A + B + C)**	**(1,545,357)**	**137,994,109**
Cash and cash equivalents at the beginning of the year		413,490,217	288,561,624
Unrealised Gain on Foreign Currency Cash and Cash equivalents		(9,900,949)	(12,317,734)
Cash and cash equivalents at the end of the year		**402,043,911**	**414,237,999**
Components of cash and cash equivalents			
Cash on hand		588,264	938,782
Balance with banks:			
- on current accounts		401,273,206	411,582,526
- unpaid dividend account*		182,441	233,600
- On EEFC Account		-	1,373,091
- on fixed deposits account with original maturity of less than three months		-	110,000
Cash & cash equivalents [refer note 16]		**402,043,911**	**414,237,999**
Summary of significant accounting policies	**2.1**		

Notes:

1. The above Cash flow statement has been prepared under the " Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements"

* The company can utilize these balances only toward settlement of the respective unpaid dividend.

The accompanying notes are an integral Part of the Consolidated Financial Statements.
As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

1. Corporate information

UFO Moviez India Limited ('UFO' or 'the Parent Company' or 'the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company and its subsidiaries, associates and joint ventures (collectively referred to as "the Group") is primarily engaged in the business of providing digital cinema services.

The equity shares of the Company are listed on the National Stock Exchange of India Limited and The BSE Limited.

Basis of preparation

The consolidated financial statements (CFS) of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for change in accounting policy explained below:

Accounting for Proposed Dividend

Till March 31, 2016, as per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. For the current year, as per AS 4(R), provision for dividend proposed/ declared after the balance sheet date is not created and is disclosed in notes to the financial statements.

Accordingly, the company has not recorded provision for dividend and disclosed dividend proposed by board of directors after the balance sheet date in Note 41.

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 332,196,747/- and short term provision would have been higher by ₹ 332,196,747/- (including dividend distribution tax of ₹ 56,188,737/-).

2. Principles of Consolidation

(i) The financial statements of the Parent Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating intra-group balances and transactions as per Accounting Standard (AS) 21 "Consolidated Financial Statements".

(ii) The excess of cost to the Parent Company of its investments in the subsidiaries over its portion of equity in the subsidiaries, as at the date on which investment was made, is recognized as goodwill in the consolidated financial statements. The Parent Company's portion of equity in the subsidiaries is determined on the basis of the book value of assets and liabilities as per the financial statement of the subsidiary companies as on the date of investment.

(iii) Minority Interest:

Minority interest share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company. In case where losses applicable to minority interest exceed the minority interest in the equity of the subsidiary, the excess of, any further losses applicable to minority interest are adjusted against the Parent Company's portion of equity in the subsidiary, until all previous losses absorbed by parent are recovered.

(iv) The financial statement of the Group includes the share of profit / loss of associate companies in which the Group has significant influence and which is neither a subsidiary nor a joint venture, which are accounted under "Equity Method" in accordance with Accounting standard (AS) 23 on Accounting for Investment in Associates, as per which the share of profit/(loss) of associate company has been added and restricted to the cost of investment.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(v) The financial statements of the Company and its Joint venture entities have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating intra-group balances and transactions, by applying "Proportionate consolidation" Method, as per Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Venture".

(vi) The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible across the group and are presented, to the extent possible, in the same manner as per the parent's separate financial statement.

(vii) The list of Subsidiaries included in consolidation are mentioned below:

Subsidiary Name	Country of Incorporation	Proportion of ownership interest of the Company/ Subsidiary as on March 31, 2017	Proportion of ownership interest of the Company/ Subsidiary as on March 31, 2016
Subsidiaries of UFO			
Scrabble Entertainment Limited (SEL)	India	91.33%	91.33%
V N Films Private Limited (Refer Note 39)	India	100%	100%
Southern Digital Screenz India Private Limited (Refer Note 39)	India	100%	84.18%
Valuable Digital Screen Private Limited	India	80%	80%
Edridge Limited (Refer Note 39)	Cyprus	100%	100%
United Film Organisers Nepal Private Limited	Nepal	100%	100%
Subsidiary of Edridge Limited & stepdown subsidiary of UFO			
UFO International Limited (Refer Note 39)	Cyprus	100%	100%
Subsidiaries of UFO International Limited & stepdown subsidiaries of UFO			
United Film Organisers (UFO) (Mauritius) Private Limited.	Mauritius	100%	100%
UFO Lanka Private Limited.	Sri Lanka	100%	100%
UFO Software Technologies Private Limited.	India	100%	100%
Subsidiaries of SEL & stepdown subsidiaries of UFO			
Scrabble Entertainment DMCC	UAE	100%	100%
Scrabble Entertainment Mauritius Limited	Mauritius	100%	100%
Scrabble Entertainment Lebanon SARL	Lebanon	100%	100%
Scrabble Digital Inc	USA	100%	100%

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(viii) The list of associates of SEL included in consolidation are mentioned below:

Associate Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Scrabble Digital Limited	India	33.33%	33.33%
Scrabble Digital DMCC	UAE	33.33%	33.33%
Scrabble Ventures LLC	USA	30%	30%
Scrabble Ventures, S. de R.L. de C.V, Mexico	Mexico	30%	30%
Mukta V N Films Limited (refer note 36)	India	45%	NA

(ix) The list of Joint venture entities of V N Films Private Limited included in consolidation are mentioned below:

Joint Venture Entity Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Mukta V N Films Limited (refer note 36)	India	NA	45%

(x) The list of Companies not included in consolidation as these are in the process of being liquidated are mentioned below:

Subsidiary Name	Country of Incorporation	Proportion of ownership interest as on March 31, 2017	Proportion of ownership interest as on March 31, 2016
Scrabble Entertainment Israel Limited	Israel	100%	100%
UFO Europe Limited	Cyprus	100%	100%

(xi) The financial statement of the subsidiary/associates are drawn upto the same reporting date of the Parent Company other than the following:

Entity Name	Relationship	For the year ended March 31, 2017	For the year ended March 31, 2016
Scrabble Digital DMCC	Associate	Year ended Dec-16	Year ended Dec-15
Scrabble Entertainment Lebanon SARL	Subsidiary	Year ended Dec-16	Year ended Dec-15

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(b) Property, Plant and Equipment

Property Plant and equipment are stated at cost, net accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property Plant and equipment which takes 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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Subsequent expenditure related to an item of property, plant and quipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of an property, plant and equipment 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.

The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

From April 1, 2015, based on the provisions of schedule II to the Companies Act 2013, relating to component accounting, the Company has identified and determined cost of each component of the asset separately, if the component has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

As per the transitional provisions of Schedule II, carrying amount of components having zero remaining useful life on April 1, 2015 of ₹ 41,519,692/- (after reducing deferred tax impact of ₹ 21,973,842/-) has been adjusted against the opening reserves in accordance with the requirement of Schedule II of the Act.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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.

Intangible assets are amortised over their estimated useful life as follows.

	Useful lives as per management's estimate (years)
Computer Software	2 – 6

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(d) Depreciation on Property, Plant and equipment

Depreciation on Property, Plant and equipment calculated on a straight line basis using the rates arrived at based on the useful lives of the assets estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The Company has used the following useful lives to provide depreciation on its property, plant and equipments:

	Useful lives as per management's estimate (years)
Exhibition Equipment	7 – 10
Plant & Machinery	4 – 7
Computer Server	3
Furniture and Fixtures	6
Office Equipments	5-6
Vehicles	3-5

Except computer, useful life of above property, plant and equipments are different from those prescribed under schedule II. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

(e) Goodwill on consolidation

Goodwill on consolidation is not amortised and is tested for impairment on an annual basis. Such evaluation determines impairment in value if any, taking into account the ability to recover the carrying amount of goodwill from discounted cash flows. The group also considers projected future operating results, trends and other circumstances in making such evaluations.

In addition to the annual impairment test, the Group performs an impairment test if an event occurs or circumstances change that would more likely than not reduce the fair value or the reporting unit below its carrying amount.

(f) Impairment of fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset.

(g) Leases

Where the Group is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Assets subject to operating leases are included in property, plant and equipments. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(h) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(i) Inventories

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(j) 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.

Income from services

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognised in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Digitisation income is recognized in the period in which services are rendered.
- Registration fee is recognised in the period in which the services are rendered.
- Revenue from maintenance service fees is recognised on time proportion basis for the period falling in the reporting period
- Lease rental income on equipment is recognised as mentioned in note 2.1(h) above.
- Revenue from commission and technical service income is recognised in period in which services are rendered.

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Group recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers.

The Group collects service tax and value added tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognised when the company's right to receive dividend is established by the balance sheet date.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(k) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

(l) Translation of foreign operations

Translation of foreign subsidiaries and associates are done in accordance with AS – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates". The financial statements of Integral operations are translated as if the transactions of foreign operations have been those of the Company.

In case of non-integral foreign operations, all assets and liabilities are converted at the closing rate at the end of the period and items of income and expenditure items have been translated at the average rate, which approximates the actual rates. All the resulting exchange differences are accumulated in the foreign currency translation reserves until the disposal of the net investment.

Any goodwill / Capital reserve arising on acquisition of a non–integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognized under Foreign Currency Translation Reserve.

(m) Retirement and other employee benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employee render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company has an Employees' Gratuity Fund managed by the Life Insurance Corporation of India.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(n) Income taxes

Tax expense comprises of 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 Group operates. The tax rates and tax laws use to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or "virtually certain", as the case may be 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 balance sheet date. The Group writes-down the carrying amount of a 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 or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a period is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group 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 period in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

(o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(p) Contingent liabilities

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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(q) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulation 2014 and Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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 Group'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.

(s) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(t) Borrowing cost

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 occur.

(u) Segment reporting

The Group's operations predominantly relate to providing digital cinema services to exhibitors and distributors of films under E-Cinema and D-Cinema. The Group's operating businesses are organized and managed according to the services and are identified as reportable segment based on the dominant source and nature of risks and returns as primary and secondary segments. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

(v) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 which is equally applicable to schedule III of the Companies Act, 2013, the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, finance income and tax expense.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

3. **Share capital**

(In ₹)

	31 March 2017	31 March 2016
Authorised share capital		
45,000,000 (March 31,2016: 45,000,000) equity shares of ₹ 10/- each	450,000,000	450,000,000
1,385,000 (March 31,2016: 1,385,000) preference shares of ₹ 1000/- each	1,385,000,000	1,385,000,000
	1,835,000,000	**1,835,000,000**
Share capital		
Issued, subscribed and fully paid up shares		
27,600,801 (March 31, 2016: 27,499,376) equity shares of ₹ 10/- each fully paid-up	276,008,010	274,993,760
Total issued, subscribed and fully paid up share capital	**276,008,010**	**274,993,760**

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	31 March 2017		31 March 2016	
	No.	₹	No.	₹
At the beginning of the year	27,499,376	274,993,760	25,897,669	258,976,690
Issued during the year - ESOP exercised	101,425	1,014,250	1,601,707	16,017,070
Outstanding at the end of the year	**27,600,801**	**276,008,010**	**27,499,376**	**274,993,760**

(b) **Terms/ rights attached to equity shares**

Voting rights:

The Company has only one class of equity shares having per value of ₹ 10/- per share. Each holder of equity shares having a par value of ₹ 10/- per equity share is entitled to one vote per equity share.

Rights to Dividend:

The equity shareholders have right to receive dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholders is ₹ Nil (March 31, 2016: 8/-) per share.

Rights pertaining to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the 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 group**

Name of the shareholder	31 March 2017		31 March 2016	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10/- each fully paid				
P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.03	5,251,608	19.10
3i Research (Mauritius) Limited	-	-	2,664,879	9.69
SBI Magnum Global Fund	2,609,456	9.45	2,407,206	8.75
Valuable Technologies Limited	2,243,657	8.13	2,243,657	8.16
Apollo International Limited	2,266,417	8.21	2,266,417	8.24
Reliance Capital Trustee Co Limited A/c Reliance Media and Entertainment Fund	2,202,739	7.98	1,861,139	6.77
Valuable Media Limited	1,494,265	5.41	1,494,265	5.43

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has issued total 1,703,132 shares (March 31, 2016: 1,601,707) 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.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 28.

4. Reserves and surplus

(In ₹)

	31 March 2017	31 March 2016
Legal Reserve		
Balance as per the last financial statements	18,291,284	18,291,284
Closing Balance	**18,291,284**	**18,291,284**
Securities premium account		
Balance as per the last financial statements	3,722,470,350	3,489,540,997
Add: Additions on ESOPs exercised	15,470,990	232,929,353
Closing balance	**3,737,941,340**	**3,722,470,350**
Employee stock options outstanding		
Balance as per the last financial statements	64,426	64,426
Less: Transfer to reserve & surplus on expiry of options	(32,213)	-
Closing Balance	**32,213**	**64,426**
Foreign Currency Translation Reserve		
Balance as per the last financial statements	261,494,789	201,416,409
Addition during the year (Net)	(25,748,948)	60,078,380
Closing Balance	**235,745,841**	**261,494,789**
Surplus in the statement of profit and loss		
Balance as per the last financial statements	887,343,813	564,348,819
Add: Transfer from Employee Stock options outstanding	32,213	-
Less: Depreciation adjustment (net of deferred tax) (refer note 2.1(b))	-	(41,519,692)
Prior period adjustment (refer note b)	-	(2,096,132)
Profit for the year	631,559,918	634,629,491
Less: Dividend on equity shares including dividend distribution tax [per share ₹ 5/- (March 31, 2016: 5/-)] (refer note a)	(3,454,177)	(168,725,867)
Less: Proposed final dividend on equity shares including dividend distribution tax [per share ₹ Nil (March 31, 2016: 3/-)] (refer note 41)	-	(99,292,806)
Net Surplus in the statement of profit and loss	**1,515,481,767**	**887,343,813**
Total reserves and surplus	**5,507,492,445**	**4,889,664,662**

Note:

a. The dividend distribution tax includes dividend distribution tax of ₹ 3,381,052/- (March 31, 2016 ₹ 3,237,857/-) on dividend received from associate.

b. The adjustment of ₹ 2,096,132/- to reserves for the year ended March 31, 2016, relates to share of minority interest, inadvertently not recorded in the previous year.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

5. Long-term borrowings (Secured)

(In ₹)

		Non-Current		Current	
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
Term loans					
Rupee loan from banks					
Term loan 1 from HDFC Bank		-	-	-	4,492,508
Term loan 2 from HDFC Bank		189,589,956	127,924,850	162,505,630	59,042,238
Term loan 3 from Axis Bank		-	-	-	85,416,198
Term loan 4 from Axis Bank		-	102,810,900	-	124,992,000
Term loan 5 from Axis Bank		-	73,917,920	-	56,250,000
Term loan 6 from Axis Bank		60,058,871	99,719,594	49,620,040	51,102,052
Term loan 7 from Yes Bank			14,285,714	14,285,714	85,714,286
Term loan 8 from HDFC Bank			15,214,247	15,214,247	20,285,613
Term loan 9 from HDFC Bank		22,355,420	-	56,250,000	-
Term loan 10 from HDFC Bank		9,066,900	-	104,160,000	-
Term loan 11 from Yes Bank		38,824,649	-	8,959,534	-
Sub Total	**(a)**	**319,895,796**	**433,873,225**	**410,995,165**	**487,294,895**
Other loans					
Vehicle finance from banks (secured against hypothecation of vehicles)					
Vehicle Loan from Axis Bank Limited		-	2,043,048	1,981,181	8,241,642
Sub Total	**(b)**	**-**	**2,043,048**	**1,981,181**	**8,241,642**
Less: Amount disclosed under the head "Other Current Liabilities" (note 7)		-	-	(412,976,346)	(495,536,537)
Net amount	**(a) +(b)**	**319,895,796**	**435,916,273**	**-**	**-**

Term loan 1 to 5 and 9 to 11 are secured by first charge on all fixed assets (except vehicles) and all current assets of the Parent Company.

Term loan 1 having interest of bank base rate plus 2.40% @ 11.70% (March 31,2016: 11.70%) p.a. is repayable in 31 monthly installments of ₹ 9,000,000/- each along with interest from July 31, 2013.

Term loan 2 having interest of bank base rate plus 1.40% @ 10.70% (March 31, 2016: 10.70%) p.a. is repayable in 42 monthly installments on pro rata basis each along with interest from December 31, 2015

Term loan 3 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 17,083,333/- each along with interest from September 30, 2012.

Term loan 4 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016:11.25%) p.a. is repayable in 48 monthly installments of ₹ 10,416,000/- each along with interest from April 30, 2014.

Term loan 5 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 4,687,500/- each along with interest from December 31, 2014.

Term loan 6 from Axis Bank is secured against entire current and fixed assets both present and future of Valuable Digital Screens Private Limited. The loan carries interest of bank base rate plus 2% @ 11.50% (March 31, 2016: 11.50%) p.a. and is repayable in 20 quarterely unequal installments along with interest from September 30, 2015. The Parent company has provided corporate guarantee to the bank for this term loan.

Term loan 7 from Yes Bank Limited (YBL) is secured against the first pari passu charge with HDFC Bank over entire current and fixed assets both present and future of Scrabble Entertainment Limited. The loan carries a floating interest rate of YBL Base Rate plus 3% @ 10.25% (March 31, 2016: 11.75%) p.a. and is repayable in 42 monthly installments along with interest after 7 months from disbursement. The Parent company has provided a letter of comfort for term loan from YBL.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Term loan 8 from HDFC Bank Limited is secured against the First pari passu charge with YBL on all fixed assets and Second pari passu charge with YBL on all the current assets of Scrabble Entertainment Limited both present and future. The loan carries a floating interest rate of HDFC Base Rate plus 2.50 p.a. @ 11.50% p.a. (March 31, 2016: 11.80% p.a.) and is repayable in 42 monthly installments along with interest from July 31, 2014. The Parent company has provided a letter of comfort for term loan from HDFC Bank.

Term loan 9 from HDFC Bank Limited have interest of bank 1 year MCLR plus 40 bps i.e. 9.50% p.a. (March 31, 2016: Nil) is repayable in 26 monthly installments of ₹ 4,687,500/- each along with interest from October 31, 2016.

Term loan 10 from HDFC Bank Limited have interest of bank 1 year MCLR plus 40 bps i.e. 9.50% p.a. (March 31, 2016: Nil) is repayable in 26 monthly installments of ₹ 10,416,000/- each along with interest from October 31, 2016.

Term loan 11 from YBL have interest of bank 1 year MCLR i.e. 9.10% p.a. (March 31, 2016: Nil) is repayable in 48 monthly installments starting from July 15, 2017.

Vehicle Loan from Axis Bank is having interest rate ranges from 10.01% to 10.80%, repayable in 48 monthly installments and are secured against hypothecation of vehicles.

6. Provisions

(In ₹)

	Long term		Short term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Provision for gratuity (refer note 27)	27,335,636	6,416,257	4,687,564	8,284,913
Provision for compensated absences	-	-	35,574,013	31,081,154
Provision for warranties (refer note A)	678,846	1,748,749	1,291,109	1,227,295
Provision for indirect taxes (refer note B)	-	-	1,017,025	1,017,025
Provision for income tax (net of advance tax)	-	-	8,644,812	4,806,566
Proposed dividend (including dividend distribution tax)	-	-	-	99,292,806
	28,014,482	**8,165,006**	**51,214,523**	**145,709,759**

A. Provision for warranties

A provision is recognized for expected warranty claims on products sold during the year, based on past experience of the cost of repairs and maintenance. The table below gives information about movement in warranty provisions.

(In ₹)

	31 March 2017	31 March 2016
At the beginning of the year	2,976,045	5,994,323
Arising during the year	300,000	50,000
Utilized during the year	(1,306,092)	(3,068,278)
At the end of the year	**1,969,953**	2,976,045
Current portion	1,291,109	1,227,295
Non-current portion	678,846	1,748,749

B. The table below gives information about movement in provision for indirect taxes

(In ₹)

	31 March 2017	31 March 2016
At the beginning of the year	1,017,025	1,017,025
Utilized during the year	-	-
At the end of the year	**1,017,025**	**1,017,025**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

7. Trade Payable & Other Liabilities

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Trade payables (refer note 37 for details of dues to micro and small enterprises)	-	-	954,526,672	893,213,018
Other liabilities				
Current maturities of long-term borrowings (refer note 5)	-	-	412,976,346	495,536,537
Interest accrued but not due on borrowings	-	-	8,321,619	10,705,389
Deferred revenue	15,823,746	19,838,626	32,493,645	33,995,597
Advance from customers	-	-	296,733,912	203,308,257
Investor Education and Protection Fund (refer note (i) below)				
Unpaid dividend	-	-	182,441	233,600
Others				
Deposit from customers and employees	394,948,776	465,374,780	211,222,120	120,310,354
Deposit from related parties	186,791	-	-	-
Payables for purchase of fixed assets	-	-	37,091,249	75,213,154
Book overdraft	-	-	-	49,352
Payable for purchase of Investments	-	-	24,987,376	74,987,376
Salary & reimbursement payable	-	-	84,789,720	62,295,571
Statutory dues payable				
Employee related liabilities	-	-	5,690,832	11,142,487
Service tax payable	-	-	-	820,897
VAT payable	-	-	9,592,143	10,555,752
TDS payable	-	-	30,115,205	36,592,080
Other taxes payable	-	-	78,753	89,648
	410,959,313	**485,213,406**	**1,154,275,361**	**1,135,836,050**

(i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2017.

8. Short-term borrowings

(In ₹)

	31 March 2017	31 March 2016
Unsecured		
Interest bearing loan from Director of a subsidiary	-	22,500,000
Secured		
Cash credit from Axis and HDFC Bank	3,804	14,976,462
Overdraft facility from ICICI bank Limited	107,296,400	-
Overdraft facility from YES bank Limited	-	71,026,365
	107,300,204	**108,502,827**

Cash credit from HDFC bank was secured by first charge on current assets of the Parent Company, both present & future. Second Pari passu charge on all the fixed assets of the company except vehicles financed by other lenders. The cash credit was repayable on demand and carries interest @ 10% p.a (March 31, 2016: Nil).

Cash credit from Axis bank is secured by first charge on all the fixed assets of the Parent Company except vehicles and first charge on all the current assets. The cash credit is repayable on demand and carries interest @ 11.50% p.a. (March 31, 2016: 11.50% p.a.).

Cash credit from Axis bank is secured by first charge on all the current assets and fixed assets of Valuable Digital Screens Private Limited. The cash credit is repayable on demand and carries interest @ 11.50% p.a. (March 31, 2016: 11.50% p.a.).

Overdraft from ICICI bank is secured by first charge on specific current investments of Scrabble Entertainment Limited. The overdraft is repayable on demand and carries interest @ 9% p.a. (March 31, 2016: Nil).

Bank overdraft facility from Yes Bank Limited was obtained by the erstwhile Joint Venture company Mukta V N Films Limited at interest rate of base rate plus 2%. This facility was secured against four residential flats owned by the other Joint Venture Partner. Also, this loan facility was secured by corporate guarantee from the Holding company and other Joint Venture Partner.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

9. Fixed Assets

(In ₹)

	Property, plant and equipment								Intangible Assets			
	Leasehold Improvements	Plant & Machinery	Computer Systems	Office Equipments	Furniture & Fixtures	Electrical Equipments & Installations	Vehicles	Tangible Total Assets	Goodwill	Computer software	Intangible Total Assets	Grand Total
Cost												
At 1 April 2015	30,567,599	5,645,639,397	41,301,502	34,744,553	10,656,183	2,309,808	109,762,080	5,874,981,122	6,259,080	103,538,526	109,797,606	5,984,778,728
Additions	7,708,768	534,360,374	6,064,831	4,922,792	1,440,235	2,800,435	135,047,313	692,344,748	-	2,407,716	2,407,716	694,752,464
Disposals	-	67,994,699	30,950	-	-	-	2,885,150	70,910,799	-	-	-	70,910,799
Adjustment*	325,602	15,077,885	19,595	42,037	106,060	-	224,703	15,795,882	374,210	2,422,989	2,797,199	18,593,081
At 31 March 2016	38,601,969	6,127,082,957	47,354,978	39,709,382	12,202,478	5,110,243	242,148,946	6,512,210,953	6,633,290	108,369,231	115,002,521	6,627,213,474
Additions	46,193,545	446,803,668	6,931,477	7,985,137	1,327,803	872,190	40,526,746	550,640,566	-	2,669,017	2,669,017	553,309,583
Disposals	470,005	49,221,371	5,865,348	2,498,046	1,041,749	274,153	18,691,288	78,061,960	-	-	-	78,061,960
Adjustment*	(125,552)	(11,804,421)	(10,305)	(16,209)	63,593	-	(91,044)	(11,983,938)	(149,430)	(967,320)	(1,116,750)	(13,100,688)
At 31 March 2017	**84,199,957**	**6,512,860,833**	**48,410,802**	**45,180,264**	**12,552,125**	**5,708,280**	**263,893,360**	**6,972,805,621**	**6,483,860**	**110,070,928**	**116,554,788**	**7,089,360,409**
Depreciation/Amortisation												
At 1 April 2015	18,432,488	2,729,973,742	32,317,811	21,221,107	5,972,682	1,370,994	42,336,679	2,851,625,503	625,907	63,202,072	63,827,979	2,915,453,482
Charge for the year	7,269,393	712,678,245	6,533,535	6,828,343	1,959,897	491,800	27,918,047	763,679,260	-	10,225,702	10,225,702	773,904,962
Disposals	-	46,962,336	30,950	-	-	-	948,875	47,942,161	-	-	-	47,942,161
Adjustment*	255,765	64,515,355	71,201	(4,422)	49,550	-	(1,344,807)	63,542,642	37,421	1,997,710	2,035,131	65,577,773
At 31 March 2016	25,957,646	3,460,205,006	38,891,597	28,045,028	7,982,129	1,862,794	67,961,044	3,630,905,244	663,328	75,425,484	76,088,812	3,706,994,056
Charge for the year	13,958,915	744,748,171	6,235,898	5,753,009	2,177,290	817,745	52,747,794	826,438,822	-	10,633,133	10,633,133	837,071,955
Disposals	327,848	33,676,237	5,810,400	2,135,046	878,180	201,797	13,767,537	56,797,045	-	-	-	56,797,045
Adjustment*	(133,417)	(12,291,584)	(8,519)	(12,947)	(36,477)	-	(81,889)	(12,564,833)	(14,942)	(1,015,972)	(1,030,914)	(13,595,747)
At 31 March 2017	**39,455,296**	**4,158,985,356**	**39,308,576**	**31,650,044**	**9,244,762**	**2,478,742**	**106,859,412**	**4,387,982,188**	**648,386**	**85,042,645**	**85,691,031**	**4,473,673,219**
Net Block												
At 31 March 2016	12,644,323	2,666,877,951	8,463,381	11,664,354	4,220,349	3,247,449	174,187,902	2,881,305,709	5,969,962	32,943,747	38,913,709	2,920,219,418
At 31 March 2017	**44,744,661**	**2,353,875,477**	**9,102,226**	**13,530,220**	**3,307,363**	**3,229,538**	**157,033,948**	**2,584,823,433**	**5,835,474**	**25,028,283**	**30,863,757**	**2,615,687,190**

* Represents exchange difference resulting from translation of fixed assets relating to non - integral foreign operations and impact on account of change in depreciation rates and component accounting as per Schedule II. (refer note 2.1 (b)).

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

10. Non-current Investments

(In ₹)

	31 March 2017	31 March 2016
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries (under liquidation)		
1 (March 31, 2016: 1) Equity Shares of USD 1/- each fully paid up in UFO Europe Limited (At cost less provision for other than temporary diminution ₹ 65/- (March 31, 2016: 66/-)	-	-
1 (March 31, 2016: 1) Equity Shares of USD 1/- each fully paid up in Scrabble Entertainment Israel Limited	65	66
	65	66
Investment in Associates		
197,714 (March 31, 2016: 197,714) Equity Shares of ₹ 10/- each fully paid up in Scrabble Digital Limited (including post -acquisition share of profit or loss)	45,710,872	43,896,698
100 (March 31, 2016: 100) Ordinary shares of AED 1000/- each at par fully paid up in Scrabble Digital DMCC (including post-acquisition share of profit or loss)	13,484,374	9,433,677
1,500 (March 31, 2016: 1,500) Equity Shares of Mexican Pesos including post acquisition share of Profit or Loss each fully paid up in Scrabble Venture S.de R.L.De C.V, Mexico (refer note a) (At cost less provision for other than temporary diminution ₹ 7,487/- (March 31, 2016: 7,646/-)	-	-
3,000 (March 31, 2016: 3,000) Equity Shares in Scrabble Venture LLC of no par value (including post acquisition share of profit or loss) (refer note a)	61,145,060	23,507,173
2,700,000 Equity Shares of ₹ 10/- each at par fully paid up in Mukta VN Films Limited (refer note 36)	27,000,000	-
Add/(Less): Post - acquisition share of Profit/(Loss) till last year	1,272,711	-
Add/(Less): Post - acquisition share of Profit/(Loss) for the year	747,479	-
	29,020,190	-
Compulsorily Convertible Preference Shares in Mukta VN Films Limited	3,600,000	1,980,000
Share warrant in Mukta VN Films Limited	2,400,000	1,320,000
	155,360,561	**80,137,614**

Note:

a) In addtion to the investments listed above, the Group is holding 2,000 shares of Scrabble Ventures LLC and 1,000 shares of Scrabble Ventures S.de R. L. De C.V, Mexico. on behalf of others, where group is not a beneficial owner. The groups total investment in these entities is presented net of shares held on behalf of others, where the group is not a beneficial owner.

11. Deferred tax assets / (liability)

(In ₹)

		31 March 2017	31 March 2016
A	**Deferred tax assets**		
	Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	281,468,482	219,044,772
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	27,065,794	18,249,540
	Provision for doubtful debts and advances	37,764,048	37,750,035
	Gross deferred tax assets	**346,298,324**	**275,044,347**
B	**Deferred tax liabilities**		
	Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	236,753	236,753
	Gross deferred tax liabilities	**236,753**	**236,753**

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

12. Loan and advances (Unsecured, considered good unless otherwise stated) (In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Capital advances	446,550	10,683,236	-	-
Security deposit to others	16,214,916	14,458,197	38,698,304	45,906,168
Security deposit to related parties (refer note 32)	35,771,540	35,771,540	-	-
Loan to related parties (refer note 32)	-	-	-	74,753
Loan and advances to others	-	-	7,837,448	-
Advances recoverable in cash or kind				
Considered good	-	-	14,111,368	8,216,778
Considered doubtful	16,193,889	22,079,008	2,396,394	2,396,394
	16,193,889	**22,079,008**	**16,507,762**	**10,613,172**
Provision for doubtful advances	(16,193,889)	(22,079,008)	(2,396,394)	(2,396,394)
	-	**-**	**14,111,368**	**8,216,778**
Other loans and advances				
Advance income-tax (net of provision for tax)	225,626,770	319,066,879	-	-
Balance with statutory / government authorities				
Considered good	48,147,360	48,127,949	65,774,128	42,750,568
Considered doubtful	1,465,752	1,465,752	-	-
Less: Provision for doubtful receivable	(1,465,752)	(1,465,752)	-	-
	48,147,360	**48,127,949**	**65,774,128**	**42,750,568**
Deposit with Government bodies and others	4,478,182	3,921,526	-	-
	52,625,542	52,049,475	65,774,128	42,750,568
Advances to supplier	-	-	47,989,452	73,993,909
Advance to employees	-	-	2,280,734	16,704,422
Prepaid expenses	52,329,657	9,282,445	54,373,571	61,311,466
Service tax credit receivable	-	-	13,694,268	4,172,194
Vat credit receivable	-	-	1,264,941	1,221,381
Others	-	-	1,151,967	208,025
	383,014,975	**441,311,772**	**247,176,181**	**254,559,664**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

13. Current Investments (valued at lower of cost or market value)

(In ₹)

	31 March 2017	31 March 2016
Unquoted mutual funds		
99,342.98 (March 31, 2016: 10,549.22) units of Axis Liquid Fund	99,408,153	10,548,908
302,260.15 (March 31, 2016: Nil) units of Birla Sun Life Floating Rate Fund (Long Term Plan - Direct Plan)	60,000,000	-
300,415.46 (March 31, 2016: Nil) units of Birla Sun Life Saving Fund	30,130,830	-
147,803.80 (March 31, 2016: Nil) units of Birla Sun Life Cash Plus (Growth - Direct Plan)	38,601,246	-
97,175.94 (March 31, 2016: Nil) units ICICI Prudential (Flexible Income Plan - Direct)	30,000,000	-
162,784.71 (March 31, 2016: Nil) units ICICI Prudential (Liquid Plan Direct Plan Growth)	39,137,633	-
Nil (March 31, 2016: 12,147.475) units of Axis Treasury Advantage Fund (Growth Option)	-	20,073,771
18,723.98 (March 31, 2016: 3,369.356) units of HDFC Liquid Fund (Direct Plan - Growth Option)	60,022,035	10,059,053
13,061,970.8 (March 31, 2016: 13,061,970.8) units of HDFC Corporate Debt Opportunities Fund (Growth Option)	160,000,000	160,000,000
3,873,923.18 (March 31, 2016: 3,873,923.18) units of Reliance Regular Savings Debt Fund (Growth Option)	80,000,000	80,000,000
9,326.299 (March 31, 2016: 8,911.487) units of HDFC Cash Management Fund	94,595	89,400
	597,394,492	**280,771,132**

Aggregate market value of investment in unquoted mutual funds units held by Company based on NAV declared on the balance sheet date by mutual fund is ₹ 623,411,588/- (March 31, 2016: 281,316,402/-))

14. Inventories (valued at lower of cost or net realisable value)

(In ₹)

	31 March 2017	31 March 2016
Traded Goods		
Lamps	94,664,550	97,701,431
Digital Cinema Equipment	21,474,829	1,831,191
Consumables and spares	18,692,424	15,289,703
	134,831,803	**114,822,325**

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

15. Trade receivables (unsecured) (In ₹)

		31 March 2017	31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment			
- considered good		167,308,903	180,404,035
- considered doubtful		110,407,551	99,396,815
		277,716,454	**279,800,850**
Provision for doubtful receivables		(110,407,551)	(99,396,815)
	(A)	**167,308,903**	**180,404,035**
Others trade receivables			
- Considered good	**(B)**	1,315,081,698	1,334,641,609
- Considered doubtful		-	401,364
		1,315,081,698	**1,335,042,973**
Provision for doubtful receivables		-	(401,364)
	(C)	**1,315,081,698**	**1,334,641,609**
TOTAL	**(A+B+C)**	**1,482,390,601**	**1,515,045,644**

16. Cash and bank balances (In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	401,273,206	411,582,526
– On unpaid dividend account*	-		182,441	233,600
– On EEFC Account	-	-	-	1,373,091
– Deposits with original maturity of less than three months	-	-	-	110,000
Cash on hand	-	-	588,264	938,782
	-	**-**	**402,043,911**	**414,237,999**
Other bank balances				
– Deposits with remaining maturity for less than 12 months	-	-	447,298,513	188,870,389
– Deposits with remaining maturity for more than 12 months	726,996	8,029,744	-	-
	726,996	**8,029,744**	**447,298,513**	**188,870,389**
– Margin money deposit with remaining maturity for less than 12 months	-	-	107,692,361	64,569,318
– Margin money deposit with remaining maturity for more than 12 months	2,829,048	59,012,673	-	-
	2,829,048	**59,012,673**	**107,692,361**	**64,569,318**
Amount disclosed under non - current assets (refer note 17)	(3,556,044)	(67,042,417)	-	-
	-	**-**	**957,034,785**	**667,677,706**

Margin money deposits:

Margin money deposits are kept under lien with bank for opening letter of credit, margin towards term loan and for issuing bank guarantees to various State Governments to comply with the Sales Tax / VAT Registration formalities.

* The Parent company can utilize these balances only toward settlement of the respective unpaid dividend.

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

17. Other assets

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Non-current bank balances (refer note 16)	3,556,044	67,042,417	-	-
Unbilled revenue	-	-	81,198,645	62,450,606
Interest accrued but not due on fixed deposit	303,368	9,140,670	17,701,881	1,447,884
Dividend receivable from associate	-	-	-	2,709,164
	3,859,412	**76,183,087**	**98,900,526**	**66,607,654**

18. Revenue from operations

(In ₹)

	31 March 2017	31 March 2016
Sale of Services		
Advertisement revenue	1,789,953,493	1,578,344,315
Virtual Print Fees - E-Cinema	1,027,041,595	988,866,579
Virtual Print Fees - D-Cinema	1,486,573,131	1,540,444,846
Lease rental income - E-Cinema	450,596,668	396,441,650
Lease rental income - D-Cinema	138,968,673	158,593,665
Digitisation income	61,652,063	59,915,625
Maintanance service fee	80,913,343	82,879,844
Registration fees income	15,280,616	10,466,639
Commission income	72,291,981	14,537,035
Technical service income	4,463,600	5,732,136
Other (refer note 1)	57,450	25,029,050
(A)	**5,127,792,613**	**4,861,251,384**
Sales of Products		
Lamp and spares sale	473,569,194	330,254,360
Sale of digital cinema equipments	347,351,080	463,375,945
(B)	**820,920,274**	**793,630,305**
(A)+(B)	**5,948,712,887**	**5,654,881,689**

Note 1: Other services include revenue from theatre programming activity.

19. Other Operating Income

(In ₹)

	31 March 2017	31 March 2016
Sundry balance written back	22,601,178	39,264,580
License income	241,127	4,385,306
Freight income	518,280	2,065,448
	23,360,585	**45,715,334**

20. Other income

(In ₹)

	31 March 2017	31 March 2016
Miscellaneous receipts	12,745,460	13,658,491
Foreign exchange gain (net)	3,833,407	6,869,303
	16,578,867	**20,527,794**

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

21. Operating direct costs

(In ₹)

	31 March 2017	31 March 2016
Advertisement revenue share	515,793,127	471,481,533
Repair and maintenance - exhibition equipments	236,101,393	197,710,755
Van operation expenses	65,595,764	75,716,297
Technical service fees	82,274,780	72,499,746
Bandwidth charges	69,672,021	64,859,782
Purchase of digital cinema equipments	293,737,843	369,197,790
Purchase of lamps and spares	382,002,854	291,038,131
Rent on equipments	18,586,326	19,082,953
Delivery and distribution charges	-	42,651,411
Content download charges	1,678,196	3,262,925
Content processing charges	52,819,053	42,488,069
Virtual print fees sharing	731,242,898	733,617,381
Other expenses	7,238,977	17,152,362
(Increase)/decrease in inventories of digital cinema equipments		
Inventories at the beginning of the year	1,831,191	10,633,726
Inventories at the end of the year	21,474,829	1,831,191
	(19,643,638)	**8,802,535**
(Increase)/decrease in inventories of lamps and spares		
Inventories at the beginning of the year	93,731,707	79,140,086
Inventories at the end of the year	90,778,108	93,731,707
	2,953,599	**(14,591,621)**
Consumables and spares		
Inventories at the beginning of the year	19,259,426	20,750,148
Add: purchases	42,261,253	28,760,469
Less: Inventories at the end of the year	(22,578,866)	(19,259,426)
	38,941,813	**30,251,191**
	2,478,995,006	**2,425,221,240**

22. Employee benefit expense

(In ₹)

	31 March 2017	31 March 2016
Salaries & wages	696,614,250	591,583,665
Contribution to provident and other funds	31,301,652	27,697,651
Gratuity expenses (refer note 27)	20,823,672	13,830,864
Compensated absences	8,079,093	3,331,676
Staff welfare expenses	57,816,480	51,778,576
	814,635,147	**688,222,432**

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

23. Other expenses

(In ₹)

		31 March 2017	31 March 2016
Rent		107,733,002	107,916,429
Freight and forwarding charges		58,260,593	58,920,650
Legal, professional and consultancy charges		131,864,644	123,648,541
Directors sitting fees including commission		8,100,000	8,050,000
Commission on advertisement revenue		156,384,383	118,797,930
Commission on other revenue		38,481,587	17,355,338
Corporate social responsibility expenses		15,000,000	-
Sales promotion expenses		39,515,358	33,713,197
Electricity charges		22,764,349	20,932,794
Rates and taxes		30,124,722	30,737,014
Auditor's remuneration		10,101,730	9,604,896
Repairs and maintenance			
-Plant and machinery		2,087,096	5,019,192
-Building		182,893	205,406
-Furniture and fixtures		885,502	469,179
-Others		21,257,083	20,433,707
Insurance		11,866,266	15,716,245
Travelling and conveyance expenses		69,745,217	58,896,645
Communication and courier expenses		26,200,835	23,852,997
Printing and stationery		6,865,205	6,311,172
Bad debts written-off	13,537,581		15,893,725
Less: Provision utilised	(1,224,256)	12,313,325	(7,468,348)
Provision for doubtful debts		26,464,417	33,134,577
Provision for doubtful advances		-	5,885,107
Loss on sale and write off of fixed assets (net)		2,033,111	1,247,283
Provision for diminution in value of fixed assets		-	701,928
Miscellaneous expenses		52,275,015	49,733,593
		850,506,333	**759,709,196**

24. Interest and finance expense

(In ₹)

	31 March 2017	31 March 2016
Interest on		
- Term loan	88,816,131	123,593,381
- Others	7,404,853	9,154,641
Bank charges	4,356,911	3,594,674
Other borrowing costs	1,750,000	4,053,092
	102,327,895	**140,395,788**

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

25. Finance income

(In ₹)

	31 March 2017	31 March 2016
Interest received		
- Bank deposits	30,746,761	37,504,711
- Others	11,747,226	71,533
Dividend income on current investments	4,495,270	3,045,943
Profit on sale of current investments (net)	6,663,879	6,234,251
	53,653,136	**46,856,438**

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: (In ₹)

	31 March 2017	31 March 2016
Basic		
Net profit after tax as per statement of profit and loss for calculation of basic EPS	631,559,918	634,629,490
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Earning per share	**22.89**	**24.22**
Diluted		
Net profit for calculation of diluted EPS	631,559,918	634,629,490
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Effect of dilutions on stock options granted under ESOP	5,929	1,000,959
Weighted average number of shares outstanding (including dilution)	27,597,838	27,204,545
Earning per share	**22.88**	**23.33**

27. Gratuity and other post-employment benefit plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognized in the employee cost (In ₹)

	Gratuity	
	31 March 2017	31 March 2016
Current service cost	16,863,254	14,545,289
Interest cost on benefit obligation	4,014,384	3,435,242
Expected return on plan assets	(2,577,094)	(1,914,551)
Net actuarial (gain) / loss recognized in the year	2,523,128	(2,235,116)
Net benefit expense	**20,823,672**	**13,830,864**
Actual return on plan assets	**2,408,862**	**2,209,671**

Balance sheet (In ₹)

Benefit asset/ liability	31 March 2017	31 March 2016
Present value of defined benefit obligation	67,212,703	46,578,599
Fair value of plan assets	(35,423,038)	(31,877,429)
Plan liability	**31,789,665**	**14,701,170**



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

(In ₹)

Changes in the present value of the defined benefit obligation are as follows:	31 March 2017	31 March 2016
Opening defined benefit obligation	46,578,598	32,499,294
Current service cost	16,711,482	14,000,826
Interest cost	3,977,110	3,435,242
Benefits paid	(2,936,712)	(1,702,691)
Actuarial (gain) / losses on obligation	2,882,225	(1,654,071)
Closing defined benefit obligation	**67,212,703**	**46,578,598**

(In ₹)

Changes in the fair value of plan assets are as follows:	31 March 2017	31 March 2016
Opening fair value of plan assets	31,898,674	24,213,898
Expected return	3,551,163	1,953,845
Contributions by employer	3,240,381	5,989,365
Benefits paid	(2,885,929)	(605,768)
Actuarial gain on plan assets	(381,251)	326,089
Closing fair value of plan assets	**35,423,038**	**31,877,429**

The principal assumptions used in determining gratuity as shown below:

	Gratuity	
	31 March 2017	31 March 2016
Discount rate	6.70%	7.80%
Expected rate of return on assets	8%	8%
Employee turnover	15%	15%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current year and previous four years are as follows: (In ₹)

Gratuity	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined benefit obligation	67,212,703	46,578,599	32,021,086	22,573,355	15,832,688
Plan assets	(35,423,038)	(31,877,429)	(24,213,898)	(16,308,310)	(9,746,594)
Surplus / (deficit)	31,789,665	14,701,170	7,807,187	6,265,045	6,086,094
Experience adjustments on plan liabilities	2,882,225	(1,654,071)	696,042	1,379,949	1,532,494
Experience adjustments on plan assets	(381,251)	326,089	147,871	-	-

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Gratuity	31 March 2017	31 March 2016
Investments with insurer	100%	100%

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

28. Employee stock option plans

During the year ended March 31, 2017, the Parent company's three equity settled ESOP Schemes viz., ESOP Scheme 2006, ESOP Scheme 2010 and ESOP Scheme 2014 were in existence.

Employee Stock Option Scheme 2006 ('ESOP Scheme 2006')

All Options granted under ESOP Scheme 2006 are vested. The Exercise Period of the Options granted under ESOP Scheme 2006 are for the employees while in employment of the Company is within one year from the date on which the shares of the Company get listed on a recognized stock exchange and for the retired employees, termination due to permanent disability, death is within six months from the date of listing of Company's shares with a recognised stock exchange.

The details of activity under the Scheme 2006 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,736	100.18	211,051	100.18
Granted during the year	-	-	-	-
Exercised during the year	(2,736)	100.18	208,315	-
Forfeited during the year	-	-	-	100.18
Outstanding at the end of the year	-	-	2,736	100.18
Exercisable at the end of the year	-	-	2,736	100.18
Weighted average remaining contractual life (in month)	-		2	

Employee Stock Option Scheme 2010 ('ESOP Scheme 2010')

Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the modification in vesting period of 82,157 options from being vested equally over a period of 4 years from the date of grant to one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the change in exercise period of all vested options under this scheme from two year to one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange in case of the employees in employment of the Company. For the retired employees, termination due to permanent disability, death, all vested options may be exercised within six months from the date of listing of Company's shares with a recoganised stock exchange.

The details of activity under the Scheme 2010 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	98,689	164.60	1,503,489	163.74
Granted during the year	-	-	-	-
Exercised during the year	(98,689)	164.26	1,393,392	163.71
Forfeited during the year	-	-	(11,408)	165.44
Outstanding at the end of the year	-	-	98,689	164.60
Exercisable at the end of the year	-	-	98,689	164.60
Weighted average remaining contractual life (in month)	-		2	

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Employee Stock Option Scheme 2014 (ESOP 2014):

The Compensation Committee recommended the new ESOP Scheme 2014 and the Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

As per the ESOP Scheme 2014, 25% of the options shall vest equally at the end of each year from the date of grant.

The exercise period of these options is as follows:

i) For the employees while in employment of the Parent company: Within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: Within six months from the date of retirement, termination due to physical disability and death respectively.

The details of activity under the Scheme 2014 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	902,070	600	929,750	600
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(48,551)	600	(27,680)	600
Outstanding at the end of the year	853,519	600	902,070	600
Exercisable at the end of the year	426,760	600	225,518	600
Weighted average remaining contractual life (in months)	27		39	

There is no effect of the employee share-based payment plans on the statement of profit and loss and on its financial position.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to detemine compensation, its profit after tax and earning per share reported would have been same as follows:

(In ₹)

	31 March 2017	31 March 2016
Net profit for calculation of basic EPS	631,559,918	634,629,490
Proforma profit	631,559,918	634,629,490
Earnings Per Share		
Basic		
- As reported	22.89	24.22
- Proforma	22.89	24.22
Diluted		
- As reported	22.88	23.33
- Proforma	22.88	23.33

29. Investments during the year

Investments by the Group

(a) Southern Digital Screenz India Private Limited (SDS)

During the year ended March 31, 2017, the Company acquired additional 15.82% stake 680,117 equity shares in Southern Digital Screenz India Private Limited (SDS) from the minority shareholders for ₹ 140,000,000/-. Post this investment, the Company holds 100% of equity share capital of SDS.

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

30. Leases

Operating lease: Group as lessee

The Group's significant leasing arrangements are in respect of operating leases taken for office premises, stores & digital equipments. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the digital equipments on lease generally is for 36 to 72 months.

(In ₹)

	Office Premises & Digital Cinema Equipment	
	31 March 2017	31 March 2016
Lease payments for the period	126,319,328	121,633,462

Operating lease commitments – Group as lessor

The Group has leased out Digital Cinema Equipment to theaters and franchisees on operating lease arrangement. The lease term is generally for 5 to 10 years. The Group as well as the theaters and franchisees have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.

(In ₹)

	Digital Cinema Equipment	
	31 March 2017	31 March 2016
Gross carrying amount	4,606,472,092	4,325,531,785
Accumulated depreciation	2,170,646,513	1,702,791,351
Depreciation recognized in the statement of Profit & Loss	553,479,094	526,198,159

31. Segment reporting

The Group is engaged primarily in the business of Digital Cinema Services and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Group's operations are based on the distribution of the group by geographical markets, based on the location of the assets.

(In ₹)

	For the year ended	
	31 March 2017	31 March 2016
Revenue by Geographical Market		
- Within India	4,724,850,901	4,419,713,796
- Middle east	1,132,084,885	1,151,156,462
- Rest of the world	91,777,101	84,011,431
	5,948,712,887	**5,654,881,689**
Carrying Amount of Segment Assets		
- Within India	7,297,109,253	6,953,232,999
- Middle east	756,811,869	488,797,585
- Rest of the world	298,290,009	447,756,043
	8,352,211,131	**7,889,786,627**
Cost incurred to acquired Segment Fixed Assets		
- Within India	552,535,543	688,241,771
- Middle east	774,040	6,510,693
- Rest of the world	-	-
	553,309,583	**694,752,464**

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

32. Related party disclosure

1. Names of related parties where transactions have taken place during the year

Associate Enterprises	Scrabble Digital DMCC
	Scrabble Digital Limited
	Scrabble Ventures LLC
	Scrabble Ventures, S. de R.L. de C.V.
	Mukta V N Films Limited (from April 1, 2016)
Joint Venture entity	Mukta V N Films Limited (till March 31, 2016)
Enterprises owned or significantly influenced by key management personnel or their relatives	
	Media Infotek Park
	Shree Enterprises
	Valuable Media Limited
	Valuable Technologies Limited
	Qwik Entertainment India Limited
	Impact Media Exchange Limited
	Nifty Portfolio Services Private Limited
	Advent Fiscal Private Limited
Key management personnel	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director
	Mr. Rajesh Mishra - Chief Executive Officer
	Mr. Ashish Malushte - Chief Financial Officer
	Mr. Sameer Chavan - Company Secretary
Relatives of Key management personnel	Ms. Apeksha Agarwal

2. Details of transaction with related parties during the year

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
1	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Expenses reimbursed**		
	i) Media Infotek Park	9,301,839	9,513,840
B	**Technical services (expense)**		
	i) Valuable Technologies Limited	82,660,813	72,176,562
C	**Direct Expenses (License fees on 3D movie)**		
	i) Valuable Technologies Limited	506	46,229
D	**Direct Expenses (Licensee fees – Impact)**		
	i) Impact Media Exchange Limited	7,200,000	7,200,000

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Licensee fee- Club X (income)**		
	i) Valuable Media Limited	873,227	1,467,106
F	**Rent paid (expense)**		
	i) Media Infotek Park	49,005,996	46,198,944
G	**Rent income (Miscellaneous receipts)**		
	i) Valuable Media Limited	341,465	-
	ii) Valuable Edutainment Private Limited	116,412	-
	iii) Valuable Infotainment Private Limited	24,420	-
H	**Consultancy & reimbursement expenses**		
	i) Shree Enterprises	569,033	631,600
I	**Security Deposit received**		
	i) Valuable Media Limited	147,706	-
	ii) Valuable Edutainment Private Limited	32,935	-
	iii) Valuable Infotainment Private Limited	6,150	-
J	**Sale of equipments**		
	i) Valuable Media Limited	-	5,884,320
K	**Dividend Paid**		
	i) Valuable Media Limited	4,482,795	7,471,325
	ii) Valuable Technologies Limited	6,730,971	11,218,285
	iii) Nifty Portfolio Services Private Limited	1,626,408	2,710,680
	iv) Advent Fiscal Private Limited	2,211,546	3,685,910
L	**Purchase of spares**		
	i) Valuable Media Limited	107,657	-
2	**Associate Enterprises**		
A	**Sale of goods**		
	i) Scrabble Digital Limited	352,800	991,352
	ii) Scrabble Digital DMCC	-	1,100,176
B	**Digital Conversion Expenses & Content Processing Charges**		
	i) Scrabble Digital Limited	41,243,276	27,244,212
C	**Delivery Distribution Income**		
	i) Scrabble Digital Limited	-	26,947,000
D	**Recovery of expenses**		
	i) Scrabble Digital Limited	105,941	480,058

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Rent**		
	i) Scrabble Digital Limited	375,000	732,338
F	**Miscellaneous income**		
	i) Scrabble Ventures LLC	-	-
	ii) Scrabble Digital Limited	14,504	449,075
G	**Dividend received**		
	i) Scrabble Digital Limited	16,607,976	15,817,120
	ii) Scrabble Digital DMCC	9,436,648	2,709,164
H	**AMC Income**		
	i) Scrabble Digital Limited	200,000	300,000
3	**Remuneration to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	32,528,792	25,000,000
	ii) Mr. Kapil Agarwal	32,528,792	25,000,000
	iii) Mr. Ashish Malushte	10,514,570	7,676,512
	iv) Mr. Rajesh Mishra	13,622,049	7,744,896
	v) Mr. Sameer Chavan	1,795,203	2,424,986
4	**Remuneration to relative of key managerial personnel**		
	i) Ms. Apeksha Agarwal	-	768,576
5	**Salary advance to key managerial personnel**		
	i) Mr. Ashish Malushte	-	1,600,000
	ii) Mr. Rajesh Mishra	-	2,650,000
6	**Dividend Paid to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	791,391	1,318,985
	ii) Mr. Kapil Agarwal	1,118,082	1,863,470
	iii) Mr. Ashish Malushte	55,272	217,120
	iv) Mr. Rajesh Mishra	85,947	285,745

Note: 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 Group as a whole.

3. Balance outstanding at the year end

(In ₹)

Sr. No.	Particulars	31 March 2017	31 March 2016
1	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Trade Receivables**		
	i) Valuable Media Limited	677,856	123,249
	ii) Valuable Infotainment Private Limited	34,233	-
	iii) Valuable Edutainment Private Limited	166,810	-
	iv) Qwik Entertainment India Limited	496,397	496,397

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Notes to Consolidated financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars	31 March 2017	31 March 2016
B	**Deposit receivable**		
	i) Media Infotek Park	35,771,540	35,771,540
C	**Deposit payable**		
	i) Valuable Media Limited	147,706	-
	ii) Valuable Infotainment Private Limited	6,150	-
	iii) Valuable Edutainment Private Limited	32,935	-
D	**Bank Guarantee given (refer note 34 (c))**		
	i) Impact Media Exchange Private Limited	10,000,000	10,000,000
E	**Amount payable**		
	i) Valuable Technologies Limited	2,023,750	-
2	**Associate enterprise**		
A	**Amount receivable**		
	i) Scrabble Digital Limited	9,576,779	8,838,271
B	**Provision for expenses**		
	i) Scrabble Digital Limited	1,413,000	-
C	**Loan and advance given**		
	i) Scrabble Digital DMCC (Including interest receivable)	-	74,753
D	**Guarantee Given**		
	a) Performance Guarantee given on behalf of associate		
	i) Scrabble Ventures LLC	324,193,000	331,664,500
E	**Corporate Guarantee given on borrowing (refer note 34 (b))**		
	i) Mukta V N Films Limited	30,000,000	70,000,000
3	**Key managerial personnel**		
	Salary advance receivable		
	i) Mr. Ashish Malushte	-	1,600,000
	ii) Mr. Rajesh Mishra	-	2,650,000

33. Capital and other commitments

(In ₹)

	31 March 2017	31 March 2016
Capital commitments	65,522,907	92,222,205
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))		
Other Commitments	38,095,086	29,237,282
	103,617,993	**121,459,487**

a) As at March 31, 2017, the Company holds 11,580 equity shares representing 80% of equity share capital of Valuable Digital Screens Private Limited (VDSPL) for a consideration of ₹ 44,006,316/-. The Company also incurred ₹ 5,926,990/- towards acquisition cost of this Investment. The Company will acquire the remaining 20% equity of VDSPL from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.



Notes to Consolidated financial statements as at and for the year ended 31 March 2017

34. Contingent liabilities

(In ₹)

	31 March 2017	31 March 2016
Performance guarantees issued by the Group on behalf of Subsidiaries and associates to two studios for the performance of obligation relating to distribution of their digital content by its subsidiaries, step down subsidiaries and associates of subsidiary in certain overseas market. (refer note a) (USD 35,000,000/- (March 31, 2016 USD 35,000,000/-)	2,269,351,000	2,321,651,500
Corporate Guarantee (refer note b)	30,000,000	70,000,000
Corporate Guarantee (refer note c)	10,000,000	10,000,000
Labour Guarantee	739,931	755,630
Letter of credit	-	7,628,269
Pending litigations/matters (refer note e)		
(i) In respect of income tax matters		
Income Tax matters	76,545,439	76,998,453
(ii) In respect of Indirect tax matters		
Service Tax matters (refer note d)	220,111,033	220,111,033
VAT matters	4,775,215	4,775,215
	2,611,522,618	**2,711,920,100**

Notes:

a) The following performance guarantees are outstanding at March 31, 2017 and March 31, 2016:
- USD 20 Mn each to a studio on behalf of Scrabble Entertainment Mauritius Ltd and Scrabble Entertainment DMCC. The aggregate liability under the aforesaid two guarantees has been capped at an overall ceiling of USD 20 Mn.
- USD 5 Mn to a studio on behalf of Scrabble Entertainment DMCC.
- USD 5 Mn to a studio on behalf of Scrabble Entertainment Mauritius Limited.
- USD 5 Mn to a studio on behalf of Scrabble Ventures LLC.

b) As at March 31, 2017, the Parent company has provided Corporate guarantee to bank for Overdraft facility of ₹ 70,000,000/- taken by associates of subsidiary (March 31, 2016: Joint venture). Subsequently to the year ended March 31, 2017 the corprorate guarantee has been reduced to ₹ 30,000,000/-. The outstanding balance of this facility is ₹ 27,654,435/- at March 31, 2017 (March 31, 2016: 71,026,365/-) assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

c) As at March 31, 2017, the Parent company has provided bank guarantee of ₹ 10,000,000/- to Chief Secretary, Revenue Department, Government of Maharashtra on behalf of Impact Exchange Media Private Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra in connection with the business of operating satellite based ticketing system managed by the Parent company.

d) During the year ended March 31, 2016, the Company has received an order from the Commissioner of Service Tax Mumbai ('the Order') which includes demand for following matters aggregating to ₹ 466,543,240/-, excluding interest and penalty, which was subject matter of show cause notice from service tax authorities in the year ended March 31, 2016.

i) ₹ 246,432,207/-, excluding interest and penalty, for service tax on rentals from leasing of Digital Cinema Equipments for the period April 2008 to March 2014. Based on legal opinion obtained, the Company believes that the lease rental revenues are subject to state-wise Value Added Tax which the Company is paying since the beginning of operations. Accordingly, the Company believes that its position will likely be upheld in the appellate process and that it is unlikely that the liability will arise to the Company out of this matter.

ii) ₹ 220,111,033/-, excluding interest and penalty, on account of disallowance of CENVAT Credit on Capital Goods (Digital Cinema Equipments) claimed by the Company for the period April 2008 to March 2014 as the possession of the equipments is not with the Company. Based on legal opinion obtained, the Company is of the view that these equipments are used for providing taxable output services and hence should be entitled to avail CENVAT credit and is therefore contesting this demand. The Company believes that its position is likely to be upheld in the appellate process and accordingly no provision has been considered necessary in these financial Statements."

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

e) The Group is contesting the demand/matter relating to pending litigations listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

35. Particulars of unhedged foreign currency exposure at the reporting date (In ₹)

Particulars of un-hedged exposure	31 March 2017	31 March 2016
Trade Receivable	₹ 346,279/- (USD 5,341/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 1,291,103/- (USD 19,464/- @ Closing rate of 1 USD = ₹ 66.3329)
Trade Payable (credit balance)	₹ 46,976,706/- (USD 724,518/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 83,909,565/- (USD 1,246,976/- @ Closing rate of 1 USD = ₹ 66.3329)
Advance Recoverable in cash or Kind	₹ 30,091,534/- (USD 464,099.07/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 23,110,901/- (USD 348,407.82/- @ Closing rate of 1 USD = ₹ 66.3329)
Import creditors (debit Balance)	₹ 5,971,311/- (USD 92,095/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 1,409,176/- (USD 21,244/- @ Closing rate of 1 USD = ₹ 66.3329)
Cash Balances	₹ 59,562.6/- (Currency notes 5,718.40/- @ Closing rate for particular Currency)	₹ 60,550/- (Currency notes 5,718.40 @ Closing rate for particular Currency)
Bank Balances	-	₹ 2,051,219/- (USD 23,103.94/- @Closing rate of 1 USD = ₹ 66.3329 & AED 28,809.76/- @ Closing rate of 1 AED = ₹ 18.0032)
Performance guarantees given for subsidiary/associate	₹ 2,269,351,000/- (USD 35,000,000/- @ Closing rate of 1 USD = ₹ 64.8386)	₹ 2,321,651,500/- (USD 35,000,000/- @ Closing rate of 1 USD = ₹ 66.3329)

36. Details of Joint venture entity

V N Films Private Limited (V N Films), a subsidiary of the Company has modified the terms of its shareholders agreement with Mukta Arts Limited in connection with its Joint venture company Mukta VN Films Limited (Mukta VN) with effect from April 1, 2016 whereby Mukta VN has become an associate from April 1, 2016. Accordingly, Mukta VN has been consolidated as an associate for the year ended March 31, 2017.

The Group's share of assets, liabilities, income and expenses of the jointly controlled entity as at 31 March 2016 are as follows:

Particulars	In ₹
EQUITY AND LIABILITIES	
Shareholders' funds	30,972,711
Non-current liabilities	225,000
Current - liabilities	180,892,270
Total	**212,089,981**
Non-current assets	7,029,223
Current assets	205,060,758
Total	**212,089,980**
Total revenue from operations and other income considered in the consolidated financial statements	24,268,520
Total expenses considered in the consolidated financial statements	24,548,336
Net Profit considered in consolidated financial statements	**(279,816)**

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

37. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the management, there is no amount due to Micro, Small Scale and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.

38. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1,583 lakhs determined to be in excess of the limits specified under section 197 read with schedule V of the Companies Act, 2013 for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of employees stock options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the managing and joint managing director during the year ended March 31, 2016.

Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of section 197 read with schedule V of the Companies Act, 2013. Accordingly, the Company is in compliance with section 197 of the Companies Act, 2013 for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the application filed with the Central Government. Accordingly, no adjustments have been made to the financial statements for the year ended March 31, 2017.

39. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 1, 2016 and for SDS, the appointed date is July 1, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.

The shareholders of the Company approved the Scheme at the court convened meeting held on January 16, 2017.

The Scheme is conditional upon and subject to the following:

a. Filing of the certified copy of the order of Bombay High Court (and now NCLT) sanctioning the Scheme with the Registrar of Companies, Maharashtra.

b. Compliance by EL and UIL, the Cypriot transferor companies of all necessary and applicable provisions of the laws of Cyprus.

The Company has, till date, received the approval from Cyprus Court for the merger of the Cypriot transferor companies. Pursuant to notification of section 234 of the Companies Act, 2013 on April 13, 2017, the NCLT has given direction to the Company to secure approval from Reserve Bank of India (RBI) for the merger of the Cypriot subsidiary and step-down subsidiary with itself. The Company is in the process of obtaining approval from RBI. The approvals from RBI and NCLT are pending as at date and hence, the Scheme is not effective as at March 31, 2017 and as at date. Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

40. Disclosure on Specified Bank Notes (SBNs):

The Company and its Indian subsidiaries had specified Bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017. The details of Specified Bank Notes (SBN) and other notes held and transacted during the period from November 8, 2016 to December 30, 2016 is given below:

(In ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1,077,500	134,865	1,212,365
(+) Permitted receipts	-	3,931,523	3,931,523
(-) Permitted payments	-	(1,082,049)	(1,082,049)
(-) Amount deposited in Bank	(1,077,500)	(2,573,318)	(3,650,818)
Closing cash in hand as on December 30, 2016	**-**	**411,021**	**411,021**

41. Events subsequent to balance sheet date

(a) Proposed dividend

The Board proposed dividend on equity shares as follows, subject to approval by the members in Annual General Meeting.

(In ₹)

Particulars	31 March 2017	31 March 2016
Proposed dividend on equity shares for the year ended on 31 March 2017: ₹ 10/- per share (31 March 2016: 3/- per share)	276,008,010	82,498,128
Dividend distribution tax on proposed dividend	56,188,737	16,794,678
	332,196,747	**99,292,806**

(b) On May 17, 2017, the Board of Directors have approved the acquisition of 66,609 equity shares of Scrabble Entertainment Limited (SEL), a subsidiary of the Company, from the other equity shareholders of SEL for a total consideration of ₹ 145,340,838/-. This acquisition is likely to be completed in the quarter ended June 30, 2017, consequent to which SEL will become a wholly owned subsidiary.

42. The list of subsidiaries, associates and joint venture entities included in consolidation and their share of Net Assets and Share in profit and loss after elimination of inter-company balances is as follows:

		Net Assets, i.e., total assets minus total liabilities			
		31 March 2017		31 March 2016	
		As % of consolidated net assets	₹	As % of consolidated net assets	₹
1		2	3	4	5
A.	**UFO Moviez India Limited**	84.63%	4,991,282,097	84.25%	4,440,900,962
B.	**Subsidiaries and step down subsidiaries**				
I.	**Indian**				
(i)	Scrabble Entertainment Limited	6.29%	370,661,490	3.61%	190,095,366
(ii)	V N Films Private Limited	-0.27%	(15,911,714)	-0.20%	(10,291,544)
(iii)	Southern Digital Screenz India Private Limited	2.33%	137,540,353	1.54%	81,208,883
(iv)	Valuable Digital Screen Private Limited	-4.52%	(266,491,157)	-1.81%	(95,456,297)

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

		Net Assets, i.e., total assets minus total liabilities			
		31 March 2017		31 March 2016	
		As % of consolidated net assets	₹	As % of consolidated net assets	₹
II.	**Foreign**				
(i)	Edridge Limited	2.72%	160,497,003	3.34%	176,165,717
(ii)	United Film Organisers Nepal Private Limited	-0.08%	(4,923,089)	-0.09%	(4,914,833)
(iii)	UFO International Limited	-1.06%	(62,232,989)	-1.09%	(57,417,714)
(iv)	United Film Organisers (UFO) (Mauritius) Private Limited.	0.00%	(212,327)	0.00%	(106,145)
(v)	UFO Lanka Private Limited.	-0.13%	(7,539,645)	-0.11%	(5,847,921)
(vi)	UFO Software Technologies Private Limited.	0.01%	745,401	0.01%	636,258
(vii)	Scrabble Entertainment DMCC	7.10%	418,565,554	4.42%	232,871,285
(viii)	Scrabble Entertainment Mauritius Limited	1.54%	90,597,988	4.45%	234,543,128
(ix)	Scrabble Entertainment Lebanon Sarl	-0.07%	(3,844,830)	-0.07%	(3,622,043)
(x)	Scrabble Digital Inc	-0.30%	(17,958,800)	-0.29%	(15,203,967)
C.	**Minority Interest in all subsidiaries**	1.93%	113,975,913	2.02%	106,209,585
D.	**Associates (Investment as per equity method)**				
I.	**Indian**				
(i)	Scrabble Digital Limited	-0.09%	(5,271,390)	0.03%	1,699,500
(ii)	Mukta V N Films Limited	0.03%	2,020,190	0.02%	1,272,715
II.	**Foreign**				
(i)	Scrabble Digital DMCC	-0.02%	(1,169,353)	-0.01%	(530,804)
(ii)	Scrabble Ventures LLC	-0.05%	(2,854,327)	-0.03%	(1,344,123)
Total		**100%**	**5,897,476,368**	**100%**	**5,270,868,007**

		Share in profit and loss after elimination of inter-company balances			
		31 March 2017		31 March 2016	
		As % of consolidated profit and loss	₹	As % of consolidated profit and loss	₹
	1	2	3	4	5
A.	**UFO Moviez India Limited**	65.92%	416,294,875	62.95%	399,498,173
B.	**Subsidiaries and step down subsidiaries**				
I.	**Indian**				
(i)	Scrabble Entertainment Limited	18.03%	113,854,585	10.49%	66,588,065
(ii)	V N Films Private Limited	-0.89%	(5,620,170)	-0.83%	(5,278,937)
(iii)	Southern Digital Screenz India Private Limited	9.22%	58,199,904	13.11%	83,188,510
(iv)	Valuable Digital Screen Private Limited	-27.08%	(171,034,860)	-15.98%	(101,401,626)
II.	**Foreign**				
(i)	Edridge Limited	-0.11%	(707,594)	-0.08%	(479,699)
(ii)	United Film Organisers Nepal Private Limited	0.00%	12,385	-0.01%	(71,455)

UFO MOVIEZ INDIA LIMITED

Notes to Consolidated financial statements as at and for the year ended 31 March 2017

	Share in profit and loss after elimination of inter-company balances			
	31 March 2017		31 March 2016	
	As % of consolidated profit and loss	₹	As % of consolidated profit and loss	₹
Subsidiary of Edridge Limited & stepdown subsidiary of UFO				
(iii) UFO International Limited	-0.73%	(4,623,270)	-0.47%	(2,978,218)
Subsidiaries of UFO International Limited & stepdown subsidiaries of UFO				
(iv) United Film Organisers (UFO) (Mauritius) Private Limited	-0.02%	(111,891)	-0.02%	(118,224)
(v) UFO Lanka Private Limited	-0.26%	(1,648,330)	-0.27%	(1,690,392)
(vi) UFO Software Technologies Private Limited	0.02%	109,144	0.01%	94,646
Subsidiaries of SEL & stepdown subsidiaries of UFO				
(vii) Scrabble Entertainment DMCC	30.77%	194,318,861	32.24%	204,602,578
(viii) Scrabble Entertainment Mauritius Limited	0.10%	647,261	-0.45%	(2,865,848)
(ix) Scrabble Entertainment Lebanon Sarl	-0.07%	(415,104)	-0.02%	(143,951)
(x) Scrabble Digital Inc	-0.36%	(2,273,279)	-0.63%	(3,974,576)
C. Minority Interest in all subsidiaries	-5.45%	(34,402,503)	-6.21%	(39,428,642)
D. Associates (Investment as per equity method)				
I. Indian				
(i) Scrabble Digital Limited	3.45%	21,803,202	2.80%	17,743,447
(ii) Mukta V N Films Limited	0.12%	747,479	-0.04%	(279,816)
II. Foreign				
(i) Scrabble Digital DMCC	2.14%	13,487,345	0.96%	6,122,308
(ii) Scrabble Ventures LLC	5.21%	32,921,878	2.44%	15,503,146
Total	**100%**	**631,559,918**	**100%**	**634,629,490**

43. Previous year figures

Due to reasons given in note 36, previous years figures are not comparable with current year. Further, previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W/E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

FORM NO. AOC-1

Statement contenting salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

[Pursuant to first proviso to sub-section (3) of Section 129 with Rule 5 of Companies (Accounts) Rules, 2014]

Part A: Subsidiaries

Sr. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for subsidiary concerned, if different from holding company's reporting period	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding	Country
1	Scrabble Entertainment Limited	15-02-2011	-	1	INR	7,683,870	747,095,431	1,519,585,779	764,806,478	249,633,578	1,151,913,295	381,973,375	99,986,920	281,986,455	-	91.33	India
2	Southern Digital Screenz India Private Limited	30-03-2011	-	1	INR	215,488,330	94,677,841	393,121,071	82,954,900	120,000,000	569,510,704	91,253,194	33,053,288	58,199,906	-	100	India
3	Scrabble Entertainment DMCC	16-02-2011	31-12-2016	17.6174	AED	52,852,200	430,377,350	798,826,050	315,596,500	228,427	1,072,658,795	191,053,392	-	191,053,392	-	100	U.A.E.
4	Scrabble Entertainment Mauritius Limited	11-07-2011	-	64.8386	USD	48,629,015	82,033,926	261,143,816	130,480,874	47,688,466	87,076,813	3,074,711	4,374,855	(1,300,144)	-	100	Mauritius
5	Scrabble Digital Inc	22-03-2013	-	64.8386	USD	35,661,230	(20,058,123)	29,047,853	13,444,746	24,615,879	-	(2,197,005)	-	(2,197,005)	-	100	U.S.A.
6	Scrabble Entertainment Lebanon Sarl	13-03-2012	31-12-2016	0.042	LBP	210,000	(93,281,134)	113,684,143	206,755,277	-	-	(7,593,213)	-	(7,593,213)	-	100	Lebenon
7	Scrabble Entertainment Israel Limited	17-06-2012	-	17.8151	ILS	18		18	-	-	-	-	-	-	-	100	Israel
8	Edridge Limited	05-07-2006	-	64.8386	USD	75,340,638	692,536,483	769,545,159	1,668,038	769,542,824	-	(683,853)	-	(683,853)	-	100	Cyprus
9	UFO International Limited	24-07-2006	-	64.8386	USD	65,397,574	(35,510,407)	29,888,714	1,548	19,787,120	1,620,965	(4,468,149)	-	(4,468,149)	-	100	Cyprus
10	UFO Software Technologies Private Limited	20-02-2007	-	1	INR	2,482,190	745,401	3,463,091	235,500	-	224,546	159,144	50,000	109,144	-	100	India
11	Valuable Digital Screens Private Limited	06-01-2015	-	1	INR	144,750	(270,920,534)	229,066,558	499,842,342	-	39,381,987	(171,034,860)	-	(171,034,860)	-	80	India
12	V N Films Private Limited	11-04-2007	-	1	INR	100,000	(15,911,714)	35,084,216	50,895,930	-	147,960	(5,620,170)		(5,620,170)	-	100	India
13	United Film Organisers (UFO) (Mauritius) Private Limited	15-06-2007	-	1.2831	MUR	1,283	(154,662)	407,328	560,707	-	2,351	(78,879)	-	(78,879)	-	100	Mauritius
14	UFO Lanka Private Limited	31-01-2008	-	0.3557	LKR	9,874,054	(7,729,209)	2,275,777	130,931	-	-	(1,316,666)	-	(1,316,666)	-	100	SriLanka
15	United Film Organizers Nepal Private Limited	23-03-2008	-	0.6116	NPR	9,755,020	(4,711,831)	5,063,830	20,642	-	137,927	(12,304)	-	(12,304)	-	100	Nepal

Notes:

1. The reporting period for Scrabble Entertainment Lebanon Sarl and Scrabble Entertainment DMCC is December 31, 2016
2. The exchange rates considered are as at March 31, 2017.
3. The accounts of Scrabble Digital Inc, United Films Organizers Nepal Private Limited, UFO International Limited, Edridge Limited and V N Films Private Limited as at March 31, 2017 are not audited and are Management accounts.
4. Scrabble Entertainment Israel Ltd is under the process of being Liquidated, hence not consolidated.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

PART B - Associates and Joint Ventures

Sr. no.	Name of the Associates/Joint Ventures	Mukta VN Films Limited	Scrabble Digital Limited	Scrabble Digital DMCC	Scrabble Ventures LLC	Scrabble Ventures, S. de R.L. de C.V, Mexico
1	Latest Audited Balance Sheet	31-Mar-17	31-Mar-17	31-Dec-16	31-Mar-17	31-Mar-17
2	"Date on which the Associate or Joint Venture was associated or acquired"	10-Jun-13	8-Feb-11	16-Feb-11	1-Apr-13	16-Aug-13
3	Shares of Associate or Joint Venture held by the Company on the year end					
	Number of shares held	2,699,950	197,714	100	3,000	1,500
	Amount of Investment in Associate or Joint Venture	27,000,000	39,899,900	1,273,000	19,899,870	7,646
	Extent of Holding (in percentage)	45.00%	33.33%	33.33%	30%	30%
4	Description of how there is significant influence					
5	Reason why the associate / joint venture is not consolidated	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials	Equity method of accounting is applicable to Associate and hence it is not consolidated in the Consolidated financials
6	Networth attributable to shareholding as per last audited Balance Sheet	29,020,190	41,756,515	51,143,312	3,065,772	(34,028,192)
7	Profit or Loss for the year	1,661,064	65,416,149	40,466,082	114,664,760	31,295,009
	i. Considered in Consolidation	747,479	21,803,202	13,487,345	32,921,878	-
	ii. Not Considered in Consolidation	913,585	43,612,946	26,978,737	81,742,882	31,295,009

Notes:
1. The exchange rates considered are at 31st March 2017
2. The management accounts of Scrabble Ventures LLC have been considered as at 31st March 2017
3. The management accounts of Scrabble Ventures, S. de R.L. de C.V, Mexico have been considered as at 31st March 2017.
4. The number of shares held include shares held directly or indirectly through subsidiaries.

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of UFO Moviez India Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of UFO Moviez India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our 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, 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 state of affairs of the Company as at March 31, 2017, its profit, and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 34(e)(ii) to the financial statements for a demand of ₹ 220,111,033/- (excluding interest and penalty) received by the Company during the year ended March 31, 2016 for disallowance of CENVAT credit on digital cinema equipments and which is more fully described therein. Based on legal opinion obtained, the Company is of the view that CENVAT credit should be available to it and is contesting this demand. Hence, no provision has been considered by the management in these standalone financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

   (e) In our opinion, the matter described under the Emphasis of Matter para above may have an adverse effect on the functioning of the Company.

   (f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) 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:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in Note 45 to these standalone financial statements 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 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 Company and as produced to us by the Management.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Annexure 1 to the Independent Auditors' Report

Re: UFO Moviez India Limited ('the Company')

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted a loan that is re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the Company's interests.

(b) The Company has granted a loan that is re-payable on demand, to a company covered in the register maintained under section 189 of the Act. We are informed that the Company has not demanded repayment of such loan and interest during the year, and thus, there has been no default on the part of the party to whom the money has been lent.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees given have been complied with by the Company. The provisions of section 185 in respect of loans to directors including entities in which they are interested and provisions of section 186 with respect to securities given are not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Act, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, custom duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, custom duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, custom duty, value added tax and cess on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
West Bengal VAT Act, 2003	Value Added Tax	4,195,703	2007-2008	Tribunal
West Bengal VAT Act, 2003	Value Added Tax	579,512	2007-2008 and 2008-2009	Commercial Tax Officer
Finance Act, 1994	Service Tax	499,411	2008-2009 to 2011-2012	Commissioner of Central Excise (Appeals)
Finance Act, 1994	Service Tax*	466,543,240	2008-2009 to 2013-2014	Custom, Excise and Service Tax Appellate Tribunal
	Penalty on Service Tax	466,553,240		

*In addition, interest is payable under the relevant provisions and rules.

The provisions relating to excise duty are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution and banks. The Company does not have any dues to debenture holders or government.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place: Mumbai
Date: May 17, 2017

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of UFO Moviez India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of UFO Moviez India Limited

We have audited the internal financial controls over financial reporting of UFO Moviez India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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 ('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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 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 Company has, 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 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 17, 2017

Balance Sheet as at 31 March 2017

(In ₹)

	Notes	31 March 2017	31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	276,008,010	274,993,760
Reserves and surplus	4	4,697,939,970	4,139,727,162
		4,973,947,980	**4,414,720,922**
Non-current liabilities			
Long-term borrowings	5	259,836,924	306,458,088
Other long-term liabilities	6	420,758,250	427,147,353
Long-term provisions	8	19,427,516	-
		700,022,690	**733,605,441**
Current liabilities			
Short-term borrowing	7	3,803	120,925
Trade payables	6	221,670,812	145,690,324
Other current liabilities	6	780,659,283	829,866,542
Short-term provisions	8	33,792,573	133,312,895
		1,036,126,471	**1,108,990,686**
TOTAL		**6,710,097,141**	**6,257,317,049**
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	9	2,041,042,892	2,167,548,928
Intangible assets	9	4,858,807	3,578,973
Capital work-in-progress		67,401,073	69,141,048
Non-current investments	10	2,263,394,019	2,123,394,019
Deferred tax assets (net)	11	275,756,745	217,459,710
Long-term loans and advances	12	294,862,820	346,573,963
Other non-current assets	13	119,000	23,921,898
		4,947,435,356	**4,951,618,539**
Current assets			
Current investments	14	227,760,914	30,132,824
Inventories	15	62,931,836	77,454,256
Trade receivables	16	1,016,250,060	769,165,257
Cash and bank balances	17	261,196,318	264,975,617
Short-term loans and advances	12	97,983,765	89,226,683
Other current assets	13	96,538,892	74,743,873
		1,762,661,785	**1,305,698,510**
TOTAL		**6,710,097,141**	**6,257,317,049**
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

UFO digital cinema

Statement of profit and loss for the year ended 31 March 2017

(In ₹)

	Notes	31 March 2017	31 March 2016
Income			
Revenue from operations	18	3,861,419,901	3,490,075,255
Other operating Income	19	4,538,724	5,681,461
Other income	20	6,306,681	11,941,564
Total Income (I)		**3,872,265,306**	**3,507,698,280**
Expenses			
Operating direct cost	21	1,270,531,830	1,144,918,692
Employee benefit expenses	22	657,049,638	535,147,166
Other expenses	23	659,120,880	555,084,167
Total Expenses (II)		**2,586,702,348**	**2,235,150,025**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) -(II)		**1,285,562,958**	**1,272,548,255**
Depreciation & amortisation expenses	9	614,863,245	587,658,432
Finance cost	24	68,419,105	97,696,319
Finance income	25	(164,977,076)	(137,024,793)
Profit Before Tax		**767,257,684**	**724,218,297**
Tax expenses			
Current tax		282,446,682	260,932,643
Deferred Tax		(58,297,034)	(46,567,109)
Total tax expenses		**224,149,648**	**214,365,534**
Profit for the year		**543,108,036**	**509,852,763**
Earnings per equity share [nominal value of share of ₹ 10/- (31 March 2016: 10/-)]	26		
Basic		**19.68**	19.46
Diluted		**19.67**	18.74
Summary of significant accounting policies	**2.1**		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from operating activities			
Profit before tax		**767,257,684**	**724,218,297**
Adjustments to reconcile profit before tax to net cash flows			
Depreciation		614,863,245	587,658,432
Unrealised foreign exchange loss (net)		(890,081)	(608,409)
Loss on sale and write off of fixed assets		2,824,551	5,406,825
Bad debts written-off		11,932,881	8,330,603
Provision for doubtful debts		11,034,306	9,523,572
Provision for compensated absences		6,517,234	2,755,729
Provision for gratuity		17,172,234	9,841,431
Sundry credit balances written back		(4,538,724)	(5,681,461)
Profit on sale of current investments (net)		(6,663,879)	(6,234,251)
Dividend income		(127,723,596)	(110,354,591)
Interest income		(30,589,601)	(20,435,951)
Interest expense		64,203,336	93,006,819
Operating profit before working capital changes		**1,325,399,590**	**1,297,427,045**
Movements in working capital:			
(Decrease) / Increase in trade payables		75,980,488	(8,948,009)
(Decrease) / Increase in short-term provisions		(23,916,984)	(5,197,567)
(Decrease) / Increase in long-term provisions		19,427,516	-
(Decrease) / Increase in other current liabilities		56,977,678	43,724,941
(Decrease) / Increase in other long-term liabilities		(6,389,103)	(17,720,206)
Decrease / (Increase) in trade receivables		(270,051,990)	(283,467,769)
Decrease / (Increase) in inventories		14,522,420	(14,179,428)
Decrease / (Increase) in short-term loans and advances		(8,757,082)	(72,603,811)
Decrease / (Increase) in other current assets		(17,123,784)	120,716,942
Decrease / (Increase) in long term loans and advances		(47,771,721)	(1,388,997)
Cash generated from operations		**1,118,297,028**	**1,058,363,141**
Direct taxes paid (net of refunds)		(189,718,027)	(285,558,188)
Net cash flow from operating activities	**(A)**	**928,579,001**	**772,804,953**
Cash flow from / (used in) investing activities			
Purchase of fixed assets including intangible, CWIP and capital advances		(543,644,076)	(428,843,249)
Payment of purchase consideration for purchase of subsidiary shares		(50,000,000)	(151,498,117)
Purchase of shares in subsidiary		(140,000,000)	-
Purchase of current investments		(1,331,500,000)	(1,324,000,000)
Sale/redemption of current investments		1,140,535,789	1,300,101,427
Proceeds from sale of fixed assets		14,285,182	11,026,899
Interest received		25,918,366	18,377,004
Dividend received from Subsidiary		127,723,596	110,354,591
Maturity of bank deposits having original maturity more than 3 months (net)		41,064,424	5,614,376
Net cash flow used in investing activities	**(B)**	**(715,616,719)**	**(458,867,069)**

U.F.O. MOVIEZ INDIA LIMITED

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UFO digital cinema

Cash flow statement for the year ended 31 March 2017

(In ₹)

		31 March 2017	31 March 2016
Cash flow from / (used in) financing activities			
Proceeds from issuance of share capital (including premium)		16,485,240	248,946,423
Proceeds from long term borrowings		607,140,450	240,623,216
Repayment of long term borrowings		(657,975,501)	(526,790,741)
Availment / (repayment) of short term borrowings (net)		(117,122)	110,611
Dividend paid on equity shares		(82,853,562)	(137,263,280)
Tax on dividend paid on equity shares		(16,856,621)	(27,991,130)
Interest paid		(65,302,939)	(96,303,728)
Net cash flow used in financing activities	**(C)**	**(199,480,055)**	**(298,668,629)**
Net increase / (decrease) in cash and cash equivalent	**(A + B + C)**	**13,482,227**	**15,269,255**
Cash and cash equivalents at the beginning of the year		78,953,022	63,683,767
Cash and cash equivalents at the end of the year		**92,435,249**	**78,953,022**
Components of cash and cash equivalents			
Cash on hand		188,207	316,841
Balance with banks:			
- on current accounts		92,064,601	78,402,581
- unpaid dividend account*		182,441	233,600
Cash and cash equivalents [refer note 17]		**92,435,249**	**78,953,022**
Summary of significant accounting policies	**2.1**		

Notes:

1. The above Cash flow statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS-3) "Cash Flow Statements"

*The company can utilize these balances only toward settlement of the respective unpaid dividend.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966
Place of signature: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

Notes to financial statements as at and for the year ended 31 March 2017

1. Corporate information

UFO Moviez India Limited (the Company) is a public Company domiciled in India and incorporated on June 14, 2004 under the provisions of the Companies Act, 1956. The Company is into the business of providing digital cinema services.

The equity shares of the Company are listed on the National Stock Exchange of India Limited and The BSE Limited.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, ('the Act') read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for change in accounting policy explained below:

Accounting for Proposed Dividend

Till March 31, 2016, as per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. For the current year, as per AS 4(R), provision for dividend proposed/ declared after the balance sheet date is not created and is disclosed in notes to the financial statements.

Accordingly, the company has not recorded provision for dividend and disclosed dividend proposed by board of directors after the balance sheet date in Note 41.

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 332,196,747/- and short-term provision would have been higher by ₹ 332,196,747/- (including dividend distribution tax of ₹ 56,188,737/-).

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Property Plant and equipment

Property Plant and equipment are stated at cost, net accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property Plant and equipment which takes 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. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Subsequent expenditure related to an item of Property Plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of an Property Plant and equipment 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.

Notes to financial statements as at and for the year ended 31 March 2017

The Company identifies and determines cost of each component separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

From April 01, 2015, based on the provisions of schedule II to the Companies Act 2013, relating to component accounting, the Company has identified and determined cost of each component of the asset separately, if the component has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

As per the transitional provisions of Schedule II , carrying amount of components having zero remaining useful life on 1 April 2015 of ₹ 41,519,692/- (after reducing deferred tax impact of ₹ 21,973,842/-) has been adjusted against the opening reserves as at April 1, 2015 in accordance with the requirement of Schedule II of the Act.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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.

Intangible assets are amortized over their estimated useful life as follows.

	Useful lives as per management's estimate
Computer Software	6

(d) Depreciation on Property Plant and equipment

Depreciation on Property Plant and equipment calculated on a straight-line basis using the rates arrived at based on the useful lives of the assets estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

The Company has used the following useful lives to provide depreciation on its property plant and equipment.

	Useful lives as per management's estimate
Exhibition Equipments	7-10
Plant and Machinery	4-6
Computer	3
Furniture and Fixtures	6
Office Equipment	5
Vehicles	5

Except computer and office equipments, useful lives of above fixed assets are different from those prescribed under schedule II. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

(e) Impairment of fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset.

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

(f) **Leases**

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included in property plant and equipment. Lease income on an operating income is recognized in the statement of profit and loss on a straight-line basis over the lease term. 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.

(g) **Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(h) **Inventories**

Inventories comprise of traded goods, stores and spares are valued at cost or at net realisable value whichever is lower. Cost of traded goods, stores and spares is determined on weighted average basis. Stores and spares, which do not meet the definition of property, plant and equipment, are accounted as inventories. Net realizable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

(i) **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.

Income from services

- Virtual print fees (VPF) received from distributors of the films from D-Cinema and E-Cinema is recognized in the period in which the services are rendered.
- Advertisement income is recognized in the period during which advertisement is displayed.
- Income from digitization charges is recognized on rendering of services.
- Digitisation income is recognized in the period in which services are rendered.
- Registration fee is recognized in the period in which services are rendered.
- Lease rental income on equipment is recognised as mentioned in note 2.1(f) above.

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Company recognizes revenue from sales of equipment, traded goods and spares as and when these are dispatched/issued to customers.

The Company collects service tax and value added tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the balance sheet date.

(j) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(k) Retirement and other employee benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employee render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation.

The actuarial valuation is done as per projected unit credit method. The Company has an Employees' Gratuity Fund managed by the Life Insurance Corporation of India.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(l) Income taxes

Tax expense comprises of 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. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized for deducted timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be 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 a 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 or virtually certain, as the case may be, that sufficient future taxable income will be available.



Notes to financial statements as at and for the year ended 31 March 2017

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 tax assets and 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 available 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 in accordance with the Guidance Note on Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, 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.

(m) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(o) Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulation 2014 and Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India and in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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.

(p) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; 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 its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(q) Contingent liabilities

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.



Notes to financial statements as at and for the year ended 31 March 2017

(r) Borrowing cost

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 occur.

(s) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 which is equally applicable to schedule III of the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs, finance income and tax expense.

3. Share capital

(In ₹)

	31 March 2017	31 March 2016
Authorised share capital		
45,000,000 (31 March 2016: 45,000,000) equity shares of ₹ 10/- each	450,000,000	450,000,000
1,385,000 (31 March 2016: 1,385,000) preference shares of ₹ 1,000/- each	1,385,000,000	1,385,000,000
	1,835,000,000	**1,835,000,000**
Share capital		
Issued, subscribed and fully paid up shares		
27,600,801 (31 March 2016: 27,499,376) equity shares of ₹ 10/- each fully paid-up	276,008,010	274,993,760
Total issued, subscribed and fully paid up share capital	**276,008,010**	**274,993,760**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March 2017		31 March 2016	
	No.	₹	No.	₹
At the beginning of the year	27,499,376	274,993,760	25,897,669	258,976,690
Issued during the year - ESOP exercised	101,425	1,014,250	1,601,707	16,017,070
Outstanding at the end of the year	**27,600,801**	**276,008,010**	**27,499,376**	**274,993,760**

(b) Terms/rights attached to equity shares

Voting rights:

The Company has only one class of equity shares having per value of ₹ 10/- per share. Each holder of equity shares having a par value of ₹ 10/- per equity share is entitled to one vote per equity share.

Rights as to Dividend:

The equity shareholders have right to receive dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2017, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 10/- (March 31, 2016: 8/-) per share.

Notes to financial statements as at and for the year ended 31 March 2017

Rights pertaining to repayment of capital:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the 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:

Name of the shareholder	31 March 2017		31 March 2016	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10/- each fully paid				
P5 Asia Holding Investments (Mauritius) Limited	5,251,608	19.03	5,251,608	19.10
3i Research (Mauritius) Limited	-	-	2,664,879	9.69
SBI Magnum Global Fund	2,609,456	9.45	2,407,206	8.75
Valuable Technologies Limited	2,243,657	8.13	2,243,657	8.16
Apollo International Limited	2,266,417	8.21	2,266,417	8.24
Reliance Capital Trustee Co Ltd A/c Reliance Media and Entertainment Fund	2,202,739	7.98	1,861,139	6.77
Valuable Media Limited	1,494,265	5.41	1,494,265	5.43

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

The Company has issued total 1,703,132 shares (31 March 2016: 1,601,707) 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.

(e) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 28.

4. Reserves and surplus

(In ₹)

	31 March 2017	31 March 2016
Securities premium account		
Balance as per last financial statements	3,673,280,224	3,440,350,871
Add: Additions on ESOPs exercised	15,470,990	232,929,353
Closing balance	**3,688,751,214**	**3,673,280,224**
Surplus in the statement of profit and loss		
Balance as per last financial statements	466,446,938	262,894,683
Profit for the year	543,108,036	509,852,763
Less: Depreciation adjustment (net of deferred tax) (refer note 2.1(b))	-	(41,519,692)
Less: Appropriation		
Interim dividend on equity shares [per share ₹ Nil (31 March 2016: ₹ 5/-)]	-	(137,496,880)
Dividend distribution tax on interim dividend	-	(27,991,130)
Final dividend on equity shares [per share ₹ Nil (31 March 2016: ₹ 3/-)]	(304,275)	(82,498,128)
Dividend distribution tax on proposed dividend	(61,943)	(16,794,678)
Net surplus in the statement of profit and loss	**1,009,188,756**	**466,446,938**
Total reserves and surplus	**4,697,939,970**	**4,139,727,162**

Notes to financial statements as at and for the year ended 31 March 2017

5. Long-term borrowings (Secured)

(In ₹)

	Non-Current portion		Current Maturities	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Term loans				
Rupee loan from banks (secured by first charge on all fixed assets (except vehicles) and all current assets of the Company)				
Term loan 1 from HDFC Bank	-	-	-	4,492,508
Term loan 2 from HDFC Bank	189,589,956	127,924,850	162,505,630	59,042,238
Term loan 3 from Axis Bank	-	-	-	85,416,198
Term loan 4 from Axis Bank	-	102,810,901	-	124,992,000
Term loan 5 from Axis Bank	-	73,917,920	-	56,250,000
Term loan 6 from HDFC Bank	22,355,420	-	56,250,000	-
Term loan 7 from HDFC Bank	9,066,900	-	104,160,000	-
Term loan 8 from Yes Bank	38,824,649	-	8,959,534	-
Sub Total	**259,836,924**	**304,653,671**	**331,875,164**	**330,192,944**
Other Loans				
Vehicle finance from banks (secured against hypothecation of vehicles)				
Vehicle Loan 1 from Axis Bank Ltd.	-	1,804,417	1,730,107	7,626,214
Sub Total	**-**	**1,804,417**	**1,730,107**	**7,626,214**
Amount disclosed under the head "other current liabilities" (refer note 6)	-	-	(333,605,271)	(337,819,158)
Net amount	**259,836,924**	**306,458,088**	**-**	**-**

Term loan 1 having interest of bank base rate plus 2.40% @ 11.70% (March 31,2016: 11.70%) p.a. is repayable in 31 monthly installments of ₹ 9,000,000/- each along with interest from July 31, 2013.

Term loan 2 having interest of bank base rate plus 1.40% @ 10.70% (March 31, 2016: 10.70%) p.a. is repayable in 42 monthly installments on pro rata basis each along with interest from December 31, 2015.

Term loan 3 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 17,083,333/- each along with interest from September 30, 2012.

Term loan 4 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016:11.25%) p.a. is repayable in 48 monthly installments of ₹ 10,416,000/- each along with interest from April 30, 2014. The Company has transferred this loan balance to HDFC bank from October 31, 2016.

Term loan 5 having interest of bank base rate plus 1.75% @ 11.25% (March 31, 2016: 11.25%) p.a. is repayable in 48 monthly installments of ₹ 4,687,500/- each along with interest from December 31, 2014. The Company has transferred this loan balance to HDFC bank from October 31, 2016.

Term loan 6 have interest of bank 1 year MCLR plus 40 bps @ 9.50% (March 31, 2016: Nil) p.a is repayable in 26 monthly installments of ₹ 4,687,500/- each along with interest from October 31, 2016

Term loan 7 have interest of bank 1 year MCLR plus 40 bps @ 9.50% (March 31, 2016: Nil) p.a is repayable in 26 monthly installments of ₹ 10,416,000/- each along with interest from October 31, 2016

Term loan 8 have interest of bank 1 year MCLR i.e. 9.10% (March 31, 2016: Nil) p.a is repayable in 48 monthly installments starting from July 15, 2017

Vehicle Loan 1 having fixed interest rate from 10.15% to 11.80% p.a is repayable in 48 monthly installments.

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

6. Trade payables and other liabilities

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Trade payables (refer note 36 for details of dues to micro and small enterprises)	-	-	221,670,812	145,690,324
Other liabilities				
Current maturities of long-term borrowings (refer note 5)	-	-	333,605,271	337,819,158
Interest accrued but not due on borrowings	-	-	5,225,134	6,324,737
Deferred lease rental income	29,022,913	51,861,537	25,177,772	25,256,751
Deferred advertisement income	-	-	8,922,071	13,777,831
Advance from customers	-	-	168,273,712	142,349,923
Investor Education and Protection Fund (refer note (i) below)				
Unpaid dividend	-	-	182,441	233,600
Others				
Deposit from customers and employees	265,141,440	238,733,102	72,091,698	66,060,128
Deposit from related parties (refer note 32)	126,593,897	136,552,714	-	-
Payables for purchase of fixed assets	-	-	27,601,775	72,993,258
Payables for purchase of investments	-	-	24,987,376	74,987,376
Salary and reimbursement payable	-	-	84,554,405	62,171,912
Statutory dues payable				
Employee related liabilities	-	-	5,022,833	4,287,298
VAT payable	-	-	7,746,255	8,768,261
TDS payable	-	-	17,268,541	14,836,309
	420,758,250	**427,147,353**	**780,659,283**	**829,866,542**

(i) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2017.

7. Short-term borrowings (secured)

(In ₹)

	31 March 2017	31 March 2016
Cash credit from Axis bank and HDFC Bank Limited	3,804	120,925
	3,804	**120,925**

Cash credit from HDFC bank Limited was secured by first charge on current assets of the Company, both present & future. Second Pari passu charge on all the fixed assets of the company except vehicles financed by other lenders. The cash credit was repayable on demand and carries interest @ 10% p.a (March 31, 2016: Nil).

Cash credit from Axis bank was secured by first charge on all the fixed assets of the Company except vehicles and first charge on all the current assets. The cash credit was repayable on demand and carried interest @ 11.50% p.a (March 31, 2016: 12.15% p.a).

8. Provisions

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Provision for gratuity (refer note 27)	19,427,516	-	3,262,167	8,269,514
Provision for compensated absences	-	-	30,530,406	25,750,575
Proposed dividend	-	-	-	82,498,128
Dividend distribution tax on proposed dividend	-	-	-	16,794,678
	19,427,516	**-**	**33,792,573**	**133,312,895**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

9. Fixed Assets

(In ₹)

	Property, plant and equipment								Intangible Assets	
	Leasehold Improvements	Plant & Machinery (Refer Note 29 for Assets given on lease)	Computer Systems	Office Equipments	Furniture & Fixtures	Electrical Equipments & Installations	Vehicles	Total	Computer software	Grand Total
Cost										
At 1 April 2015	16,158,941	4,654,235,530	26,080,322	28,614,080	5,066,908	2,309,808	92,914,810	4,825,380,399	16,191,635	4,841,572,034
Adjustment (Refer note 2.1(b))	-	124,988,411	-	-	-	-	-	124,988,411	-	124,988,411
Additions	6,088,126	455,718,353	4,782,965	3,645,488	940,752	2,800,435	10,020,767	483,996,886	2,407,716	486,404,602
Disposals	-	52,219,540	30,950	-	-	-	1,008,624	53,259,114	-	53,259,114
At 31 March 2016	22,247,067	4,932,745,932	30,832,337	32,259,568	6,007,660	5,110,243	101,926,953	5,131,129,760	18,599,351	5,149,729,111
Additions	20,686,081	433,741,570	5,641,390	4,472,436	488,950	872,190	38,257,693	504,160,310	2,586,467	506,746,777
Disposals	470,005	44,663,201	5,369,697	1,938,727	681,921	274,153	15,814,638	69,212,342	-	69,212,342
At 31 March 2017	42,463,143	5,321,824,301	31,104,030	34,793,277	5,814,689	5,708,280	124,370,008	5,566,077,728	21,185,818	5,587,263,546
Depreciation/Amortisation										
At 1 April 2015	8,913,627	2,388,686,571	19,593,670	18,672,131	3,036,765	1,370,994	34,857,360	2,475,131,118	14,131,927	2,489,263,045
Adjustment (Refer note 2.1(b))	-	61,494,877	-	-	-	-	-	61,494,877	-	61,494,877
Charge for the year	4,274,908	551,983,230	4,770,594	5,479,122	1,137,316	491,800	18,633,011	586,769,981	888,451	587,658,432
Disposals	-	35,980,611	30,950	-	-	-	813,829	36,825,390	-	36,825,390
At 31 March 2016	13,188,535	2,843,194,313	24,333,314	24,151,253	4,174,081	1,862,794	52,676,542	2,963,580,832	15,020,378	2,978,601,210
Charge for the year	6,589,315	576,225,605	4,882,466	3,878,500	1,061,163	817,745	20,101,818	613,556,612	1,306,633	614,863,245
Disposals	327,848	31,019,080	5,366,178	1,729,859	659,849	201,797	12,797,997	52,102,608	-	52,102,608
At 31 March 2017	19,450,002	3,388,400,837	23,849,602	26,299,894	4,575,395	2,478,742	59,980,363	3,525,034,835	16,327,011	3,541,361,846
Net Block										
At 31 March 2016	9,058,532	2,089,551,619	6,499,023	8,108,315	1,833,579	3,247,449	49,250,411	2,167,548,928	3,578,973	2,171,127,901
At 31 March 2017	23,013,141	1,933,423,463	7,254,428	8,493,383	1,239,294	3,229,538	64,389,645	2,041,042,892	4,858,807	2,045,901,699

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

10. Non-current Investments

(In ₹)

	31 March 2017	31 March 2016
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries		
1,161,972 (March 31, 2016: 1,161,972) ordinary shares of USD 1/- each fully paid, in Edridge Limited, Cyprus (refer note 42)	573,879,423	573,879,423
10,000 (March 31, 2016: 10,000) ordinary shares of ₹ 10/- each at par, fully paid, in V N Films Private Limited, India. (refer note 42)	100,000	100,000
11,580 (March 31, 2016: 11,580) ordinary shares of ₹ 10/- each fully paid in Valuable Digital Screens Private Limited, India.	49,933,306	49,933,306
701,708 (March 31, 2016: 701,708) ordinary shares of ₹ 10/- each fully paid in Scrabble Entertainment Limited, India	891,851,923	891,851,923
4,298,833 (March 31, 2016: 3,618,716) ordinary shares of ₹ 10/- each fully paid in Southern Digital Screenz India Private Limited, India (refer note 42)	570,160,617	430,160,617
99,600 (March 31, 2016: 99,600) ordinary shares of Nepali Rupee (NPR) 100/- each fully paid, in United Film Organizers Nepal (Private) Limited, Nepal (At cost less provision for other than temporary diminution ₹ 5,000,000/- (March 31, 2016: 5,000,000/-)	1,225,000	1,225,000
Unquoted Preference shares		
Investment in subsidiaries		
59,900 (March 31, 2016: 59,900) ordinary preference shares of NPR 100/- each fully paid, in United Film Organizers Nepal (Private) Limited, Nepal	3,743,750	3,743,750
1,725,000 (March 31, 2016: 1,725,000) 10% optionally convertible preference shares of ₹ 100/- each fully paid, in Southern Digital Screenz India Private Limited, India	172,500,000	172,500,000
	2,263,394,019	**2,123,394,019**
Aggregate amount of unquoted investments	2,268,394,019	2,128,394,019
Aggregate provision for diminution in value of investments	5,000,000	5,000,000

11. Deferred tax assets (net)

(In ₹)

	31 March 2017	31 March 2016
Deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	241,654,643	193,584,744
Provision for doubtful debts	15,683,694	12,101,294
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	18,418,408	11,773,672
Net deferred tax assets	**275,756,745**	**217,459,710**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

12. Loan and advances (Unsecured, considered good, unless otherwise stated)

(In ₹)

	Long-term		Short-term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Capital advances	446,550	7,200,759	-	-
Security deposit	7,231,500	6,655,763	35,785,223	35,246,690
Security deposit to related parties (refer note 32)	36,633,230	36,477,049	-	-
Loan to related party (refer note 32 and 44)	36,250,000	36,250,000	-	-
Advances recoverable in cash or kind	-	-	5,350,270	3,352,325
Other loans and advances				
Advance income-tax (net of provision for taxation ₹ 795,335,006/- (March 31, 2016: 512,888,324/-))	117,498,418	210,227,072	-	-
Balance with statutory / government authorities	41,827,329	43,667,071	34,267,735	23,489,568
Deposit with Government bodies and others	4,478,182	3,921,526	-	-
Loans and advances to employees (refer note below)	-	-	2,005,520	13,761,661
Prepaid expenses	50,497,612	2,174,723	19,423,050	13,168,414
Others	-	-	1,151,967	208,025
	294,862,820	**346,573,963**	**97,983,765**	**89,226,683**

Loans and advances due by officers

(In ₹)

	Non- current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Loans to employees include				
Dues from officers	-	-	-	4,250,000

13. Other assets (unsecured, considered good unless otherwise stated)

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Non-current bank balances (refer note 17)	119,000	23,921,898	-	-
Unbilled revenue	-	-	84,754,940	67,631,156
Interest accrued on loan to related party (refer note 32)	-	-	11,495,577	6,928,077
Interest accrued but not due on fixed deposit	-	-	288,375	184,640
	119,000	**23,921,898**	**96,538,892**	**74,743,873**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

14. Current investments

(In ₹)

	31 March 2017	31 March 2016
Unquoted mutual funds		
Nil units (March 31, 2016: 12,147.475 units) of Axis treasury advantage fund - (growth option)	-	20,073,771
302,260.15 units (March 31, 2016: Nil units) of Birla Sun Life Floating Rate Fund - (long term plan - direct plan)	60,000,000	-
147,803.801 units (March 31, 2016: Nil units) of Birla Sun Life cash Plus - (growth - direct plan)	38,601,246	-
18,723.98 units (March 31, 2016: 3,369.36 units) of HDFC liquid fund - (direct plan - growth option)	60,022,035	10,059,053
97,175.938 units (March 31, 2016: Nil units) of ICICI Prudential Flexible Income Plan - (direct)	30,000,000	-
162,784.711 units (March 31, 2016: Nil units) of ICICI Prudential Liquid Plan Direct Plan - (growth)	39,137,633	-
	227,760,914	**30,132,824**

Aggregate market value of investment in unquoted mutual funds units held by Company based on NAV declared on the balance sheet date by mutual fund is ₹ 228,913,628/- (March 31, 2016: 30,531,147/-).

15. Inventories (valued at lower of cost and net realisable value)

(In ₹)

	31 March 2017	31 March 2016
Traded goods (Lamps)	49,709,338	62,164,553
Consumables and spares	13,222,498	15,289,703
	62,931,836	**77,454,256**

16. Trade receivables (Unsecured)

(In ₹)

		31 March 2017	31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment			
- considered good		142,841,823	142,251,730
- considered doubtful		45,318,116	34,966,753
Provision for doubtful receivables		(45,318,116)	(34,966,753)
	(A)	**142,841,823**	**142,251,730**
Others receivables			
- considered good		873,408,237	626,913,527
	(B)	**873,408,237**	**626,913,527**
TOTAL	**(A + B)**	**1,016,250,060**	**769,165,257**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

17. Cash and bank balances

(In ₹)

	Non-Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	92,064,601	78,402,581
– On unpaid dividend account*	-	-	182,441	233,600
Cash on hand	-	-	188,207	316,841
	-	-	**92,435,249**	**78,953,022**
Other bank balances				
– Deposits with remaining maturity for less than 12 months	-	-	98,899,137	156,253,689
– Deposits with remaining maturity for more than 12 months	-	5,509,655	-	-
	-	**5,509,655**	**98,899,137**	**156,253,689**
– Margin money deposit with remaining maturity for less than 12 months	-	-	69,861,931	29,768,906
– Margin money deposit with remaining maturity for more than 12 months	119,000	18,412,243	-	-
	119,000	**18,412,243**	**69,861,931**	**29,768,906**
Amount disclosed under non - current assets (refer note 13)	(119,000)	(23,921,898)		
	-	-	**261,196,318**	**264,975,617**

Margin money deposits:

Margin money deposits are against guarantees given to statutory authorities and are kept under lien with bank for opening of Letter of Credit.

* The Company can utilize these balances only towards settlement of the respective unpaid dividend.

18. Revenue from operations

(In ₹)

	31 March 2017	31 March 2016
Revenue from operations		
Sale of services		
Advertisement revenue	1,769,771,266	1,537,916,626
Virtual Print Fees - E-Cinema	784,729,901	700,970,982
Virtual Print Fees - D-Cinema	257,382,263	237,363,791
Lease rental income - E-Cinema	657,019,479	617,911,136
Lease rental income - D-Cinema	100,895,188	114,259,418
Digitisation income	61,652,063	59,915,625
Registration fees income	6,796,578	6,712,000
	3,638,246,738	**3,275,049,578**
Sales of products		
Lamp and spares sale	182,058,620	173,887,083
Sale of digital cinema equipments	41,114,543	41,138,594
	223,173,163	**215,025,677**
	3,861,419,901	**3,490,075,255**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

19. Other operating income

(In ₹)

	31 March 2017	31 March 2016
Sundry balance written back	4,538,724	5,681,461
	4,538,724	**5,681,461**

20. Other income

(In ₹)

	31 March 2017	31 March 2016
Miscellaneous income	6,306,681	11,941,564
	6,306,681	**11,941,564**

21. Operating direct cost

(In ₹)

	31 March 2017	31 March 2016
Advertisement revenue share	661,655,777	624,978,264
Repair and maintenance - exhibition equipments	119,087,827	76,417,679
Technical service fees	80,745,220	72,176,562
Bandwidth charges	69,672,021	64,859,782
Purchase of digital cinema equipments	23,060,906	28,814,762
Purchase of lamps	152,519,879	174,170,091
Rent on equipments	-	5,170,967
Content processing charges	19,916,823	11,601,988
Virtual print fees sharing	85,000,105	64,164,204
Other expenses	16,255,227	12,674,081
(Increase) / decrease in inventories of traded goods (lamps)		
Inventories at the beginning of the year	62,164,553	46,492,341
Less: Inventories at the end of the year	(49,709,338)	(62,164,553)
	12,455,215	**(15,672,212)**
Consumables and spares		
Opening stock	15,289,703	16,782,487
Add: purchases	28,095,625	24,069,740
Less: closing stock	(13,222,498)	(15,289,703)
	30,162,830	**25,562,524**
	1,270,531,830	**1,144,918,692**

Details of components and spares consumed

(In ₹)

	31 March 2017	31 March 2016
Projector spares	9,063,196	2,053,060
UPS battery	10,087,535	9,517,573
VSAT spares	7,860,852	9,759,410
Others (individually less than 10%)	3,151,247	4,232,481
	30,162,830	**25,562,524**

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Notes to financial statements as at and for the year ended 31 March 2017

Details of inventory

(In ₹)

	31 March 2017	31 March 2016
Consumable and spares		
Paper rolls	2,694,526	2,796,200
VSAT spares	1,320,413	2,468,995
Sigma chip	3,775,742	5,628,368
Others	5,431,817	4,396,140
	13,222,498	**15,289,703**

22. Employee benefit expense

(In ₹)

	31 March 2017	31 March 2016
Salaries and wages	563,163,537	461,507,762
Contribution to provident and other funds	28,256,191	24,408,425
Gratuity expenses (refer note 27)	17,172,234	9,841,431
Compensated absences	6,517,234	2,755,729
Staff welfare expenses	41,940,442	36,633,819
	657,049,638	**535,147,166**

23. Other expenses

(In ₹)

		31 March 2017	31 March 2016
Rent		82,537,993	80,394,831
Freight and forwarding charges		42,852,682	43,067,822
Legal, professional and consultancy charges		89,967,909	67,725,924
Directors sitting fees		7,500,000	7,500,000
Commission on advertisement revenue		156,384,383	118,797,930
Commission on other revenue		15,506,006	17,268,423
Corporate social responsibility expenses (refer note 43)		15,000,000	-
Sales promotion expenses		32,794,325	21,761,364
Electricity charges		17,673,545	15,407,910
Rates and taxes		18,277,693	18,858,820
Payment to auditor (please refer (i) below)		6,943,499	5,897,901
Repairs and maintenance			
- Plant and machinery		132,800	1,575,118
- Furniture and fixtures		885,502	469,179
- Others		17,656,063	17,580,156
Insurance		8,700,039	11,556,381
Travelling and conveyance expenses		51,749,765	39,601,701
Communication and courier expenses		19,462,147	16,693,061
Printing and stationery		5,738,286	5,251,404
Bad debts written-off	12,615,824		
Less: Provision utilised	(682,943)	11,932,881	8,330,603
Loss on sale and write off of fixed assets (net)		2,824,551	5,406,825
Provision for doubtful debts		11,034,306	9,523,572
Miscellaneous expenses		43,566,505	40,167,973
Foreign exchange loss (net)		-	2,247,269
		659,120,880	**555,084,167**

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Notes to financial statements as at and for the year ended 31 March 2017

(i) **Payment to auditor**

(In ₹)

	31 March 2017	31 March 2016
As Auditor		
Audit fee	3,600,000	3,500,000
Tax audit fee	350,000	350,000
Limited review	2,400,000	1,500,000
Reimbursement of expenses	143,499	7,900
In other capacity		
Other services (certification fees)	450,000	540,001
	6,943,499	**5,897,901**

24. **Interest and finance expense**

(In ₹)

	31 March 2017	31 March 2016
Interest on		
Term loan	62,961,335	90,956,507
Others	1,242,001	2,050,312
Bank charges	2,465,769	2,189,500
Other borrowing costs	1,750,000	2,500,000
	68,419,105	**97,696,319**

25. **Finance income**

(In ₹)

	31 March 2017	31 March 2016
Interest received		
Bank deposits	16,383,993	15,347,047
Others	14,205,608	5,088,904
Dividend income		
From non-current investments	127,723,596	110,354,591
Profit on sale of current investments (net)	6,663,879	6,234,251
	164,977,076	**137,024,793**

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Notes to financial statements as at and for the year ended 31 March 2017

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations: (In ₹)

	31 March 2017	31 March 2016
Basic		
Net profit after tax as per statement of profit and loss for calculation of basic EPS	543,108,036	509,852,763
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Earning per share	**19.68**	**19.46**
Diluted		
Net profit for calculation of basic EPS	543,108,036	509,852,763
Weighted average number of equity shares in calculating basic EPS	27,591,909	26,203,587
Effect of dilutions on stock options granted under ESOP	5,929	1,000,959
Weighted average number of shares outstanding (including dilution)	27,597,838	27,204,545
Earning per share	**19.67**	**18.74**

27. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summaries 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 respective plans.

Net employee benefit expense recognized in the employee cost (In ₹)

	Gratuity	
	31 March 2017	31 March 2016
Current service cost	13,469,548	10,761,092
Interest cost on benefit obligation	3,595,591	3,165,892
Expected return on plan assets	(2,203,405)	(1,686,384)
Net actuarial (gain) / loss recognized in the year	2,310,500	(2,399,169)
Net benefit expense	**17,172,234**	**9,841,431**
Actual return on plan assets	**1,984,390**	**1,981,504**

Balance sheet (In ₹)

Benefit asset/ liability	31 March 2017	31 March 2016
Present value of defined benefit obligation	52,766,816	35,493,761
Fair value of plan assets	30,077,133	27,224,247
Plan liability	**22,689,683**	**8,269,514**

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Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Changes in the present value of the defined benefit obligation are as follows:	31 March 2017	31 March 2016
Opening defined benefit obligation	35,493,761	24,228,825
Current service cost	13,469,548	10,761,092
Interest cost	3,595,591	3,165,892
Benefits paid	(2,583,637)	(557,999)
Actuarial (gain) / losses on obligation	2,791,552	(2,104,049)
Closing defined benefit obligation	**52,766,815**	**35,493,761**

(In ₹)

Changes in the fair value of plan assets are as follows:	31 March 2017	31 March 2016
Opening fair value of plan assets	27,224,247	21,328,200
Expected return	2,521,320	1,686,384
Contributions by employer	3,114,218	4,472,542
Benefits paid	(2,583,637)	(557,999)
Actuarial gain on plan assets	(199,015)	295,120
Closing fair value of plan assets	**30,077,133**	**27,224,247**

The principal assumptions used in determining gratuity as shown below:

	Gratuity	
	31 March 2017	31 March 2016
Discount rate	6.70%	7.80%
Expected rate of return on assets	8%	8%
Employee turnover	15%	15%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amounts for the current year and four years are as follows: (In ₹)

Gratuity	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined benefit obligation	52,766,816	35,493,761	22,711,964	17,583,653	13,171,256
Plan assets	30,077,133	27,224,247	21,328,200	16,308,310	9,746,594
Deficit	22,689,683	8,269,514	2,900,625	1,275,343	3,424,662
Experience adjustments on plan liabilities	1,847,833	(2,324,946)	1,312,235	1,379,949	1,532,494
Experience adjustments on plan assets	(219,015)	295,120	-	-	-

The Company expects to contribute ₹ 3,262,167/- to the gratuity fund in the next year (March 31, 2016: 3,116,860/-)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Gratuity	31 March 2017	31 March 2016
Investments with insurer	100%	100%



Notes to financial statements as at and for the year ended 31 March 2017

28. Employee stock option plans

During the year ended March 31, 2017, the Company's three equity settled ESOP Schemes viz., ESOP Scheme 2006, ESOP Scheme 2010 and ESOP Scheme 2014 were in existence.

Employee Stock Option Scheme 2006 ('ESOP Scheme 2006')

All Options granted under ESOP Scheme 2006 are vested. The Exercise Period of the Options granted under ESOP Scheme 2006 are for the employees while in employment of the Company is within one year from the date on which the shares of the Company get listed on a recognized stock exchange and for the retired employees, termination due to permanent disability, death is within six months from the date of listing of Company's shares with a recognised stock exchange.

The details of activity under the Scheme 2006 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	2,736	100.18	211,051	100.18
Granted during the year	-	-	-	-
Exercised during the year	(2,736)	100.18	(208,315)	100.18
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	-	-	2,736	100.18
Exercisable at the end of the year	-	-	2,736	100.18
Weighted average remaining contractual life (in months)	-	-	2	-

Employee Stock Option Scheme 2010 ('ESOP Scheme 2010')

Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the modification in vesting period of 82,157 options from being vested equally over a period of 4 years from the date of grant to one year from the date of grant.

The Board at its Extra Ordinary General Meeting held on October 24, 2014 approved the change in exercise period of all vested options under this scheme from two year to one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange in case of the employees in employment of the Company. For the retired employees, termination due to permanent disability, death, all vested options may be exercised within six months from the date of listing of Company's shares with a recoganised stock exchange.

The details of activity under the Scheme 2010 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	98,689	164.60	1,503,489	163.74
Granted during the year	-	-	-	-
Exercised during the year	(98,689)	164.26	(1,393,392)	163.71
Forfeited during the year	-	-	(11,408)	165.44
Outstanding at the end of the year	-	-	98,689	164.60
Exercisable at the end of the year	-	-	98,689	164.60
Weighted average remaining contractual life (in months)	-	-	2	

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Notes to financial statements as at and for the year ended 31 March 2017

Employee Stock Option Scheme 2014 ('ESOP Scheme 2014'):

The Compensation Committee recommended the new ESOP Scheme 2014 and the Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

As per the ESOP Scheme 2014, 25% of the options shall vest equally at the end of each year from the date of grant.

The exercise period of these options is as follows:

i) For the employees while in employment of the Company: Within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: Within six months from the date of retirement, termination due to physical disability and death respectively.

The details of activity under the Scheme 2014 are summarised below:

	31 March 2017		31 March 2016	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	902,070	600	929,750	600
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(48,551)	600	(27,680)	600
Outstanding at the end of the year	853,519	600	902,070	600
Exercisable at the end of the year	426,760	600	225,518	-
Weighted average remaining contractual life (in months)	27		39	

There is no effect of the employee share-based payment plans on the statement of profit and loss and on its financial position.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to detemine compensation, its profit after tax and earning per share reported would have been same as follows:

(In ₹)

	31 March 2017	31 March 2016
Net profit for calculation of basic EPS	543,108,036	509,852,763
Less: Employee stock compensation under fair value method	-	-
Proforma profit	**543,108,036**	**509,852,762**
Earnings per share		
Basic		
- As reported	19.68	19.46
- Proforma	19.68	19.46
Diluted		
- As reported	19.68	18.74
- Proforma	19.68	18.74

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

29. Investments during the previous year

(a) Southern Digital Screenz India Private Limited (SDS)

During the year ended March 31, 2017, the Company acquired additional 15.82% stake 680,117 equity shares in Southern Digital Screenz India Private Limited (SDS) from the minority shareholders for ₹ 140,000,000/-. Post this investment, the Company holds 100% of equity share capital of SDS.

30. Leases

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases taken for Office Premises, Stores & Digital equipment's. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the Digital equipments on lease generally is for 36 to 72 months.

(In ₹)

	31 March 2017	31 March 2016
Lease payments for the year	82,537,993	85,565,798

Operating lease commitments – Company as lessor

The Company has leased out Digital Cinema Equipment to theaters, franchisees and subsidiary companies on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters and franchisees have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement.

(In ₹)

	31 March 2017	31 March 2016
Gross carrying amount	3,956,443,859	3,669,235,685
Accumulated depreciation	1,781,215,589	1,404,368,301
Depreciation recognized in the statement of profit and loss	457,290,699	429,269,838

31. Segment reporting

The Company is engaged in the business of Digital Cinema Services and sale of digital cinema equipments ancillary to sale of services, which are subject to same risk and rewards and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Company's operations are based in same geographical segment, India.

32. Related party disclosure

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiaries	Edridge Limited, Cyprus (refer note 42)
	V N Films Private Limited (refer note 42)
	Scrabble Entertainment Limited
	Valuable Digital Screens Private Limited
	Southern Digital Screenz India Private Limited (refer note 42)
	United Film Organisers Nepal Private Limited, Nepal
Step-down Subsidiaries	UFO International Limited, Cyprus (refer note 42)
	Scrabble Entertainment DMCC, UAE
	UFO Lanka Private Limited, Sri Lanka
	Scrabble Entertainment (Lebanon) Sarl, Lebanon
	UFO Software Technologies Private Limited
	Scrabble Digital Inc.,USA

Notes to financial statements as at and for the year ended 31 March 2017

	Scrabble Entertainment Mauritius Limited, Mauritius
	Scrabble Entertainment Israel Limited, Israel*
	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius
*Under voluntary liquidation	
Names of other related parties with whom transactions have taken place during the year	
Key management personnel	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director
	Mr. Ashish Malushte - Chief Financial Officer
	Mr. Rajesh Mishra - Chief Executive Officer
	Mr. Sameer Chavan - Company Secretary
Relatives of Key management personnel	Ms. Apeksha Agarwal
Enterprises owned or significantly influenced by key management personnel or their relatives	
	Media Infotek Park
	Shree Enterprises
	Valuable Media Limited
	Valuable Technologies Limited
	Valuable Edutainment Private Limited
	Valuable Infotainment Private Limited
	Qwik Entertainment India Limited
	Impact Media Exchange Limited
	Nifty Portfolio Services Private Limited
	Advent Fiscal Private Limited
Associate of Subsidiary	Scrabble Digital Limited
	Mukta VN Films Limited (from April 1, 2016)
Joint venture of Subsidiary	Mukta VN Films Limited (till March 31, 2016)

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
1	**Subsidiaries Companies**		
A	**Virtual print fees (Income)**		
	i) Southern Digital Screenz India Private Limited	124,462,110	140,828,415
	ii) VN Films Private Limited	8,035	12,548
	iii) Scrabble Entertainment Limited	219,093,322	237,363,790
B	**Lease rental income**		
	i) Southern Digital Screenz India Private Limited	198,803,712	210,656,210
	ii) Scrabble Entertainment Limited	91,265,928	101,495,378
C	**Interest income on loans**		
	i) V N Films Private Limited	5,075,000	5,088,904
D	**Rent income (Miscellaneous receipts)**		
	i) Scrabble Entertainment Limited	444,391	467,527
	ii) Southern Digital Screenz India Private Limited	915,780	345,842

Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
E	**Advertisement revenue share (expense)**		
	i) Southern Digital Screenz India Private Limited	190,084,796	199,991,649
F	**Recovery of expenses**		
	i) Southern Digital Screenz India Private Limited	535,054	1,833,734
	ii) Scrabble Entertainment Limited	852,432	413,836
G	**Rent paid**		
	i) Southern Digital Screenz India Private Limited	1,385,966	1,163,640
	ii) Scrabble Entertainment Limited	835,926	687,520
H	**Virtual print fee sharing (expenses)**		
	i) Scrabble Entertainment Limited	27,943,883	30,653,558
I	**Lease rental expenses**		
	i) Scrabble Entertainment Limited	9,054,721	5,427,852
J	**Security Deposit received back**		
	i) Scrabble Entertainment Limited	10,300,000	14,350,000
K	**Security Deposit paid**		
	i) Southern Digital Screenz India Private Limited	Nil	497,692
	ii) Scrabble Entertainment Limited	154,392	207,817
L	**Security Deposit received**		
	i) Southern Digital Screenz India Private Limited	Nil	652,714
	ii) Scrabble Entertainment Limited	156,181	Nil
M	**Security Deposit paid back**		
	i) Scrabble Entertainment Limited	Nil	200,000
N	**Reimbursement of expenses**		
	i) Southern Digital Screenz India Private Limited	465,000	Nil
	ii) Scrabble Entertainment Limited	553,000	62,211
O	**Sale of equipments and Lamps**		
	i) Scrabble Entertainment Limited	8,527	Nil
	ii) Valuable Digital Screens Private Limited	4,521,291	976,054
P	**Dividend Income**		
	i) Scrabble Entertainment Limited	127,723,596	110,354,591
Q	**Corporate Guarantee given on borrowing (Refer Note 34(c))**		
	i) Valuable Digital Screens Private Limited	Nil	238,400,000
2	**Step-down Subsidiaries**		
A	**Sale of assets**		
	i) Scrabble Entertainment DMCC, UAE	3,591,592	6,822,704
3	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Expenses reimbursed**		
	i) Media Infotek Park	9,301,839	9,513,840
B	**Technical services fees (expense)**		
	i) Valuable Technologies Limited	80,745,220	72,176,562
C	**Operating direct expenses (License fees on 3D movie)**		
	i) Valuable Technologies Limited	506	46,229

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
D	**Operating direct expenses (Licensee fees – Impact)**		
	i) Impact Media Exchange Limited	7,200,000	7,200,000
E	**Licensee fee- (Other income Club X)**		
	i) Valuable Media Limited	873,227	1,467,106
F	**Rent paid (expense)**		
	i) Media Infotek Park	49,005,996	46,198,944
G	**Rent income (Miscellaneous receipts)**		
	i) Valuable Media Limited	341,465	Nil
	ii) Valuable Edutainment Private Limited	116,412	Nil
	iii) Valuable Infotainment Private Limited	24,420	Nil
H	**Consultancy & reimbursement expenses**		
	i) Shree Enterprises	569,033	631,600
I	**Security Deposit received**		
	i) Valuable Media Limited	147,706	Nil
	ii) Valuable Edutainment Private Limited	32,935	Nil
	iii) Valuable Infotainment Private Limited	6,150	Nil
J	**Sale of equipments**		
	i) Valuable Media Limited	Nil	5,027,180
K	**Dividend Paid**		
	i) Valuable Media Limited	4,482,795	7,471,325
	ii) Valuable Technologies Limited	6,730,971	11,218,285
	iii) Nifty Portfolio Services Private Limited	1,626,408	2,710,680
	iv) Advent Fiscal Private Limited	2,211,546	3,685,910
4	**Associates of Subsidiary**		
A	**Content processing charges (expenses)**		
	i) Scrabble Digital Limited	12,858,000	5,895,000
5	**Key managerial personnel and their relatives**		
A	**Remuneration to key managerial personnel**		
	i) Mr. Sanjay Gaikwad	32,500,000	25,000,000
	ii) Mr. Kapil Agarwal	32,500,000	25,000,000
	iii) Mr. Ashish Malushte	10,514,570	7,676,512
	iv) Mr. Rajesh Mishra	13,622,049	7,744,896
	v) Mr. Sameer Chavan	1,795,203	2,424,986
B	**Remuneration to relatives of key managerial personnel**		
	i) Ms. Apeksha Agarwal	Nil	768,576
C	**Salary advance to key managerial personnel**		
	i) Mr. Ashish Malushte	Nil	1,600,000
	ii) Mr. Rajesh Mishra	Nil	2,650,000

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

(In ₹)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2017	31 March 2016
D	**Dividend paid to key managerial personnel**		
i)	Mr. Sanjay Gaikwad	791,391	1,318,985
ii)	Mr. Kapil Agarwal	1,118,082	1,863,470
iii)	Mr. Ashish Malushte	55,272	217,120
iv)	Mr. Rajesh Mishra	85,947	285,745

Note: 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.

Balance outstanding at the year end.

(In ₹)

Sr. No.	Particulars	31 March 2017	31 March 2016
1	**Subsidiaries Companies**		
A	**Loan given**		
i)	V N Films Private Limited	36,250,000	36,250,000
B	**Trade receivables**		
i)	Southern Digital Screenz India Private Limited	10,527,474	Nil
ii)	Valuable Digital Screens Private Limited	6,067,543	1,005,717
iii)	Scrabble Entertainment Limited	13,946,279	Nil
C	**Advance from Customers**		
i)	Southern Digital Screenz India Private Limited	Nil	10,411,433
ii)	V N Films Private Limited	Nil	4,689
iii)	Scrabble Entertainment Limited	Nil	8,636,220
D	**Deposit receivable**		
i)	Southern Digital Screenz India Private Limited	497,692	497,692
ii)	Scrabble Entertainment Limited	363,998	207,817
E	**Deposit payable**		
i)	Scrabble Entertainment Limited	125,754,392	135,900,000
ii)	Southern Digital Screenz India Private Limited	652,714	652,714
F	**Interest accrued on loans**		
i)	V N Film Private Limited	11,495,577	6,928,077
G	**Unbilled revenue**		
i)	Scrabble Entertainment Limited	44,412,012	51,155,898
ii)	Southern Digital Screenz India Private Limited	330,007	Nil
H	**Provision for expenses**		
i)	Southern Digital Screenz India Private Limited	Nil	Nil
I	**Corporate guarantee given to bank for borrowing (Refer Note 34(c))**		
i)	Valuable Digital Screens Private Limited	238,400,000	238,400,000

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

Sr. No.	Particulars	31 March 2017	31 March 2016
2	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**		
A	**Amount receivable**		
	i) Valuable Media Limited	677,856	123,249
	ii) Valuable Infotainment Private Limited	34,233	Nil
	iii) Valuable Edutainment Private Limited	166,810	Nil
B	**Deposit receivable**		
	i) Media infotek Park	35,771,540	35,771,540
C	**Deposit payable**		
	i) Valuable Media Limited	147,706	Nil
	ii) Valuable Infotainment Private Limited	6,150	Nil
	iii) Valuable Edutainment Private Limited	32,935	Nil
D	**Trade Receivables**		
	i) Qwik Entertainment India Limited	496,397	496,397
E	**Bank guarantee given (Refer Note 34 (b))**		
	i) Impact Media Exchange Limited	10,000,000	10,000,000
3	**Key management personnel**		
A	**Salary advance receivable**		
	i) Mr. Ashish Malushte	Nil	1,600,000
	ii) Mr. Rajesh Mishra	Nil	2,650,000
4	**Associates of Subsidiary**		
A	**Corporate guarantee given to bank for borrowing (Refer Note 34 (a))**		
	i) Mukta V N Films Limited	30,000,000	70,000,000
B	**Amount Payable**		
	i) Scrabble Digital Limited	6,936,300	Nil
C	**Provision for expenses**		
	i) Scrabble Digital Limited	1,413,000	Nil

33. Capital and other commitments

(In ₹)

	31 March 2017	31 March 2016
Capital commitments	65,522,907	92,222,205
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))		
Other commitments	37,143,726	19,961,481
	102,666,634	**112,183,686**

a) As at March 31, 2017, the Company holds 11,580 equity shares representing 80% of equity share capital of VDSPL for a consideration of ₹ 44,006,316/-. The Company also incurred ₹ 5,926,990/- towards acquisition cost of this Investment.

The Company will acquire the remaining 20% equity of VDSPL from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

34. Contingent liabilities

(In ₹)

	31 March 2017	31 March 2016
Corporate Guarantee (refer note a)	30,000,000	70,000,000
Corporate Guarantee (refer note b)	10,000,000	10,000,000
Corporate Guarantee (refer note c)	109,678,911	150,821,646
Pending litigations / matters (refer note f)		
(i) In respect of Income Tax matters		
Income Tax matters	5,787,019	6,240,033
(ii) In respect of Indirect Tax matters		
Service Tax matters (refer note e)	220,111,033	220,111,033
VAT matters	4,775,215	4,775,215
	380,352,178	**461,947,927**

Notes:

a) As at March 31, 2017, the Company has provided Corporate guarantee to bank for Overdraft facility of ₹ 70,000,000/- taken by Mukta VN Films Limited, associate of subsidiary (March 31, 2016: Mukta VN Films Limited, Joint venture). Subsequently to the year ended March 31, 2017 the corprorate guarantee has been reduced to ₹ 30,000,000/-. The outstanding balance of this facility is ₹ 61,454,301/- at March 31, 2017 (March 31, 2016: 70,000,000/-) assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

b) As at March 31, 2017, the Company has provided bank guarantee of ₹ 10,000,000/- to Chief Secretary, Revenue Department, Government of Maharashtra on behalf of Impact Exchange Media Private Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra in connection with the business of operating satellite based ticketing system managed by the Company.

c) The Company has provided Corporate guarantee to bank for Term Loan and Cash Credit facility of ₹ 238,400,000/- taken by subsidiary assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable. The outstanding term loan of the subsidiary Company as on March 31, 2017 is ₹ 109,678,911/- (March 31, 2016: 165,677,182/-)

d) The Company has issued a letter of comfort to a bank for term loan of ₹ 300,000,000/- (March 31, 2016: 300,000,000/-) and cash credit facility of ₹ 30,000,000/- (March 31, 2016: 30,000,000/-) taken by subsidiary company, assuring that it will take all necessary steps so that the repayment of the loan by the subsidiary is honored as and when due and payable. The outstanding term loan of subsidiary company as on March 31, 2017 is ₹ 29,499,961/- (March 31, 2016: 135,499,860/-)

e) During the year ended March 31, 2016, the Company has received an order from the Commissioner of Service Tax Mumbai ('the Order') which includes demand for following matters aggregating to ₹ 466,543,240/-, excluding interest and penalty, which was subject matter of show cause notice from service tax authorities in the year ended March 31, 2016.

   i) ₹ 246,432,207/-, excluding interest and penalty, for service tax on rentals from leasing of Digital Cinema Equipments for the period April 2008 to March 2014. Based on legal opinion obtained, the Company believes that the lease rental revenues are subject to state-wise Value Added Tax which the Company is paying since the beginning of operations. Accordingly, the Company believes that its position will likely be upheld in the appellate process and that it is unlikely that the liability will arise to the Company out of this matter.

   ii) ₹ 220,111,033/-, excluding interest and penalty, on account of disallowance of CENVAT Credit on Capital Goods (Digital Cinema Equipments) claimed by the Company for the period April 2008 to March 2014 as the possession of the equipments is not with the Company. Based on legal opinion obtained, the Company is of the view that these equipments are used for providing taxable output services and hence should be entitled to avail CENVAT credit and is therefore contesting this demand. The Company believes that its position is likely to be upheld in the appellate process and accordingly no provision has been considered necessary in these financial Statements.

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

f) The Company is contesting the demand/matter relating to pending litigations listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

35. Particulars of unhedged foreign currency exposure at the reporting date

(In ₹)

Particulars of un-hedged exposure	31 March 2017	31 March 2016
Import trade payable (USD)	₹ 32,158,033 (USD 495,960 @ Closing rate of 1 USD = ₹ 64.84)	₹ 63,444,553 (USD 956,457 @ Closing rate of 1 USD = ₹ 66.33)
Advance to suppliers(USD)	₹ 34,689 (USD 535 @ Closing rate of 1 USD = ₹ 64.84)	₹ 522,040 (USD 7,870 @ Closing rate of 1 USD = ₹ 66.33)
Import trade receivables(USD)	Nil	₹ 2,322 (USD 35 @ Closing rate of 1 USD = ₹ 66.33)

36. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the management, there is no amount due to micro, small scale and medium enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006.

37. Value of imports calculated on CIF basis

(In ₹)

	31 March 2017	31 March 2016
Traded goods (lamp)	161,954,745	170,077,765
Consumable, stores and spares	18,660,759	2,857,010
Capital goods	372,269,444	371,262,353
	552,884,948	**544,197,128**

38. Expenditure in foreign currency (accrual basis)

(In ₹)

	31 March 2017	31 March 2016
Equipment maintenace charges	20,535,600	9,112,426
Foreign travel expenses	7,276,204	2,698,561
Others	1,578,620	Nil
	29,390,424	**11,810,987**

39. Imported and indigenous raw materials, components and spare parts consumed

	31 March 2017		31 March 2016	
	% of total consumption	Value (In ₹)	% of total consumption	Value (In ₹)
Components				
Imported	89	174,038,293	87	160,270,996
Indigenously obtained	11	21,099,631	13	23,789,407
	100	**195,137,924**	**100**	**184,060,403**

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

40. Earnings in foreign currency (accrual basis)

(In ₹)

	31 March 2017	31 March 2016
Exports at C.I.F. value	3,591,592	6,822,704
	3,591,592	**6,822,704**

41. In June 2016, the Company had filed applications with the Central Government for the waiver of excess managerial remuneration of ₹ 1,583 lakhs determined to be in excess of the limits specified under section 197 read with schedule V of the Companies Act, 2013 for the year ended March 31, 2016, resulting due to the inclusion of perquisite value of employees stock options (ESOPs) as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) in managerial remuneration. These ESOPs were exercised by the managing and joint managing director during the year ended March 31, 2016.

Based on legal opinion obtained by the management in May 2017, the Company believes that granting of ESOPs (and exercise thereof) did not involve a cash payment by the Company to the managing directors and no expense was required to be provided in the Company's profit and loss account in any financial year relating to the period of vesting. Since, IT value of perquisites is not paid or payable by the Company, it cannot be considered as managerial remuneration as per the provisions of section 197 read with schedule V of the Companies Act, 2013. Accordingly, the Company is in compliance with section 197 of the Companies Act, 2013 for the year ended March 31, 2016. Subsequent to year end, the Company withdrew the application filed with the Central Government. Accordingly, no adjustments have been made to the financial statements for the year ended March 31, 2017.

42. On July 26, 2016, the Board of Directors of the Company approved the Composite Scheme of Arrangement for the amalgamation of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited (VNFPL), Edridge Limited (EL) and UFO International Limited (UIL) with the Company, subject to all the necessary statutory / regulatory approvals ('the Scheme'). The appointed date for the amalgamation for VNFPL, EL and UIL is April 01, 2016 and for SDS, the appointed date is July 01, 2016. The Company had filed the Scheme with the Bombay High Court on October 4, 2016. Pursuant to notification of section 232 of the Companies Act on December 9, 2016, the Company filed the Scheme with National Company Law Tribunal (NCLT) on January 19, 2017.

The shareholders of the Company approved the Scheme at the court convened meeting held on January 16, 2017.

The Scheme is conditional upon and subject to the following:

a) Filing of the certified copy of the order of Bombay High Court (and now NCLT) sanctioning the Scheme with the Registrar of Companies, Maharashtra.

b) Compliance by EL and UIL, the Cypriot transferor companies of all necessary and applicable provisions of the laws of Cyprus.

The Company has, till date, received the approval from Cyprus Court for the merger of the Cypriot transferor companies. Pursuant to notification of section 234 of the Companies Act, 2013 on April 13, 2017, the NCLT has given direction to the Company to secure approval from Reserve Bank of India (RBI) for the merger of the Cypriot subsidiary and step-down subsidiary with itself. The Company is in the process of obtaining approval from RBI. The approvals from RBI and NCLT are pending as at date and hence, the Scheme is not effective as at March 31, 2017 and as at date. Pending final approval of NCLT on the Scheme of Amalgamation, no effect of the Scheme has been given in these financial results.

43. Corporate social responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibilities expenditures are as follows:

Particulars	31 March 2017	31 March 2016
Gross amount required to be spent	9,609,582	7,582,823
Spent during the year towards advertisement activity, (towards Swatch Bharat Abhiyan)	15,000,000	-
Balance unspent during the year	-	7,582,823

UFO MOVIEZ INDIA LIMITED

Notes to financial statements as at and for the year ended 31 March 2017

44. Loans and advances in the nature of loans given to subsidiaries in which directors are interested

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013

(In ₹)

Sr. No.	Name of the loanee	Purpose	Rate of interest	Terms	31 March 2017	31 March 2016
1	V N Films Private Limited	Working capital and / or capital expenditure and / or general corporate purpose	14%	Repayable on demand	36,250,000	36,250,000
					36,250,000	**36,250,000**

45. Disclosure on Specified Bank Notes (SBNs):

As per requirement of the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) and other notes held and transacted during the period from November 8, 2016 to December 30, 2016, is given below:

(In ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	405,500	2,508	408,008
(+) Permitted receipts	-	711,587	711,587
(-) Permitted payments	-	562,567	562,567
(-) Amount deposited in Bank	405,500	2,550	408,050
Closing cash in hand as on December 30, 2016	-	148,978	148,978

46. Events subsequent to balance sheet date

(a) Proposed dividend

The Board proposed dividend on equity shares as follows, subject to approval by the members in Annual General Meeting.

(In ₹)

Particulars	31 March 2017	31 March 2016
Proposed dividend on equity shares for the year ended on 31 March 2017: ₹ 10/- per share (31 March 2016: 3/- per share)	276,008,010	82,498,128
Dividend distribution tax on proposed dividend	56,188,737	16,794,678
	332,196,747	**99,292,806**

(b) On May 17, 2017, the Board of Directors have approved the acquisition of 66,609 equity shares of Scrabble Entertainment Limited (SEL), a subsidiary of the Company, from the other equity shareholders of SEL for a total consideration of ₹ 145,340,838/-. This acquisition is likely to be completed in the quarter ended June 30, 2017, consequent to which SEL will become a wholly owned subsidiary.

47. Previous year figures have been regrouped / reclassified, where necessary, to conform to current year classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W / E300004
Chartered Accountants
per Govind Ahuja
Partner
Membership No.: 48966

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: May 17, 2017

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UFO MOVIEZ INDIA LIMITED

(CIN: L22120MH2004PLC285453)
Registered and Corporate Office: Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India
Phone: +91 (22) 4030 5060 **Fax:** +91 (22) 4030 5110
Email: investors@ufomoviez.com **Website:** www.ufomoviez.com

ATTENDANCE SLIP

13TH ANNUAL GENERAL MEETING ON SEPTEMBER 26, 2017

(To be signed and handed over at the entrance of the meeting venue)

I / We hereby record my / our presence at the 13th Annual General Meeting of the Company on Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059.

Signature of 1st Holder | Signature of 2nd Holder | Signature of 3rd Holder

Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Venue. Attendance Slips shall also be issued at the Venue.
2. Electronic copy of the Annual Report for the year ended March 31, 2017 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for the year ended March 31, 2017 and Notice of the Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose e-mail Id is not registered

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password / PIN

Note: Please read the instructions for remote e-voting given alongwith Annual Report. The remote e-voting period starts from September 21, 2017 (9.00 a.m.) and ends on September 25, 2017 (5.00 p.m.). The e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

UFO MOVIEZ INDIA LIMITED

UFO MOVIEZ INDIA LIMITED

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UFO MOVIEZ INDIA LIMITED

(CIN: L22120MH2004PLC285453)
Registered and Corporate Office: Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India
Phone: +91 (22) 4030 5060 **Fax:** +91 (22) 4030 5110
Email: investors@ufomoviez.com **Website:** www.ufomoviez.com

PROXY FORM

[Pursuant to Section 105(6) of Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): .....

Registered address: .....

E-mail Id: .....

Folio No./ DP ID No.: ..... Client Id No.: .....

I / We, being the member(s) of ..... Equity Shares of UFO Moviez India Limited, hereby appoint.

(1) Name..... Address .....
Email Id:..... Signature ..... or failing him/her;

(2) Name..... Address .....
Email Id:..... Signature ..... or failing him/her;

(3) Name..... Address .....
Email Id:..... Signature .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Tuesday, September 26, 2017 at 11.00 a.m. at Emerald Hall, Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri (East), Mumbai- 400 059 and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Resolutions
1.	To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
2.	To declare a dividend of ₹ 10 per equity share.
3.	To appoint a Director in place of Mr. Ameya Hete (DIN No. 01645102), who retires by rotation, and being eligible, offers himself for re-appointment.
4.	To appoint S.R. Batliboi & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No. 101049W) as Statutory Auditors of the Company for the Company's financial year ending March 31, 2018 to hold office from the conclusion of ensuing Annual General Meeting (AGM) until the conclusion of next AGM of the Company subject to the provisions of the Companies Act, 2013 and to authorise the Board to fix their remuneration.
5.	Re-appointment of Mr. Sanjeev Aga (DIN: 00022065) as an Independent Director.
6.	Re-appointment of Ms. Lynn de Souza (DIN: 01419138) as an Independent Director
7.	Re-appointment of Mr. S. Madhavan (DIN: 06451889) as an Independent Director
8.	Approval of the fees for delivery of documents through specific mode of delivery on request of the member(s).

Signed this ..... day of 2017

Affix ₹1/- Revenue stamp

Signature of shareholder .....

Signature of Proxy holder(s) .....

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

UFO MOVIEZ INDIA LIMITED

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If undelivered, please return to:

UFO MOVIEZ INDIA LIMITED
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