

2



YEARS *of* REFRESHING
ENTERTAINMENT

Twenty Years
of Powering Trends

Twenty Years
OF BREAKING BOX
OFFICE RECORDS

2



*Years of
Indulgence*

2



YEARS OF POPPING
TASTEBUDS

years of moviecation

TWENTY YEARS OF LUXURY

Twenty Years of
blockbuster
performance

2



YEARS OF
INNOVATION

2



TWENTY YEARS
OF SMILES

YEARS *of* ACCOLADES

TWENTY YEARS
OF TAKING INDIA
TO THE MOVIES

ANNUAL REPORT 2016 - 17



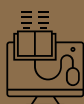
PVR
CINEMAS

—CELEBRATING—



YEARS OF ENTERTAINMENT

Read on



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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



For 20 years, it has been an inspiring journey for millions of Indians whom PVR has taken to the movies. It has been 20 years of entertainment and 20 years of making dreams come alive.

20 years of mapping a journey that began with a single theatre and now encompasses 126 theatres, having touched the hearts of more than 75 million viewers.

20 years of fulfilling the deepest aspirational desires of those who love their movies, and are in search of occasions to make movie-watching an experience to remember and cherish.

This annual report is an ode to those 20 years of engaging with our patrons, and a curtain-raiser for the foreseen future, for which we have laid the platform to create new vistas of refreshing entertainment and innovation.

1997

PVR becomes the pioneer of Indian multiplexes collaborating with village roadshow to open its first cinema

2006

Listed on BSE/NSE
Launches PVR Talkies, the People's cinemas

2008

Reaches the 100 screen milestone

Launches the first digital cinema with PVR Premiere at Ambience Mall, Gurugram

20 Years of Creat

Launches India's largest multiplex at Forum Mall, Bengaluru

Introduces PVR Plaza under the heritage sub-brand

Launches India's first Gold Class cinema

2004

Launches a new sub-brand PVR Premiere for the discerning audience

2007

Reaches the 150 screen milestone

Launches the new paradigm in Indian cinema industry - PVR Director's Cut, a 7-star movie viewing experience

2011

2012

Becomes India's 1st
fully 2k digital cinema
chain

Launches a new sub
brand, PVR ECX at
Kurla, Mumbai

Launches PVR IMAX at
Forum Mall, Bengaluru

2015

Launches PVR Icon
sub-brand

2017

Launches VR lounge
Launches P(XL)

Crosses billion dollar
market cap

ing Entertainment

Acquires Cinemax
to become the No.1
Cinema chain in the
country

2013

Launches north India's
largest 15 screen
superplex

Reaches 500 screen
milestone

Acquires DT cinemas*

Launches VKAAO

2016

*Acquired 29 screens of DT cinemas

An Ode to 20 Years of Making Our Patrons Smile

HOLD YOUR HEART,
AND ENTER THE WORLD OF CINEMA.



“I closed my eyes and I saw a dream. A dream that was larger than life. A dream in which stars shone bright through the mist of the monotony of living. I saw that I had embarked on a journey of new hopes and new aspirations, leaving behind the travails of everyday life”

A 10-year-old girl wants to celebrate her birthday in style. Or a business honcho is looking for a small but much-needed break after a back-breaking week at work. Or perhaps a housewife is in search of a few hours of peace, away from the humdrum of her daily routine.

For 20 years, we, at PVR Cinemas, have been helping Indians, across hues, age groups and regions, take off on the wings of their dreams to create a few magical moments that will give them a lifetime of happiness. And then helping them make those dreams come true!

It has been 20 years of taking India to the movies, and of changing their experiential tryst with cinema. 20 years of helping audiences across India enjoy some of the greatest cinematic experiences in an ever-evolving environ that is more star-studded than the stars they watch on the big screen.

It has been 20 years of feeling the pulse of our patrons and delivering them what they want – a great cinema experience made greater with every movie outing. And of driving passion to change the rules of the game for the dynamically evolving Indian cinema industry.

So keep dreaming. We are there to make those dreams come true for you.



From transforming the single-screen theatre customary into the Multiplex, and then the Superplex experience, To carving a strong niche as one of the top 10 cinema exhibition companies in the world.



From pre-empting the aspirations of our treasured patrons by creating more choices for them to revel in, To changing their one-dimensional theatre experience into a multi-format outing, designed to meet their exclusive desires.



From innovating and renovating the cinema business for all those discerning audiences who are always on the look-out for new recipes of happiness, to creating a whole new class of cinema-goers (Gold Class, Director's Cut, Plush recliners) that wants to enjoy every moment of their moviecation.

THE PVR ECO SYSTEM IS SPREAD ACROSS MULTIPLEXES, MOVIES DISTRIBUTION AND BOWLING TO DELIVER A HOLISTIC ENTERTAINMENT EXPERIENCE TO CONSUMERS



Capturing 20-Year Journey in a Click

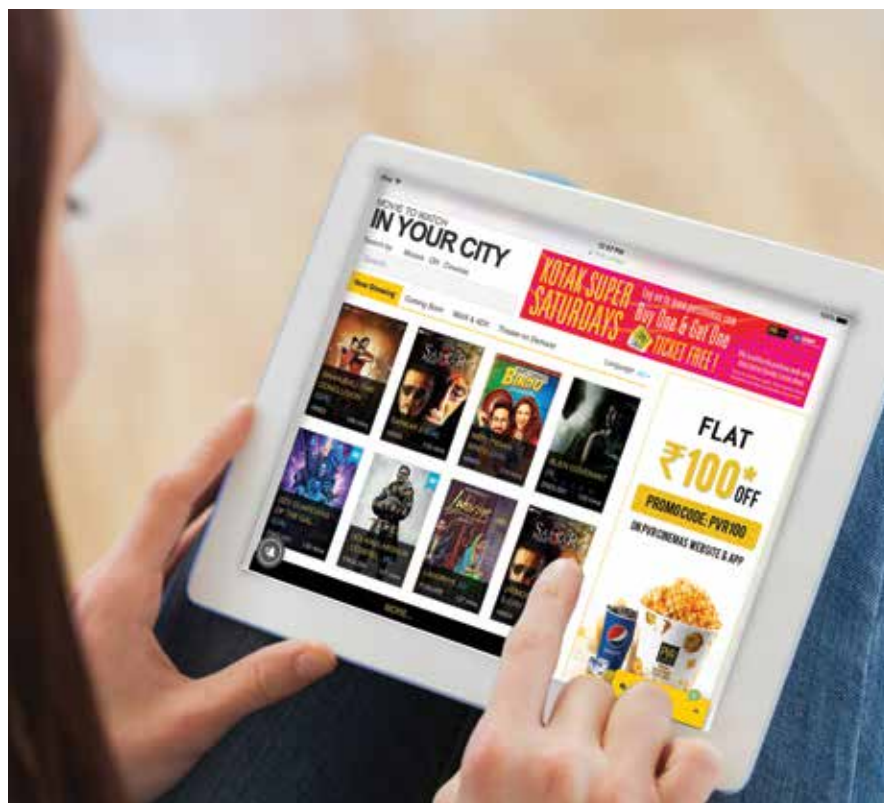
IT'S TIME TO START.
CLICK ON THE BUTTON.

"I dreamt of a solution to book my cinema tickets at the click of a button, easing hours of toil and standing in serpentine queues. And I found a simple one"

We were the first in this business to introduce mobile-based ticketing, and also the first to launch a Mobile App, to make it possible for our patrons - from that little boy to that housewife and the businessman, the professional and others - to realise their dream of an exciting outing in just a few minutes.

We remain up-to-date with new payment technologies to provide viewers a wide choice of payment at cinemas and online. We have almost doubled our online penetration in the last 2 years. The online admits as a % of overall admits were 26% in FY 14-15, which rose to 45% in FY 16-17.

Our strategic digital tie-ups with Paytm, Bookmyshow, Justdial & Ticket New



have given a whole new meaning to the people's aspirations of dreaming big and doing small work to actualise those dreams. Consumer convenience epitomises our relationships with both these service providers, who do not just provide us with platforms for sale of PVR movie tickets but go beyond to give the cine-goers that seamless movie-watching experience which makes every such occasion a joyful one.

Deepening our connect with the consumers, the digital partnerships & initiatives are directed towards increasing the Box office revenues by reaching out to more consumers & achieve better penetration in India's teeming micro markets, making it a win-win situation for our patrons, film distributors and producers. The customer data gathered by way of this online transactions also help us to provide timely, targeted & relevant content & messaging to them.



PVR tickets and F&B products are sold and marketed on Paytm portal's web, mobile apps, tapping a major segment of the consumer, with its marked shift towards online and mobile sales. For Paytm, the CRM backbone enables better segmentation and analysis in marketing relevant content to users. PVR gains from the relationship in terms of reduced box office cost burden and helping in predictive modelling through consumer data made available as a result of the tie-up.

BESIDES EXTERNAL TIE-UPS, WE ALSO HAVE OUR OWN APP AND WEBSITE TO SERVE AS A SINGLE-WINDOW POINT OF ACCESS FOR CONSUMERS TO BUY OUR MOVIE TICKETS AND F&B PRODUCTS



With more and more consumers moving towards e-platforms for their transactions, automation has emerged as a necessary tool to drive business. Our Bookmyshow association underlines a new value proposition for our patrons by creating a one-click convenience window, backed by cost efficiencies and multiple choices.

So no more worrying about standing in endless queues to end up discovering that you can't get the seats of your choice. Just log in for a few easy minutes of finding the right movie at the right time at the right PVR theatre, every time!

339 Lakh

Total online admits during FY 17

45%

Online admits as % of overall admits in FY 17

Rs. 748 Crores

Online Gross Box Office

51%

Online Gross Box Office as % of Overall Gross Box Office

Celebrating 20 Years of Taking India to the Movies

TIME FOR EXCITEMENT



“With every step closer to making my dream come true, I found my excitement levels scaling a new high. Till I entered a world bigger than I had ever imagined, to enjoy an experience more powerful than I could have envisaged even in my wildest dreams”



579 screens, 126 cinemas, 50 cities, 1,32,026 seats to choose from. If you find these numbers mind-boggling, then just wait till you actually enter the PVR theatre to discover how big can big actually be.

Sample this:

- Every PVR screen uses 4K digital and 2K DCI compliant projectors.
- Our three screens operate on the revolutionary 4DX technology, designed to stimulate all your five senses.
- With 4 IMAX screens and a line-up of another 6, we have the largest IMAX installations in India, providing viewers with a world-class, state-of-the-art viewing technology backed by optimised sound and projection systems designed for a magical experience.
- We use PXL – a combination of Christie Deo and ATMOS, at our theatres (our partnership with Dolby ATMOS is the largest in India). Dolby Atmos lends PVR a strong technology-edge in sound quality.
- All our properties are 3D-enabled, making us the theatre group with the highest number of 3D installations in India.

- The Playhouse concept – a 50-seater movie auditorium designed for kids, is a niche offering with bean bags, In Audi Slide, Exclusive Candy serving special Kids’ Menu making it the ultimate movie destination for kids.

For 20 years, we have worked ardently to take India to the movies with new and innovative offerings to regale their senses. With every technological breakthrough at our theatres, and unique partnerships with global leaders in the industry, we have added more layers of excitement and joy to their cinematic experience. Our partnerships with the world’s leading screening standards worldwide, such as IMAX & Dolby ATMOS, have been drawing millions to the PVR theatres for years, while the Dolby sound effects continue to enamour audiences across the length and breadth of India.

Innovation thus underlines every initiative we have pioneered over the past 20 years, to transform the way India perceives and experiences cinema. It has been the propeller of our growth engine over the years, while enhancing the movie-goers’ interface with cinema. And it shall continue to do so for years to come.



PVR @ the Box Office

For the past two decades, PVR Cinemas has people flocking to its screens and how! It was and continues to be the most preferred destination for movie watching. Coupled with great cinema marketing and a discerning audience base, that has consistently led to box office records.

The evidence for which was most recently witnessed in the smashing performance of the mega hit Dangal; where PVR's BO collection was over Rs. 100 Crores. Making it the first cinema chain in Indian history, to achieve such a feat with a single movie.

Renovations comprise upgrading the sight and sound experience, installing modernised points of sale and, most importantly, replace traditional theatre seats with plush, electric recliners that allow customers to deploy a leg rest and fully recline at the push of a button. Rebalancing of the new supply-demand relationship created by recliner seating presents us two further opportunities to improve customer convenience and maximise operating results.

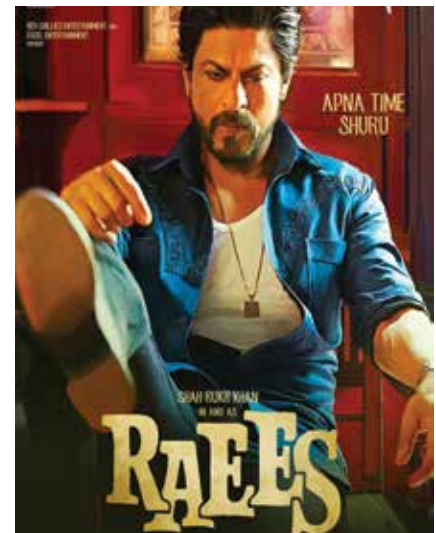
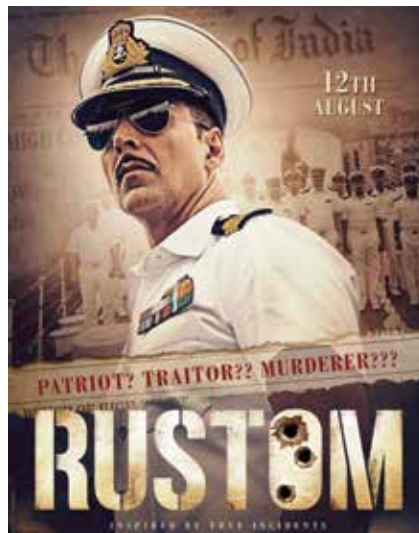
63 screens

Added during FY 17

(including 29 from DT cinemas acquisition)

75mn

People who have enjoyed the PVR experience during FY 17

Blockbuster of FY 16-17

Here's To Another Milestone of Our 20-Year Journey

WITH A FEW MORE BITEFULS OF ENJOYMENT

As the pioneers in introducing premium packaged snacks in theatres, we today boast of a huge basket of innovative food & beverage options matched to our customer taste and preference.

Our gastronomic delights include gourmet food, on-the-go menu, fresh bean brews, elaborate candy menus and packaged snacks, which our customers can savour to their heart's content. But for those who are somewhat conscious of the health aspects of their food, there

are indulgence treats which a consumer can have without a tinge of guilt. Food items made with organic, fresh and healthier ingredients, and served baked or steamed as opposed to fried, have emerged a popular snacking option for our health-conscious customers.

A key differentiator of our F&B service, which has emerged as an important contributor to our revenues, is the regional customisation we provide to our customers across different parts of the country. Strategic location of the F&B stands, Gourmet F&B counters within theatres, and customer-friendly self-serve experience further enhance the consumer experience in this segment of our business.

27%

Revenue from F&B sales

12%

Growth in average spend per person on F&B



The F&B edge

OUR F&B EDGE EXTENDS BEYOND VARIETY, TO ENCOMPASS THE LATEST TECHNOLOGIES DELIVERED BY STATE-OF-THE-ART EQUIPMENT, WHICH ENABLE QUICK TURNAROUND TIME. METICULOUSLY PLANNED AND EXCLUSIVELY DESIGNED BY OUR IN-HOUSE CHEFS, THE MENUS ARE CRAFTED TO GIVE THE ULTIMATE EXPERIENCE IN FOOD TO OUR CUSTOMERS. AS PART OF OUR FOOD TECH INITIATIVES, CUSTOMERS ACROSS SELECT PROPERTIES CAN ORDER FOOD FROM THE WEB AND PVR MOBILE APP AND HAVE IT DELIVERED TO THEIR SEATS. THE EFFORT IS AIMED AT BOOSTING F&B SALES USING TECHNOLOGY.



Creating A Buzz!

DRAWING THE AUDIENCE TO THE THEATRES

The brand advantage

In addition to sponsorship avenues, consumer brand partnerships are another unique initiative aimed at promoting the business in a way that makes it a valuable resource not just for our marketing teams but also our patrons, who are perpetually on the look-out for novelty in every experience. Our success stories map some of the biggest names in the business, such as Tag Heuer 'Official Time Keeper of PVR Cinemas' and Panasonic 'Technology Partner of PVR Cinemas'. These campaigns are designed to provide

big brands the opportunity to integrate and demonstrate their brand proposition seamlessly, across a multi-media offline-online platform. And the PVR brand advantage then does the rest!

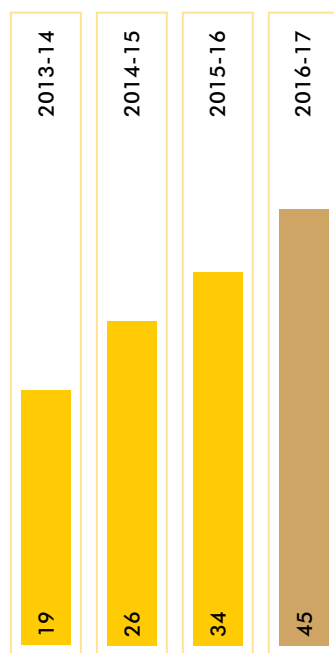
Advertisement revenue

Our advertising revenues have reported continuous growth at the back of aggressive campaigns, increasing 17% to Rs. 252 Crores in FY 17 from Rs. 215 crores in FY 16. PVR's premium brand recognition and partnership with multiple elite brands across sectors has helped us

achieve 2x advertisement revenues vis-à-vis our nearest competitor. Our on-screen and off-screen advertising platforms provide our clients and partners a robust channel to scale up visibility and enhance brand recognition. We have in place long-term agreements to provide optimal advertising growth opportunities to our clients and partners, giving them the maximum potential for space utilisation and enabling them to innovate with their products and services along with expanding the breadth and depth of our marketing teams, and optimising advertisement rates.

Online Admits

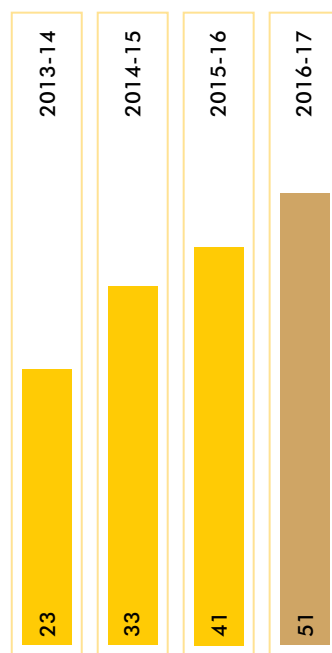
%



33% ↑
4-yr CAGR

Online GBOC

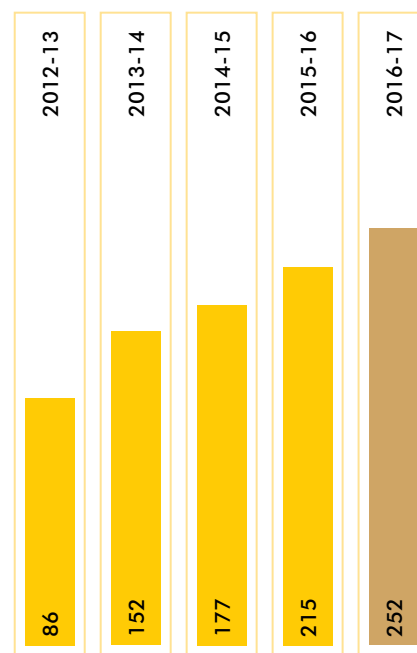
%



30% ↑
4-yr CAGR

Advertisement Revenue

Rs. in Crores



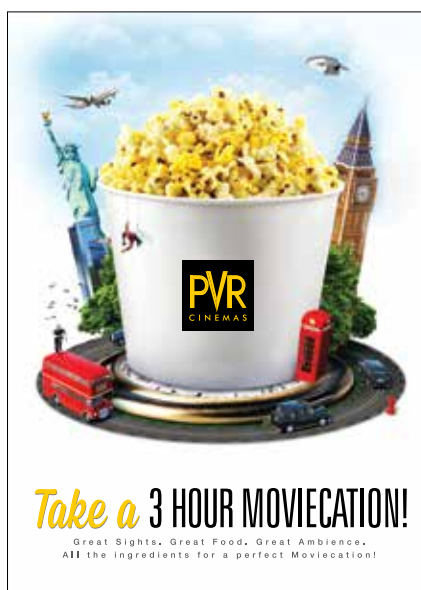
31% ↑
5-yr CAGR

With exciting new, larger-than-life marketing campaigns to reach out to our ever-expanding consumer base, we kept the buzz going all through FY 17. Film festivals, box office promotions and special events added to the excitement quotient are perpetually striving to deliver to our viewers.



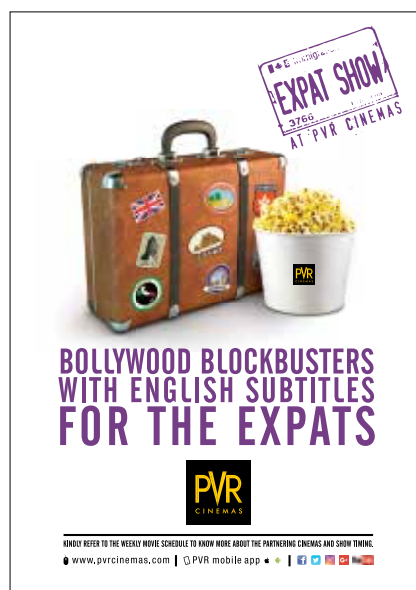
WOW

'Women on Wednesdays' focussed on exclusive shows for women every Wednesday.



Moviecation

Over the years, we have transformed the concept of going to the movies into a vacation spread over three hours. We call this a 'Moviecation'. 'Taking a 3-hour moviecation'.



Expat Show

Bollywood blockbusters with English sub-titles for the expats helped us engage more closely and vibrantly with the expat community.



Seniors Day

Every Monday, we organised special screenings for senior citizens, under the campaign banner of 'A new hangout for the seniors'.

Revelling in 20 Years of Transforming The Cinematic Experience

GET REAL IN A VIRTUAL WORLD



Unravelling reality, the virtual way

PVR ECX VR LOUNGE HAS FOUR VR PODS, EQUIPPED WITH HP'S LATEST GROUND-BREAKING OMEN TECHNOLOGY, THAT HELPS BLUR THE VIRTUAL CONTOURS TO DRIVE INTERACTIVE EXPERIENCE PACKED WITH REAL EXCITEMENT. ALONG WITH THE BEST-IN-CLASS TECHNOLOGY, THE HP VR LOUNGE BOASTS OF A WHOLE NEW LIBRARY OF FASCINATING AND ADVENTUROUS IMMERSIVE AND INTERACTIVE CONTENT CURATED FROM VARIOUS DIFFERENT GENRES LIKE DRAMA, FICTION, SCI-FI, HORROR, ACTION, ETC.

The cinematic experience, we believed, extends beyond the four walls of the theatres. It encompasses a whole lot of other entertainment avenues, which PVR has been pioneering through the years.

The latest in our portfolio of such offerings are VR Lounge and VKAAO - two new concepts that have created robust platforms for further scaling up the theatre experience of our patrons.

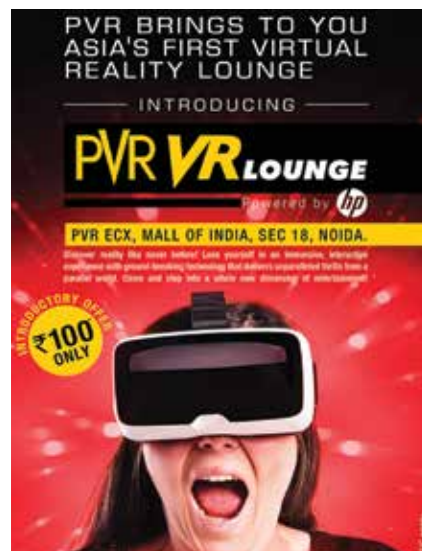
VR Lounge is a unique pre-theatre concept to help cinema-goers realise their dream of a holistic entertainment experience, beginning with the moment they reach the theatres, and before they move into the actual movie viewing experience.

Offering a whole new dimension of entertainment through Virtual Reality, the VR Lounge allows cine-goers to immerse themselves completely in an interactive experience. Using ground-breaking technology, it is a concept designed to deliver unparalleled thrills from a parallel world

PVR, IN PARTNERSHIP WITH HP, LAUNCHED ASIA'S FIRST VIRTUAL REALITY (VR) LOUNGE AT PVR ECX, MALL OF INDIA, NOIDA

by allowing deeper interaction between technology and the end user.

This never-before offering allows patrons to delve into adventures that go beyond gaming & provides a library of fascinating and adventurous immersive and interactive content curated from various different genres such as drama, fiction, sci-fi, horror, action, etc. With 10 more VR Lounges on the anvil in the next 15-18 months, across India, this is one experience that we feel the whole of India is just waiting to experience.



VKAAO!

WE HAVE FOUND IT



CHOOSE MOVIES



CREATE SCREENING



INVITE FRIENDS



ENJOY ON BIG-SCREEN

We are continuously pioneering new ways of meeting the aspirations of our patrons. And eureka, we have found it, as the saying goes. VKAAO is all about addressing those new aspirational needs of our customers. This online (web and app) 'Theatre on Demand' or 'Movies on Demand' service is an online platform that enables consumers to watch any movie of their choice at a theatre of their choice, as and when they wish to.

Based on the concept of crowdsourcing, it allows users to book a show of their choice from PVR's scintillating collection of over 500 movies, with 50+ Oscar nominated movies, and watch it at a theatre nearby. The consumers can invite friends as well for the same screening, with the option of bulk booking for special occasions. With a digital reach of 17 million unique subscribers and 0.5 million mobile app downloads, it is a powerful medium to improve PVR occupancy. PVR has developed a strong social media engine to enable the necessary crowdsourcing.

VKAAO! IS DESIGNED TO CATER TO THE SCATTERED FRAGMENTED DEMAND FOR REGIONAL AND SMALLER FILMS, WHICH WAS WAITING TO BE CAPTURED, IN ADDITION TO PROVIDING VIEWERS WITH EASY AND CONVENIENT ACCESS TO SOME OF THE BIGGEST TITLES IN BOLLYWOOD

So why dream alone now, when you have the option of sharing your dreams with your family and friends. Dreaming can be so much more fun if you cruise along with others in your dreams. And we are there to steer your journey into new frontiers of exhilarating excitement.



20 Years of Reinventing Success Underlined by Innovative Excellence

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS

On the fast track of growth since it was founded 20 years ago, PVR Ltd stands today at an exciting cusp, mapped by many milestones of success and ready to scale the next level of growth through a well-planned and focussed strategic approach. The journey of the past 20 years has been inspiring, in more ways than one, with millions of satisfied Indians standing testimony to our glorious rise. And FY 17 was no exception, with the Company reporting strong numbers and path-breaking initiatives to stand tall as an industry leader endowed with exceptional strengths to steer its onward journey.



“We currently have 35-40% share of Hollywood movies and about 24-25% share of Hindi films in India”

FY17 was the year when we crossed the billion-dollar market cap – an accomplishment that endorses PVR’s robust foundation. As total revenue increased 14% to Rs. 2,182 Crores, EBITDA increased from Rs. 356 Crores in FY 16 to Rs. 376 Crores in FY 17. All the three revenues streams - Box office, F&B and advertising-continued to show an upward trend. The success of our strategy was also manifested in the Rs. 100 Crores Gross Box Office Collection earned from the movie Dangal, which saw more than 50 lakh admissions and crossed Rs 100 Crores box office mark from a single movie, making us the first cinema chain in India to achieve that milestone.

What makes these numbers truly remarkable is that they came against the blips, such as demonetisation, that somewhat marred economic, and consequently, the industry growth, during the year. This clearly proved the inherent strength of our business model, led by a customer-centric approach and propelled by a strong thrust on innovation.

Our focus on innovation continued to drive our business during the year, with two pioneering initiatives helping us set new benchmarks of industry excellence. While VR Lounge is a unique pre-theatre concept that seeks to engage cinema-goers in a lively and interactive manner even before they step into the audi to watch the movie, VKAAO is our ‘Movies on Demand’ offering that enables consumers to choose movie, theatre and time.

Concurrently, we continued to strengthen our digital and technological prowess to reach out more effectively to the viewers, whose numbers touched 75 million during FY 17 – an indication of the PVR popularity in the cinema exhibition business. It is notable that we are the largest cinema chain in India & among the top 10 cinema exhibition companies globally, and given the opportunity size of the Indian market, I see the ranking improve further in the coming years.

In my opinion, the achievements of these two decades, though outstanding in many ways, can, at best, be described as stepping stone to laying the foundation for the future, which is packed with extraordinary growth potential. According to the Theatrical Market Statistics 2016 report by the Motion Picture Association of America, India is the fourth-largest movie market in the world

by international box office collections. It is also the largest market by number of movies released. With a total of 63 screens (including 29 added from DT cinemas acquisition during the year), and nearly a fourth of 2200 multiple screens in India, the PVR story, as I see it, can only get bigger and better.

We currently have 35-40% share of Hollywood movies and about 24-25% share of Hindi films in India. India’s relatively low screen density and increasing preference for multiplexes over single screen theatres that lives up to the changing tastes of movie-goers leaving enormous space for further growth. And, needless to say, we are more than ready to grab the biggest chunk of this opportunity pie.

On this positive note, let me thank all members of the PVR family, as also the investors and other stakeholders, for making our 20-year odyssey a memorable one. With your continued trust and support, I am confident that we shall successfully cross many more milestones of success in our onward journey as we get ready to take on the next level of growth.

Regards,

Ajay Bijli

Rs. 2,182 crores

Total revenue

Rs. 376 crores

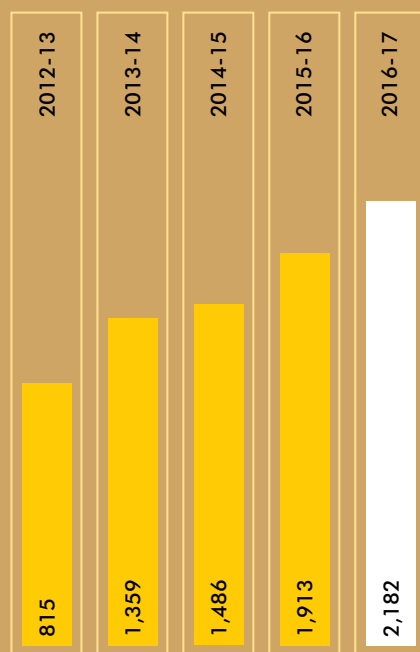
EBITDA

Numbers That Endorse 20 Years of Blockbuster Performance

KEY PERFORMANCE INDICATORS

Revenues

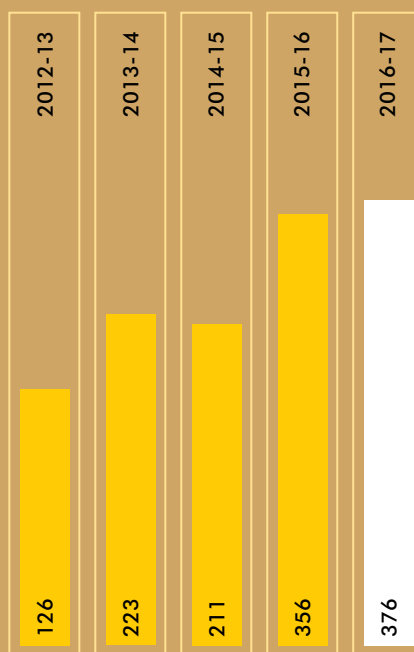
Rs. in Crores



28% ↑
5-yr CAGR

EBITDA

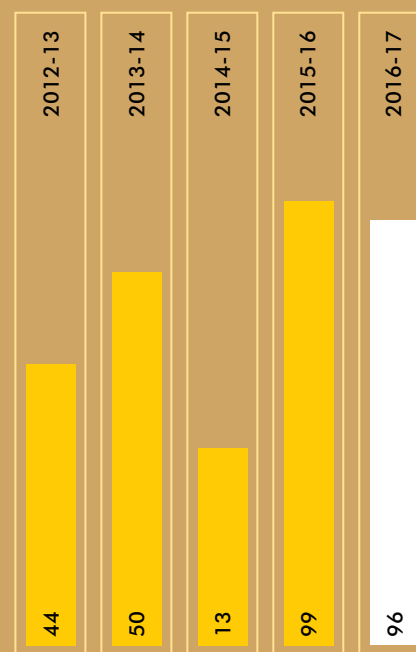
Rs. in Crores



31% ↑
5-yr CAGR

PAT

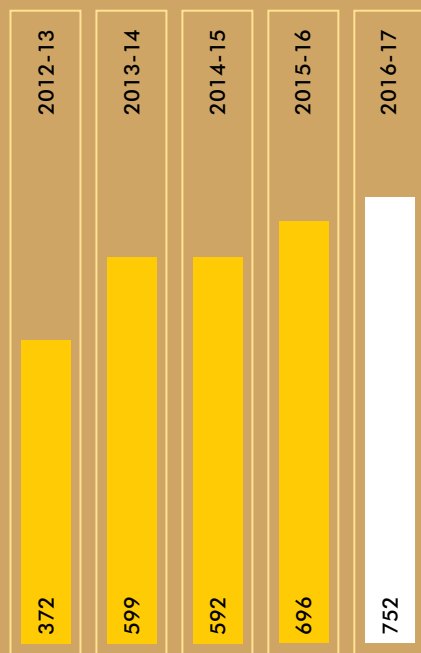
Rs. in Crores



21% ↑
5-yr CAGR

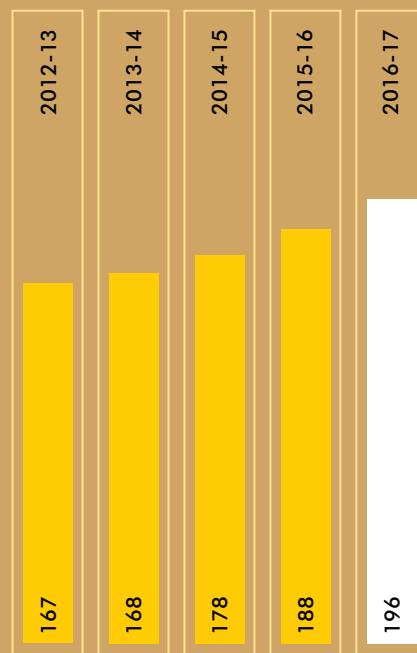
Admission

in Lakhs



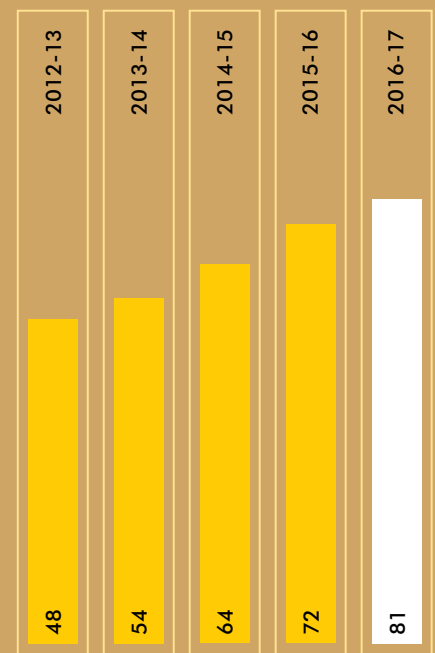
Average Ticket Price (ATP)

Rs.



Spend Per Head (SPH)

Rs.



20 Years of Touching Lives & Bringing Smiles

CORPORATE SOCIAL RESPONSIBILITY

Giving customers a rejuvenating movie experience is just one aspect of our 20-year business charter. Touching lives and bringing smiles to people beyond our customer base, expanding well into the community around us, is PVR Nest - our corporate social responsibility arm.

Seeking to bridge the social gap between 'reel' and 'real' life, PVR Nest is working tirelessly to educate and empower children, while creating a collaborative societal framework in which India's growth and development continues to be nurtured.

WE USE CINEMA AND ART AS AN ALTERNATE MEDIUM TO SENSITISE AND TOUCH UPON SOCIAL ISSUES, SUCH AS THE ENVIRONMENT, ROAD SAFETY AWARENESS, COMMUNITY HEALTH AND CHILD DEVELOPMENT

20

Employed

10

Passionate mentors

5,000

Meals provided monthly

1,000

Children impacted

25

Children undergoing rehab

200

Children Mainstreamed

3 lakhs

Kids across as volunteers (from 300 schools)



CHILDSCAPES

Childscapes reaches out to Children at Risk, or the street children around the PVR complexes, whom we engage, educate and equip for the future through educational, social and cultural activities.

CINEART

This is India's largest student-driven film education programme which brings together multimedia and experiential forms like puppetry, films, theatre and art to educate children from diverse backgrounds to promote awareness on issues of nature, heritage, conservation, change, leadership, etc. through experiential forms of learning.

Endorsing Our 20th Year Success

AWARDS AND ACCOLADES

Our journey of 20 years has been a highly rewarding one, with many awards and accolades to endorse our success. FY 2016-17 capped our successful odyssey with more awards and recognitions.



CNBC TV-18 'Asia Innovator of the Year' at India Business Leader Awards, 2016 (IBLA)



Fortune India's Next 500 biggest and best midsize companies



'Top Multiplex Chain of the Year' at Big Cine Expo 2016

Board of Directors

1 Ajay Bijli

CHAIRMAN-CUM-MANAGING DIRECTOR,
PVR LIMITED

- Established PVR in 1995
- Over 22 years of experience in the movie exhibition industry
- Recognised as the pioneer of the multiplex industry in India
- Awarded the “E&Y Entrepreneurial Award 2013 for Business Transformation” and CNBC’s Emerging India Awards in the same year

4 Amit Burman

DIRECTOR

- Vice Chairman of Dabur India Ltd.
- Over 22 years of experience in the FMCG industry

6 Vikram Bakshi

DIRECTOR

- Was Managing Director of Connaught Plaza Restaurants Pvt Ltd – a JV with McDonald’s
- Successfully established McDonald’s as the industry leader in the food service sector in North India

2 Sanjeev Kumar

JOINT MANAGING DIRECTOR,
PVR LIMITED

- Over 22 years of experience in the cinema exhibition industry
- Manages the film acquisition and distribution business and programming activities of PVR
- Also involved in the development and growth strategy of PVR

5 Sanjai Vohra

DIRECTOR

- Former MD of JP Morgan Chase – Global Special Operations Group, Asia
- Over 30 years of experience in the banking industry, private finance and risk management

7 Sanjay Khanna

DIRECTOR

- Over 30 years of experience in the textile business
- Has been a Director since 2008

3 Renuka Ramnath

DIRECTOR

- Was Managing Director and CEO of ICICI Ventures
- Over 25 years of experience in the Indian financial sector
- Currently, MD & CEO of Multiples Alternate Asset Management, a private equity firm

8 Vishal Mahadevia

DIRECTOR

- MD in Warburg Pincus India Private Limited
- Rich experience in Portfolio Management & Economics

Management Team

1 Gautam Dutta

CHIEF EXECUTIVE OFFICER,
PVR LIMITED

- Has been with PVR for over 11 years and has over 2 decades of experience
- Oversees the Company's operations to ensure efficient and cost-effective management of resources

2 Kamal Gianchandani

CHIEF EXECUTIVE OFFICER, PVR PICTURES &
CHIEF BUSINESS PLANNING & STRATEGY,
PVR LIMITED

- Over 23 years of experience
- Handling film financing, distribution, syndication, licensing and exhibition for both Indian and foreign language films in India

3 Nitin Sood

GROUP CHIEF FINANCIAL OFFICER,
PVR LIMITED

- He has been instrumental in raising capital from banks and investors. He also oversees accounting, legal and compliance for various group companies and heads discussions for any new business expansion and M&A opportunities

4 Pankaj Dhawan

COMPANY SECRETARY CUM
COMPLIANCE OFFICER,
PVR LIMITED

- Over 25 years of experience in Capital Market, Restructuring Corporate Governance, etc.

5 Sunil Kumar

CHIEF HUMAN RESOURCE OFFICER,
PVR LIMITED

- Over 22 years of experience in the field of HR
- As head of HR function, focussed towards managing end-to-end employee life cycle with focus on strategic HR policies and processes and HR compliance

6 Rajat Tyagi

CHIEF INFORMATION OFFICER,
PVR LIMITED

- Over 21 years of experience in Digital IT, Sales and Operations
- Responsible for Digital & IT initiatives to enhance patrons' experience and drive new ways to engage and automate

Corporate Information

BOARD OF DIRECTORS

Mr. Ajay Bijli

Chairman-cum-Managing Director

Mr. Sanjeev Kumar

Joint Managing Director

Ms. Renuka Ramnath

Director

Mr. Vikram Bakshi

Director

Mr. Sanjai Vohra

Director

Mr. Amit Burman

Director

Mr. Sanjay Khanna

Director

Mr. Vicha Poolvaraluk

Director (till 31.05.2016)

Mr. Sanjay Kapoor

Director (till 09.09.2016)

Mr. Vishal Mahadevia

Director (from 30.05.2017)

COMPANY SECRETARY

Mr. N. C. Gupta

(till 30.05.2017)

Mr. Pankaj Dhawan

(from 30.05.2017)

AUDITORS

S.R. Batliboi & Co. LLP

Chartered Accountants,

Firm's Registration No.: 301003E

Gurugram

MAIN BANKERS

HDFC Bank Limited

Yes Bank Limited

State Bank of India

Indusind Bank Limited

REGISTERED OFFICE

61, Basant Lok, Vasant Vihar,

New Delhi - 110 057

CIN : L74899DL1995PLC067827

Tel. : 011-47604302

Website : www.pvrcinemas.com

Email Id : cosec@pvrcinemas.com

CORPORATE OFFICE

Block A, 4th Floor, Building No. 9,

DLF Cyber City, Phase - III,

Gurugram - 122 002,

Haryana, India

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Statutory Reports

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Financial Statements

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report on the business and operations of the Company and Audited Financial Statements for the year ended March 31, 2017.

1. Financial Highlights

PARTICULARS	(Rs. in lakhs)	
	Financial Years	
	2016-17	2015-16
Income from Operations	2,00,201	1,72,039
Other Income	6,018	6,117
Total	2,06,219	1,78,156
Less: Total Expenditure	1,71,269	1,45,762
Earnings before interest, tax and depreciation amortization (EBITDA)	34,950	32,394
Less: Finance Cost	7,997	8,336
Depreciation & Amortization Expenses	12,239	9,851
Profit before Tax	14,714	14,207
Total Tax expenses/ (Credit)	5,422	4,856
Net Profit after Tax	9,292	9,351
Other Comprehensive Income/(Loss) (Net of Tax)	(142)	20
Total Comprehensive Income for the year	9,150	9,371
Earnings per equity share		
Basic (After Other Comprehensive Income)	19.58	20.74
Diluted (After Other Comprehensive Income)	19.58	20.72
Balance as per last financial statement	28,182	21,043
Profit available for appropriation	37,332	30,414
Less: Appropriations		
Dividend on Equity Shares	(971)	(466)
Tax on Equity Dividend	(198)	(95)
Transfer to Debenture Redemption Reserve	(2,269)	(1,671)
Transfer from Debenture Redemption Reserve	50	
Net Surplus in the Statement of Profit and Loss	33,944	28,182

2. Dividend

Your Directors have recommended a Final dividend of Rs. 2/- (Rupees Two) per Equity Share for the financial year ended March 31, 2017 for your approval. The Dividend outgo will amount to Rs. 935 lakhs (exclusive of Dividend Distribution Tax of Rs. 190 lakhs approximately).

3. Transfer to Reserve:

The Company has transferred Rs. 2,269 lakhs to the Debenture Redemption Reserve.

4. Financial Review:

During the year under review, Your Company entertained 75.2 million patrons in its cinemas, up by 8% as compared to the previous year, Net Box office revenues during the Financial Year 2016-17 has grown by 13%, Food and beverage showed a strong growth of 18% in Financial

Year 2016-17. This could be achieved due to our success of the various strategic initiatives taken by the company. Sponsorship Income showed a robust growth of 19% over same period last year. During the year, the company added 65 screens currently operate a network of 579 screens spread over 126 properties in 50 cities across the country. The company continues its aggressive expansion plan and intends to add approx 65-70 screens during the Financial Year 2017-18. During the Financial year ended March 31, 2017, the total income has increased from Rs. 1,781 crores during the preceding financial year to Rs. 2,062 crores in the year under review registering a growth of 15%.

Kindly refer to Management Discussion & Analysis and Corporate Governance Reports which forms part of this report for a detailed operation and business performance.

5. Future Outlook

We are optimistic regarding the box office prospects in Financial Year 17-18 on back of strong content pipeline and consumer demand. Our relentless pursuit of innovation, delivering the best movie viewing experience & growing circuit of high quality cinemas remain critical factors in our ability to generate positive operating results over the long-term. We are the leading multiplex player in India and will surpass the 600 screens mark in current financial year.

6 Report on the Performance & Financial Position of Subsidiaries

As on March 31, 2017 the Company had three Subsidiary companies namely PVR Pictures Limited, PVR Blu Entertainment Limited and Zea Maize Private Limited.

The Company has on August 9, 2016, incorporated PVR Lanka Limited for setting up of Multiplexes in Sri Lanka. The Company has invested USD 59,993 for subscription of 91,249 shares of LKR 100/- each of PVR Lanka Limited on May 18, 2016.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its subsidiary companies.

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 report on performance and financial position of subsidiaries is attached as per Annexure '1' which forms part of this report.

In terms of provisions under Section 136 of the Companies Act, 2013, audited accounts of the subsidiary companies are placed on its website at www.pvrcinemas.com.

The Company will make available physical copies of these documents upon request by any shareholder of the Company. These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of Annual General Meeting.

7. Corporate Governance

The Company is committed to uphold the highest standards of corporate governance and believes that the business relationship can be strengthened through corporate fairness, transparency and accountability. Your Company complies with all the mandatory provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A report on Corporate Governance with a certificate from a practicing Company Secretary is enclosed and forms part of the Annual Report. A certificate from Chairman cum Managing Director and Chief Financial Officer of the Company, confirming the correctness of the financial statements, compliance with Company's Code of Conduct and adequacy of the internal control measures as enumerated and reporting of matters to the Audit Committee in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed and forms part of this report.

8. Directors

The Board of Directors in the meeting held on May 30, 2017 appointed Mr. Vishal Mahadevia as an Additional Director on the Board of the Company

Mr. Sanjay Kapoor, an Independent Director resigned from the Company w.e.f September 9, 2016. Mr. Vicha Poolvaraluk, another Director of the Company who could not attend any Board Meeting in last 12 months has ceased to be on the Board of the Company pursuant to provisions of Section 167(1)(b) of Companies Act, 2013.

Pursuant to Section 149 read with Section 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of the retireable Directors shall retire every year and, if eligible, may offer for re-appointment. Consequently, Mr. Ajay Bijli who retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

Your Directors recommend his appointment at the ensuing Annual General Meeting.

Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of Independence as provided in the said Section 149(6).

9. Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Ajay Bijli	– Chairman cum Managing Director
Mr. Naresh Chandra Gupta	– Company Secretary
Mr. Nitin Sood	– Chief Financial Officer

Directors' Report

During the year, there was no change (appointment or cessation) in the office of any KMP.

10. Policy on Directors appointment and Remuneration Policy

Pursuant to the requirements under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a director and the policy on remuneration of directors, KMP and other employees is attached as **Annexure '2'** respectively, which forms part of this report.

11. Particulars of remuneration of Directors/ KMP/ Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure '3'** which forms part of this report.

In terms of Section 136 of the Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members to the registered office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company and the same will be furnished on request.

12. Employees Stock Option Plan

During the year 34,650 Equity Shares under PVR Employees Stock Option Scheme 2012, and 17,000 Equity Shares under PVR Employees Stock Option Scheme 2013 were allotted to the permanent employee(s) of the Company against same numbers of options exercised by them.

13. Meetings of the Board of Directors

During the Financial Year 2016-17, six Board Meetings were held. The details of Board Meetings and Committee Meetings held are given in the Corporate Governance Report.

14. Performance Evaluation of the Board, its Committees and Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration

Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

In order to evaluate the performance and various aspects of the functioning of the Board and its Committees such as adequacy of the Constitution and Composition of the Board and its Committees, are assessed, matters addressed in the Board and Committee Meetings, processes followed at the meetings, Board's focus, regulatory compliances and Corporate Governance, etc are reviewed. Similarly, for evaluation of Directors' performance, his/her profile, contribution in Board and Committee Meetings, execution and performance of specific duties, obligations, regulatory compliances and governance are evaluated.

During the financial year under review the Independent Directors had met separately without the presence of any Non-Independent Directors and the members of management and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole and reviewed the performance of the Chairman of the Company after taking into account the views of Executive and Non-Executive Directors.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.

The Directors expressed their satisfaction with the evaluation process.

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review, details of which are given in Corporate Governance Report.

15. Directors' Responsibility Statement

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Directors confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- That such accounting policies have been selected by them and applied them consistently and made

judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit and loss of the Company for the year ended on that date;

- c. That proper and sufficient care has been taken by them 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; & MDA
- d. That the annual accounts have been prepared by them on a going concern basis;
- e. That they have laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, and
- f. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. Statutory Auditors and their Report

Messrs S R BATLIBOI & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), Statutory Auditors of the Company would retire on the conclusion of this Annual General Meeting on completion of their term of appointment.

Since Messrs S R BATLIBOI & Co. LLP, Chartered Accountants are not eligible for re-appointment as Statutory Auditors of the Company as per Companies Act, 2013, the Board of Directors on recommendation of the Audit Committee, recommended the appointment of Messrs B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the company for a term of 5 years, in place of Messrs S R BATLIBOI & Co. LLP to hold office from the conclusion of 22nd Annual General Meeting until the conclusion of 27th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting. Consent cum certificate has been received from Messrs B S R & Co. LLP to the effect that their appointment as Statutory Auditors of the Company, if appointed at ensuing Annual General Meeting, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed there under.

A resolution seeking their appointment forms part of the Notice convening the 22nd Annual General Meeting and the same is recommended for your consideration and approval.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report received by the Company, that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

17. Secretarial Auditors and their Report

The Company has appointed M/s Arun Gupta & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit. The Report of the Secretarial Audit Report in MR-3 is annexed as Annexure '4'.

There are no qualifications or observations or other adverse remarks of the Secretarial Auditors in the Report issued by them for the financial year 2016-17 which call for any explanation from the Board of Directors.

18. Consolidated Financial Statements

In compliance with the applicable provisions of Companies Act, 2013 including the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the Financial Year 2016-17.

During the period under review, Consolidated Turnover grew by 14.04% to Rs. 2,18,168 lakhs as compared to Rs. 1,91,304 lakhs in the previous year. Net Profit after Tax for the year is Rs. 9,584 lakhs as compared to Rs. 9,862 lakhs in the Previous Year.

The audited consolidated financial statements together with Auditors' Report forms part of the Annual Report.

19. Internal Financial Control System

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedure adopted by the company 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.

Directors' Report

The Company has a well placed, proper and adequate Internal Financial Control System in place which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's Internal Financial Control System also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) audit and compliance by Company's Internal Auditor M/s KPMG. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions. Independence of the audit and compliance is ensured by direct reporting by Internal Auditors to the Audit Committee of the Board.

20. Adequacy of Internal Financial Controls with reference to the Financial Statements

The Companies Act, 2013 requires an effective Internal Financial Control System in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- All operations are executed as per prescribed procedures and is updated and validated periodically.
- All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately.
- The Company follows a robust 2-tier internal audit process:
 - Tier-1: Cinema audits are conducted on a regular basis throughout the year.
 - Tier-2: Transaction audits are conducted regularly, to ensure accuracy of financial reporting, safeguard and protection of all the assets.
 - The audit reports for the above audits are compiled and submitted to Audit Committee for deliberations, review and necessary action.
- The Company uses Microsoft Navision Software for maintaining books of accounts and transactions are executed through prescribed procedures to ensure correctness/effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a comprehensive risk management framework.

- The Company has a robust mechanism of building budgets at an integrated cross-functional level. The budgets are reviewed on a periodically basis so as to analyze the performance and take corrective action, wherever required.
- The Company has in place a well-defined Whistle Blower Policy/Vigil Mechanism.
- The Company has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly Review Meetings. They review their achievements in the Review Meetings.
- Compliance of secretarial functions is ensured by way of secretarial audit and audit by the Internal Auditors – M/s KPMG.

21. Development and Implementation of Risk Management

Pursuant to section 134(3)(n) of the Companies Act, 2013, the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards Report. At present the company has not identified any element of risk which may threaten the existence of the company.

22. Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo are attached as Annexure '5' which forms part of this report.

23. Details of Policy developed and implemented on Corporate Social Responsibilities (CSR) initiatives

The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013. As per the policy, the CSR activities are carried by PVR Nest which focuses inter-alia on:

- a) Education and social development of the most vulnerable sections of our society
- b) Hunger, Poverty, Malnutrition and Health.
- c) Sanitation and Safety
- d) Gender Equality
- e) Environmental Sustainability

The annual report on CSR activities is furnished in Annexure '6A & 6B' which forms part of this report.

24. Business Responsibility Report

PVR is privileged to be among the top 500 listed companies in the country. This brings us within the ambit of Business Responsibility Report (BRR) as required by regulation 34 of the SEBI Listing Regulations, 2015. The Annual Report 2017 contains BRR.

25. Change in Capital Structure and Listing of Shares

The Company's shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Ltd (BSE), NSE effective from March 31, 2017, has admitted Company's shares for our trading in derivative segment.

During the year under review following shares were allotted and admitted for trading on NSE and BSE.

The Company allotted 34,650 Equity Shares under PVR Employees Stock Option Scheme 2012 and 17,000 Equity Shares under PVR Employees Stock Option Scheme 2013, to the permanent employee(s) of the Company against same numbers of options exercised by them.

The paid up equity share capital as on March 31, 2017 was Rs. 46,73,85,880. During the year under review, the Company issued 51,650 equity shares. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

26. Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return as on March 31, 2017 in the prescribed Form No. MGT-9 is attached as **Annexure '7'** and forms part of this report.

27. Particulars of Loans, Guarantee or Investment under Section 186 of the Companies

Pursuant to Section 134(3)(g) of the Companies Act, 2013 (Act) a statement containing of loans, guarantee or investment under Section 186 of the Act as at end of the Financial Year 2016-17 is attached as Annexure '8' which forms part of this report.

28. Contracts or arrangements with Related Parties under section 188(1) of the Companies Act, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013 (Act), all contracts and arrangements with related

parties under Section 188(1) of the Act, entered by the Company during the financial year, were either in the ordinary course of business and on an arm's length basis.

During the year, the Company has not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions.

Your attention is drawn to the Related Party Disclosures set out in the Standalone Financial Statements.

29. Disclosure on Audit Committee

The Audit Committee as on March 31, 2016 comprises of the following independent directors.

Mr. Sanjai Vohra (Chairman), Mr. Amit Burman, Mr. Vikram Bakshi, Mr. Sanjay Kapoor and Mr. Sanjay Khanna as members.

Consequent upon resignation of Mr. Sanjay Kapoor, an Independent Director from the Company w.e.f September 9, 2016, the Audit Committee was reconstituted on September 20, 2016 by the Board of Directors of the Company having Mr. Sanjai Vohra (Chairman), Mr. Amit Burman, Mr. Vikram Bakshi, and Mr. Sanjay Khanna as members.

Further, all recommendations of Audit Committee were accepted by the Board of Directors.

30. Disclosure on Vigil Mechanism

The Company has a vigil mechanism through Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has Whistle Blower Investigation Committee which provide for adequate safeguards against victimization of persons and also provide for direct access to the Chairman of the Audit Committee and also to the members of the Committee.

The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The company has always provided a congenial atmosphere for work to all employees, free from discrimination and

Directors' Report

harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company has also framed a policy on "Prevention of Sexual Harassment" at the workplace.

31. Disclosure on Deposit under Chapter V

The Company has neither accepted nor renewed any deposits during the Financial Year 2016-17 in terms of Chapter V of the Companies Act, 2013.

32. Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

33. Transfer to Investor Education and Protection Fund

The Company has transferred a sum of Rs.1,01,431/- to the Investor Education and Protection Fund established by the Central Government, in compliance with the Companies Act, 2013. The said amount represents unclaimed dividends which were lying with the Company for a period of seven years from their respective due dates of payment.

34. Merger

The Hon'ble Delhi High Court has approved the merger of Bijli Holdings Private Limited with the Company vide Order

dated September 2, 2016 and merger of PVR Leisure Limited and Lettuce Entertain You Limited with the Company effective from April 1, 2015 vide Order dated October 19, 2016.

35. Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a formal policy on dividend distribution. The policy on dividend distribution is attached as Annexure '9' which forms part of this report.

36. Prevention of Sexual Harassment Policy

The Company is committed to provide a protective environment at work place for all its women employees to ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013". The Company has in place a formal policy for prevention of sexual harassment of its women employees. The total number of complaints filed during the Financial Year 2016-17 were 18 and total number of complaints disposed were 18 and the total numbers of complaints pending during at the end of the Financial Year 2016-17 is Nil.

37. Acknowledgements

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and On behalf of the Board
For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure '1'

FORM - AOC 1

(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

Financial Year 2016-17		(Rs. in lakhs)		
Sl. No.	Particulars	Details	Details	Details
1	Name of the Subsidiary	PVR Pictures Ltd.	Zea Maize Private Limited	PVR bluO Entertainment Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-Apr-16 To 31-Mar-17	01-Apr-16 To 31-Mar-17	01-Apr-16 To 31-Mar-17
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share Capital	1,680	4	3,652
5	Reserves & surplus	1,839	508	4,403
6	Total assets	7,908	738	9,039
7	Total liabilities	4,388	226	984
8	Investments	-	-	-
9	Turnover	8,944	481	5,657
10	Profit before taxation	500	(194)	168
11	Provision for taxation	222	-	55
12	Profit after taxation	279	(194)	113
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	70%	51%

Financial Year 2015-16		(Rs. in lakhs)		
Sl. No.	Particulars	Details	Details	Details
1	Name of the Subsidiary	PVR Pictures Ltd.	Zea Maize Private Limited	PVR bluO Entertainment Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-Apr-15 To 31-Mar-16	01-Apr-15 To 31-Mar-16	01-Apr-15 To 31-Mar-16
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share Capital	1,433	3	3,652
5	Reserves & surplus	1,312	354	4,291
6	Total assets	4,765	421	9,095
7	Total liabilities	2,020	66	1,152
8	Investments	-	-	-
9	Turnover	8,192	246	5,739
10	Profit before taxation	324	(65)	242
11	Provision for taxation	113	-	78
12	Profit after taxation	211	(65)	165
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	70%	51%

For and On behalf of the Board
For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure ‘2’

Policy on Directors Appointment and Remuneration Policy

A. Introduction

This Policy on Directors Appointment and Remuneration on Directors, Key Managerial Personnel, Senior Management Personnel has been formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing Agreement with the Stock Exchanges by the Nomination and Remuneration Committee of the Directors of the Company.

B. Definitions

Directors :	Directors (other than Managing Director(s) and Whole-time Director(s)) appointed under the provisions of the Companies Act, 2013 and rules made thereunder.
Key Managerial Personnel :	Managing Director(s), Whole-time Director(s), Chief Executive Officers of the businesses of the Company reporting to the Managing Director, Chief Financial Officer and Company Secretary.
Senior Management Personnel :	Members of the Corporate Leadership Team of the Company and Key Managerial Personnel.

C. Terms of Reference

The Board of Directors of the Company at its meeting held on July 4, 2014 re-constituted the existing Remuneration Committee of Directors and changed its name to “Nomination and Remuneration Committee”. Its terms of reference are as follows :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board Diversity.
- Formulation of policies for remuneration to Directors, Key Managerial Personnel, Senior Management Personnel.
- Identification and recommendation to Board of persons who are qualified to become Directors, Key Managerial Personnel, Senior Management Personnel in accordance with the criteria laid down.
- Recommend to the Board on appointment and removal of Directors Key Managerial Personnel, Senior Management Personnel.

- Evaluation of the performance of Directors (other than Independent Directors).
- Evaluation of the performance of Independent Directors and make recommendations to Board.

D. Criteria for Recommending a person to become Director

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director:

1. Qualifications & Experience

The incumbent should have appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

2. Attributes/Qualities

The incumbent Director should have one or more of the following attributes/qualities :

- Respect for and strong willingness to imbibe the Company’s Core Values.
- Honesty and Professional integrity.
- Strategic capability with business vision.
- Entrepreneurial spirit and track record of achievements.
- Ability to be independent.
- Capable of lateral thinking.
- Reasonable financial expertise.
- Association in the fields of Business/Corporate world/Finance/Education/Community Service/ Chambers of Commerce & Industry.
- Effective review and challenge to the performance of management.

3. In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws and regulations.

4. The incumbent should not be disqualified for appointment as a Director pursuant to the provisions of the Act or other applicable laws & regulations.

E. Eligibility Criteria & Remuneration of Key Managerial Personnel, Senior Management Personnel

The eligibility criteria for appointment of key managerial personnel and senior management personnel shall be in accordance with the job description of the relevant position.

In particular, the position of Key Managerial Personnel should be filled by senior personnel having relevant qualifications and experience.

The remuneration structure for Key Managerial Personnel and Senior Management Personnel shall be as per the Company's remuneration structure taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them.

The remuneration may consist of fixed and incentive pay/retention bonus reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The aforesaid employees may also be provided any facility, perquisites, commission, accommodation, interest free loans or loans at concessional rate in accordance with the policies framed for the employees or any category thereof.

However loan to the Directors who are KMPs shall be governed by such approvals as may be required by the Companies Act, 2013.

PVR uses three elements important for remuneration policy i.e.

1. Organisation Structure
2. Compensation
3. Performance Management

1. Organization structure:

- The structure of the organisation has to be in-line with business needs and proposed/targeted growth of the organisation.
- The span of control has to be kept in mind while deciding the organization structure (8-10). An attempt to have one level skips difference between supervisor and subordinate.
- Tooth to tail ratio to be kept in mind while deciding the organisation structure.

2. Compensation:

- The compensation of senior management is recommended to have "fixed and variable components" and is to be migrated from as of now state to desired state.
- Compensation will also vary on nature of responsibility/role (field / Non-Field).
- The committee considered it necessary to differentiate between performance and non-performance by giving differential compensation.
- "Cost To Company" to have following components:
 - Fixed CTC - (Monthly Salary Payouts)
 - Variable CTC (Incentives / Payout based on performance)
 - Long term Wealth Creation (Stocks / Phantom / Cash / Retention bonus)

3. Performance Management:

- The KRA and KPI are available for all senior management employees and the total number of KRA do not exceed 5 to 7.
- The objective setting is clear and should represent the key objectives of the organisation.
- The same is categorized into following business levels.
 - a) Financial
 - b) People
 - c) Customer
 - d) Process

For and On behalf of the Board
For PVR Limited

Ajay Bijli

Chairman cum Managing Director

Place: New York
Date: May 30, 2017

Annexure '3'

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	A Mr. Ajay Bijli, Chairman Cum Managing Director B Mr. Sanjeev Kumar, Joint Managing Director	1:199 1:138
		Median Salary – 183156 INR	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	A Mr. Ajay Bijli, Chairman cum Managing Director B Mr. Sanjeev Kumar, Joint Managing Director C Mr. Nitin Sood, CFO D Mr. N.C. Gupta, CS	NIL NIL 12% 12%
(iii)	The number of permanent employees on the rolls of company;		4751
(iv)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	% increase in Net Sales in 2016-17 as compared to 2015-16	16%
(v)	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;	:- Average Percentage increase in Salaries of the Executive Grade: 9% (E1 & below) :- Average Percentage increase in Salaries of Managerial Personnel: 10% (M6 & above) :- Reasons for Exception: <ul style="list-style-type: none"> ● Since Key managers contribution to the business has high impact ● Change in remuneration as per the market range basis compensation benchmarking of similar role. 	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that the remuneration is as per remuneration policy of the company	

For and On behalf of the Board
For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure '4'

Form No. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year Ended on 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PVR Limited
CIN: L74899DL1995PLC067827
61, Basant Lok, Vasant Vihar,
New Delhi – 110057

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PVR Limited (hereinafter called the "Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 and made available to me, 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 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 ('SEBI Act'):
 - 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;
 - 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 applicable as the Company has not delisted/ propose to delist its equity shares from any stock exchange during the financial year under review**); and
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable as the Company has not bought back/ propose to buyback any of its securities during the financial year under review**);
- (vi) Other laws as are applicable to the Company are based on the reports of the heads of the Department:
 - a) All the Labour laws as applicable to the company;
 - b) All the Environmental laws as applicable to the company.

Annexure '4'

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standard, etc. mentioned above.

We further report that:

Having regarded to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) All Cinematograph Acts and Rules as applicable to the Company;
- b) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations;
- c) All the building bye-laws applicable on the construction and renovation of Cinemas/ Multiplexes constructed or renovated during the year.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- executive directors including Independent Directors and woman director. 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 Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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.

- Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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 all applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- (i) The Company had made an offer for subscription of Secured Redeemable Non-Convertible Debentures for an amount not exceeding Rs. 250 Crores through issue of private placement offer letter.
- (ii) The Company has Issued and allotted a total of 51,650 equity shares pursuant to PVR ESOS Schemes.
- (iii) The Company has redeemed 20, 11.40% Secured Redeemable Non-Convertible Debentures during the period under review.
- (iv) The Hon'ble High Court of Delhi had approved the Scheme of Amalgamation of Bijli Holdings Private Limited with PVR Limited pursuant to its Order dated September 2, 2016.
- (v) The Hon'ble High Court of Delhi had approved the Scheme of Amalgamation of PVR Leisure Limited, its wholly owned subsidiary and Lettuce Entertain You Limited, a wholly owned subsidiary of PVR Leisure Limited with PVR Limited pursuant to its Order dated October 19, 2016.
- (vi) The Competition Commission of India (CCI) vide Order dated May 4, 2016 had approved the proposed combination of the Company with DLF Utilities Limited in relation to acquisition of 'DT Cinemas' with certain modifications.

For Arun Gupta & Associates

Arun Kumar Gupta

Company Secretary

ACS: 21227

C.P. No. 8003

Place: New Delhi

Date: 30.05.2017

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure 'A'

To
The Members,
PVR Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws, standards rules and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is reasonably adequate

and appropriate for us to provide a basis for our opinion.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the management's representation Letter about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Arun Gupta & Associates

Arun Kumar Gupta
Company Secretary
ACS: 21227
C.P. No. 8003

Place: New Delhi
Date: 30.05.2017

Annexure '5'

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo

Particulars required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are as mentioned herein below:

(i) Conservation of Energy

Energy conservation measures taken:

- Awareness of Staff towards benefits of reduction in energy wastage and how and what of energy conservation is being continuously done, by conducting trainings and knowledge sharing sessions.
- Incentivisation policy is implemented and contributors to the cause are appreciated and incentivised accordingly. Idea sharing and its successful implementation across all the sites is recognised and awarded.
- On board Certified Energy Auditor and Manager to supervise and implement energy conservation measures. Outside consultants have been appointed to provide energy saving measures over and above the existing system. They provide suggestions on optimizing energy usage, lux level of various areas, design aspects of Electrical and HVAC systems etc. So that equipment efficiency can be maintained and energy conservation can be done.
- APFC's are being used to maintain power factor above 0.98 and thus ensure that the reactive power in the system remains as low as possible. As a result rebates from the power supply companies are being received in electrical bills.
- Load running is optimized by following switching On/Off procedure. Timers are being used to ensure optimization.
- Occupancy Sensors have been installed in washrooms to save energy by reducing the lighting load to minimum by switching off lights when washrooms are unoccupied. We have already installed in washrooms across sites in North India as they are a great success towards conserving energy and thus will be implemented across PVR
- Replacing major lighting by LED lights using retrofits in existing locations. Upcoming sites using LED mainly.
- New and Efficient Screw Chiller are installed at locations giving energy savings. Old and inefficient chillers are being phased out and being replaced with new technology- high efficiency chillers.
- HVAC plants and sub systems under PVR are being closely monitored and regular PPM is being carried out to ensure less breakdown, increased guest comfort, reduced wear and tear resulting in energy conservation due to maintained efficiency of the complete system.
- Centralized monitoring of all water cooled chiller plants from corporate office.
- Centralised monitoring of Chilled & Condense water parameters will be implemented in Financial Year 2017-18 on all sites having Chiller high side under PVR scope.
- Following correct and timely dosing of cooling tower water to maintain chiller energy efficiency; monitoring from corporate office.
- Effective monitoring of energy consumption from corp. Office to ensure optimal utilization of energy.
- VFD's are installed on AHU's for energy savings while ensuring guest comfort by using a closed loop temperature feedback for the VFD's. All New/ Upcoming Sites will also be equipped with VFD's in Financial Year 2017-18.
- Water Conservation across PVR sites in India is facilitated by Installation of water flow restrictors in wash basin taps across PVR has help reduce tap water consumption by 60% thus reducing the energy consumed in pumping and helping in water conservation.
- State of art Energy Monitoring, Temperature Monitoring and Fire Hydrant pressure monitoring system. has been implemented at 34 Locations across North in Phase I, and 48 Sites in west will be covered in Phase II in Financial Year 2017-18 (Pilot successful at PVR Anupam and PVR Sangam) this system is a cloud based remote

monitoring system, enabling us to become proactive rather than being reactive.

- Building Signage's with LED based technology to save energy and longer life span.
- Poster Windows having FTL's are being replaced with LED based lighting in a phased manner.
- AC discipline is being followed to avoid leakage of cooled air/ infiltration of hot air.
- V3F Drive equipped Lifts are being used where ever we have them as our own.
- Automatic start stop for the escalators in PVR premises/ scope has been implemented to avoid idle running of the escalators and thus conserve energy.
- Solar Energy Utilization for energy conservation by using rooftop solar photovoltaic grid connected system will be piloted in Financial Year 2017-18 at sites available with space on roof. We have recently acquired roof rights at two locations in Gujarat region and exploring the possibility and feasibility with system suppliers.

(ii) **Technology Absorption:**

Since the Company has no subsisting Technology Agreement hence not applicable.

(iii) **Foreign Exchange Earnings & Outgo**

Expenditure in foreign currency (on accrual basis)

	(Rs. in lakhs)	
	March 31, 2017	March 31, 2016
Travelling	111	65
Professional fees (including expenses, net of withholding tax)	622	280
Others	246	156
Total	979	501

Income in foreign currency (on accrual basis)

	(Rs. in lakhs)	
	March 31, 2017	March 31, 2016
Advertisement Income	149	-
Income from sale of tickets and food and beverages	391	229

CIF value of imports

	(Rs. in lakhs)	
	March 31, 2017	March 31, 2016
Capital Goods	2,950	980
Store and spares	1,252	1,163

For and On behalf of the Board
For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure '6A'

CSR Report

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:	<p>PVR Limited CSR activities, approved by the CSR committee, through:</p> <ol style="list-style-type: none"> 1. PVR Nest Foundation 2. PVR Nest foundation works for Children at Risk (Childscapes) on their complete rehabilitation, education, nutrition, healthcare and employability, additionally; through its infrastructure - business enterprise - PVR Cinemas. <p>The company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is www.pvrcinemas.com</p>
2	The Composition of the CSR Committee:	<ol style="list-style-type: none"> 1. Ajay Bijli - Chairman and Managing Director, PVR Limited. 2. Sanjeev Kumar - Joint Managing Director, PVR Limited. 3. Sanjai Vohra - Independent Director. 4. Sanjay Khanna – Independent Director
3	Average net profit of the company for last three financial years.	Rs. 8,265 lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 165.29 lakhs
5	Details of CSR spent during the financial year.	
	(1) Total amount to be spent for the financial year;	Rs. 165.29 lakhs
	(2) Amount unspent, if any;	NIL
	(3) Manner in which the amount spent during the financial year is detailed below.	The manner in which the amount is spent is detailed in the Annexure A1.

Annexure '6B'

S. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount Spent : Direct or through implementing agency
			1. Local Area or other 2. Specify the State and district where projects or programs was undertaken		Sub Heads : 1. Direct expenditure on projects or programs 2. Overheads		
1	Children at Risk (Childscapes)	Education and social development of the most vulnerable sections of our society: a) Promoting education, healthcare, nutrition and rehabilitation to Children at risks (Street Children).	Delhi	12,000,000	1 Direct Expenses - 94,39,181 2 Overhead - 25,60,819 *	1,20,00,000	Direct - 45,60,652 Implementing Agency - 48,78,529
Total							

* The Overhead cost includes the donations forwarded to:

→ Divya Arora - Medical Assistance
→ Aman Karn
→ Isha Outreach
→ United Way of Mumbai
→ Cuddles Foundation
→ Greensole foundation
→ Khushii Kinship for Humanitarian, Social & Holistic
→ Udbhav School
→ Jamghat
→ KFI Bangalore Education Centre
→ Ananta Aspen Centre
→ Samarpan Foundation

* PVR Nest Centres are near PVR cinemas Complexes namely:
→ PVR Priya, Vasant Vihar
→ PVR Anupam, Saket
→ PVR Naraina
→ PVR Vikaspuri
→ PVR Lajpat Nagar
→ Half Way Home - Rehabilitation Centre

For and On behalf of the Board
For PVR Limited

Ajay Bijli
Chairman cum Managing Director

Place: New York
Date: May 30, 2017

Annexure '7'

FORM No. MGT-9

EXTRACT OF ANNUAL RETURN

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:

1	CIN	L74899DL1995PLC067827
2	Registration Date	26/04/1995
3	Name of the Company	PVR Limited
4	Category/ Sub-Category of the Company	Public Company Limited by shares
5	Address of the Registered office and contact details	61 Basant Lok, Vasant Vihar, New Delhi-110 057
6	Whether listed company (Yes/No)	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032 Tel : +91-40-23420 815-824 Fax: +91-40-23420 814 Website: www.kcpl.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	Motion picture Exhibition in cinemas	59141	60%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN		% of shares held	Applicable Section
1	PVR Pictures Limited	U74899DL2001PLC111997	Subsidiary	100%	2(87)(ii)
2	Zea Maize Private Limited	U15494DL2013PTC255802	Subsidiary	70%	2(87)(ii)
3	PVR bluO Entertainment Limited	U55101DL2012PLC239565	Subsidiary	100%	2(87)(ii)

IV. Shareholding 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						
A. Promoters										
(1) Indian										
a) Individual/ HUF	1,979,344		1,979,344	4.24	9,465,305	20.25	16.01			
b) Central Govt										
c) State Govt(s)										
d) Bodies Corp.	10,031,805		10,031,805	21.49						
e) Banks/Fl										
f) Any Other										
Sub-total (A) (1) :						12,011,149	25.73	9,465,305	20.25	
(2) Foreign										
a) NRIs- Individuals										
b) Other – Individuals										
c) Bodies Corp.										
d) Banks/Fl										
e) Any Other										
Sub-total (A) (2) :						-	-	-	-	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)						12,011,149	25.73	9,465,305	20.25	-
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds	5,410,655		5,410,655	11.59	5,785,555	12.38	(0.79)			
b) Banks/Fl	11,440		11,440	0.02	10,754	0.02	(0.00)			
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Funds										
f) Insurance Companies A55										
g) FIs										
h) Foreign Venture Capital Funds	13,085,502		13,085,502	28.03	18,200,790	38.94	(10.91)			
i) Others(specify)										
Sub-total (B) (1) :						18,507,597	39.64	23,997,099	51.34	(11.70)
(2) Non- Institutions										
a) Bodies Corp.	2,742,637	-	2,742,637	5.87	1,937,923	4.15	1.72			
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	2,209,662	1,284	2,210,946	4.74	1,944,109	4.16	0.58			
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,342,992	20,400	1,363,392	2.92	611,716	1.31	1.61			
c) Others (specify)										
Non Resident Indians	617,728		617,728	1.32	501,532	1.07	0.25			
Foreign Bodies	9,132,030		9,132,030	19.56	8,216,030	17.58	1.98			
NRI Non-Repatriation					42,040	0.09	(0.00)			
Trust	115		115	-	845	0.00	(0.00)			
Clearing Members	96,510		96,510	0.21	63,949	0.14	0.07			
Sub-total (B) (2) :						16,141,674	34.62	13,318,144	28.50	6.21
Total Public Shareholding (B) = (B)(1)+ (B)(2)						34,649,271	74.26	37,315,243	79.84	(5.49)
C. Shares held by Custodian for GDRs & ADRs										
Grand Total(A+B+C)						46,660,420	100	46,780,548	100	10.52

Annexure '7'

(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	No. of Shares	% of total Shares of the company
1	Bijli Holdings Pvt Ltd	10,031,805	21.49	-	-
2	Ajay Bijli	1,145,843	2.45	5,260,298	11.25
3	Aamer Krishan Bijli	416,695	0.89	279,115	0.60
4	Sanjeev Kumar	266,806	0.57	3,728,892	7.98
5	Selena Bijli	150,000	0.32	197,000	0.42
Total		12,011,149	25.72	9,465,305	20.25
					(5.47)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of Promoters'	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
1	BIJLI HOLDINGS PRIVATE LIMITED				
	01-04-2016	10,031,805	21.49	-	-
	During the year				
	31-01-2017	0	-	-	-
2	AJAY BIJLI				
	01-04-2016	1,145,843	2.45	1,145,843	2.45
	01-04-2016	(19,406)	(0.04)	1,126,437	2.41
	08-04-2016	(14,988)	(0.03)	1,111,449	2.38
	15-04-2016	(20,000)	(0.04)	1,091,449	2.34
	13-05-2016	(15,000)	(0.03)	1,076,449	2.30
	20-05-2016	(20,000)	(0.04)	1,056,449	2.26
	24-06-2016	(26,128)	(0.06)	1,030,321	2.21
	30-06-2016	(4,742)	(0.01)	1,025,579	2.20
	20-09-2016	6,219,719	13.32	7,245,298	15.52
	20-01-2017	(1,985,000)	(4.25)	5,260,298	11.25
	31-03-2017			5,260,298	11.25
3	AAMER KRISHAN BIJLI				
	01-04-2016	416,695	0.89	416,695	0.89
	08-04-2016	(90,580)	(0.19)	326,115	0.70
	3-31-2017	(47,000)	(0.10)	279,115	0.60
4	SANJEEV KUMAR				
	01-04-2016	266,806	0.57	266,806	0.57
	20-09-2016	3,812,086	8.17	4,078,892	8.74
	20-01-2017	(350,000)	(0.75)	3,728,892	7.98
	31-03-2017			3,728,892	7.98
5	SELENA BIJLI				
	01-04-2016	150,000	0.32	150,000	0.32
	31-03-2017	47,000	0.10	197,000	0.42

(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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PLENTY PRIVATE EQUITY FUND I LIMITED				
	01-04-2016	4,119,762	8.82	4,119,762	8.82
	20-01-2017	(2,154,255)	(4.61)	1,965,507	4.21
	31-03-2017			1,965,507	4.21
2	BERRY CREEK INVESTMENT LTD				
	01-04-2016	-	-	-	-
	20-01-2017	3,582,585	7.67	3,582,585	7.67
	31-03-2017			3,582,585	7.67
3	GRAY BIRCH INVESTMENT LTD				
	01-04-2016	-	-	-	-
	20-01-2017	2,958,888	6.33	2,958,888	6.33
	31-03-2017			2,958,888	6.33
4	MULTIPLES PRIVATE EQUITY FUND I LIMITED				
	01-04-2016	2,908,125	6.23	2,908,125	6.23
	20-01-2017	(1,136,527)	(2.43)	1,771,598	3.79
	3-31-2017			1,771,598	3.79
5	RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCE EQUIT				
	4-1-2016	1,771,830	3.80	1,771,830	3.80
	08-04-2016	1,587	0.00	1,773,417	3.80
	15-04-2016	25,000	0.05	1,798,417	3.85
	06-05-2016	24,549	0.05	1,822,966	3.90
	13-05-2016	(122,000)	(0.26)	1,700,966	3.64
	20-05-2016	(45,319)	(0.10)	1,655,647	3.55
	27-05-2016	(181,507)	(0.39)	1,474,140	3.16
	03-06-2016	(74,000)	(0.16)	1,400,140	3.00
	10-06-2016	(200,000)	(0.43)	1,200,140	2.57
	15-07-2016	(54,000)	(0.12)	1,146,140	2.45
	22-07-2016	(97,600)	(0.21)	1,048,540	2.24
	05-08-2016	(2,602)	(0.01)	1,045,938	2.24
	02-12-2016	(50,000)	(0.11)	995,938	2.13
	06-01-2017	(24,122)	(0.05)	971,816	2.08
	13-01-2017	(74,190)	(0.16)	897,626	1.92
	3-31-2017			897,626	1.92
6	MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED				
	4-1-2016	1,671,000	3.58	1,671,000	3.58
	08-04-2016	(39,000)	(0.08)	1,632,000	3.49
	10-06-2016	(102,999)	(0.22)	1,529,001	3.27
	17-06-2016	(49,001)	(0.10)	1,480,000	3.17
	24-06-2016	(30,000)	(0.06)	1,450,000	3.10
	01-07-2016	(20,000)	(0.04)	1,430,000	3.06
	15-07-2016	(30,000)	(0.06)	1,400,000	3.00
	22-07-2016	(12,498)	(0.03)	1,387,502	2.97
	05-08-2016	(40,000)	(0.09)	1,347,502	2.88
	12-08-2016	(47,502)	(0.10)	1,300,000	2.78
	19-08-2016	(23,113)	(0.05)	1,276,887	2.73
	26-08-2016	(730)	(0.00)	1,276,157	2.73
	02-09-2016	(23,410)	(0.05)	1,252,747	2.68
	09-09-2016	(40,000)	(0.09)	1,212,747	2.60
	23-09-2016	(22,747)	(0.05)	1,190,000	2.55
	30-09-2016	(88,650)	(0.19)	1,101,350	2.36
	07-10-2016	(860)	(0.00)	1,100,490	2.35
	09-12-2016	(30,000)	(0.06)	1,070,490	2.29
	16-12-2016	(14,629)	(0.03)	1,055,861	2.26
	23-12-2016	(55,861)	(0.12)	1,000,000	2.14
	30-12-2016	(100,000)	(0.21)	900,000	1.93

Annexure '7'

(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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	03-02-2017	(8,017)	(0.02)	891,983	1.91
	10-02-2017	(6,983)	(0.01)	885,000	1.89
	03-03-2017	(10,000)	(0.02)	875,000	1.87
	10-03-2017	(30,000)	(0.06)	845,000	1.81
	24-03-2017	(90,000)	(0.19)	755,000	1.62
	31-03-2017			755,000	1.62
7	BARON EMERGING MARKETS FUND				
	04-01-2016	1,500,000	3.21	1,500,000	3.21
	17-03-2017	(220,390)	(0.47)	1,279,610	2.74
	24-03-2017	(56,002)	(0.12)	1,223,608	2.62
	31-03-2017			1,223,608	2.62
8	PLENTY PRIVATE EQUITY FII I LIMITED				
	04-01-2016	1,392,508	2.98	1,392,508	2.98
	During the year	No Change	No Change	No Change	No Change
	31-03-2017			1,392,508	2.98
9	PARVEST EQUITY INDIA				
	04-01-2016	1,310,000	2.81	1,310,000	2.81
	22-04-2016	784	0.00	1,310,784	2.81
	29-04-2016	60	0.00	1,310,844	2.81
	20-05-2016	23,287	0.05	1,334,131	2.86
	22-07-2016	82,573	0.18	1,416,704	3.03
	29-07-2016	1,005	0.00	1,417,709	3.03
	05-08-2016	14,402	0.03	1,432,111	3.07
	12-08-2016	30,994	0.07	1,463,105	3.13
	19-08-2016	67,851	0.15	1,530,956	3.28
	02-09-2016	10,050	0.02	1,541,006	3.30
	09-09-2016	22,864	0.05	1,563,870	3.35
	23-12-2016	(117,393)	(0.25)	1,446,477	3.09
	30-12-2016	(81,182)	(0.17)	1,365,295	2.92
	06-01-2017	(36,925)	(0.08)	1,328,370	2.84
	13-01-2017	(1,058)	(0.00)	1,327,312	2.84
	24-02-2017	(13,000)	(0.03)	1,314,312	2.81
	17-03-2017	(25,000)	(0.05)	1,289,312	2.76
	31-03-2017			1,289,312	2.76
10	MORGAN STANLEY ASIA (SINGAPORE) PTE.				
	04-01-2016	1,294,761	2.77	1,294,761	2.77
	08-04-2016	9,400	0.02	1,304,161	2.79
	22-04-2016	163	0.00	1,304,324	2.79
	06-05-2016	18,495	0.04	1,322,819	2.83
	03-06-2016	7,950	0.02	1,330,769	2.85
	10-06-2016	6,505	0.01	1,337,274	2.86
	17-06-2016	995	0.00	1,338,269	2.86
	30-06-2016	2,517	0.01	1,340,786	2.87
	01-07-2016	3,000	0.01	1,343,786	2.88
	08-07-2016	8,658	0.02	1,352,444	2.89
	15-07-2016	29,250	0.06	1,381,694	2.96
	22-07-2016	24,870	0.05	1,406,564	3.01
	05-08-2016	(16,752)	(0.04)	1,389,812	2.97
	12-08-2016	(38,999)	(0.08)	1,350,813	2.89
	19-08-2016	(12,606)	(0.03)	1,338,207	2.86
	26-08-2016	(6,000)	(0.01)	1,332,207	2.85
	02-09-2016	(24,947)	(0.05)	1,307,260	2.80
	16-09-2016	(4,000)	(0.01)	1,303,260	2.79
	07-10-2016	(2,758)	(0.01)	1,300,502	2.78
	14-10-2016	(7,800)	(0.02)	1,292,702	2.77
	28-10-2016	(32,590)	(0.07)	1,260,112	2.70
	04-11-2016	(30,351)	(0.06)	1,229,761	2.63
	25-11-2016	(31,640)	(0.07)	1,198,121	2.56
	09-12-2016	(49,940)	(0.11)	1,148,181	2.46
	16-12-2016	(63)	(0.00)	1,148,118	2.46
	23-12-2016	(1,486)	(0.00)	1,146,632	2.45

Sl. No.	For Each of the Top 10 Shareholders	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
	30-12-2016	(2,826)	(0.01)	1,143,806	2.45
	06-01-2017	(20,942)	(0.04)	1,122,864	2.40
	03-02-2017	(6,828)	(0.01)	1,116,036	2.39
	10-02-2017	(2,797)	(0.01)	1,113,239	2.38
	17-02-2017	(5,096)	(0.01)	1,108,143	2.37
	24-02-2017	(14,394)	(0.03)	1,093,749	2.34
	03-03-2017	(53,908)	(0.12)	1,039,841	2.23
	10-03-2017	(38,714)	(0.08)	1,001,127	2.14
	17-03-2017	(72,461)	(0.16)	928,666	1.99
	24-03-2017	(7,458)	(0.02)	921,208	1.97
	31-03-2017	(103,127)	(0.22)	818,081	1.75

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	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
1	AJJAY BIJLI				
	04-01-2016	1,145,843	2.45	1,145,843	2.45
	01-04-2016	(19,406)	(0.04)	1,126,437	2.41
	08-04-2016	(14,988)	(0.03)	1,111,449	2.38
	15-04-2016	(20,000)	(0.04)	1,091,449	2.34
	13-05-2016	(15,000)	(0.03)	1,076,449	2.31
	20-05-2016	(20,000)	(0.04)	1,056,449	2.26
	24-06-2016	(26,128)	(0.06)	1,030,321	2.21
	30-06-2016	(4,742)	(0.01)	1,025,579	2.20
	20-09-2016	6,219,719	13.32	7,245,298	15.52
	20-01-2017	(1,985,000)	(4.25)	5,260,298	11.25
	31-03-2017			5,260,298	11.25
2	SANJEEV KUMAR				
	01-04-2016	266,806	0.57	266,806	0.57
	20-09-2016	3,812,086	8.17	4,078,892	8.74
	20-01-2017	(350,000)	(0.75)	3,728,892	7.98
	31-03-2017			3,728,892	7.98
3	SANJAI VOHRA				
	01-04-2016	4,538	0.01	4,538	0.01
	18-11-2016	600	0.00	5,138	0.01
	25-11-2016	1,200	0.00	6,338	0.01
	31-03-2017			6,338	0.01
4	N C GUPTA				
	01-04-2016	126,192	0.27	126,192	0.27
	15-04-2016	20,400	0.04	146,592	0.31
	22-04-2016	(2,000)	(0.00)	144,592	0.31
	17-06-2016	(8,499)	(0.02)	136,093	0.29
	30-06-2016	(20,000)	(0.04)	116,093	0.25
	12-08-2016	(2,000)	(0.00)	114,093	0.24
	02-09-2016	(15,000)	(0.03)	99,093	0.21
	11-11-2016	(10,000)	(0.02)	89,093	0.19
	31-03-2017	(89,093)	(0.19)	-	-
	31-03-2017			-	-
5	NITIN SOOD				
	01-04-2016	138,777	0.30	138,777	0.30
	06-05-2016	(884)	(0.00)	137,893	0.30
	13-05-2016	(200)	(0.00)	137,693	0.29
	03-06-2016	(5,000)	(0.01)	132,693	0.28
	10-06-2016	26,307	0.06	159,000	0.34
	30-06-2016	(5,000)	(0.01)	154,000	0.33
	05-08-2016	(19,000)	(0.04)	135,000	0.29
	31-03-2017			135,000	0.29

Annexure '7'

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Rs. in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	66,229			66,229
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	192	-	-	192
Total (i+ii+iii)	66,421	-	-	66,421
Change in Indebtedness during the financial year :				
Addition	16,602	21,000		37,602
Reduction	11,642	10,000		21,642
Net Change	4,960	11,000		15,960
Indebtedness at the end of the financial year				
i) Principal Amount	71,194	11,000		82,194
ii) Interest due but not paid				-
iii) Interest accrued but not due	187			187
Total (i+ii+iii)	71,381	11,000		82,381

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Managing Director - Ajay Bijli	Whole-Time Director - Sanjeev Kumar	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,490,000	22,500,000	54,990,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	79,200
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- at 2.5 % of profit- others, specify...	40,579,675	40,579,675	81,159,350
5.	Others, please specify	-	-	-
	Total(A)	73,109,275	63,119,275	136,228,550
	Ceiling as per the Act			

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors					Total Amount
Independent Directors	Amit Burman	Vikram Bakshi	Sanjai Vohra	Sanjay Kapoor	Sanjay Khanna	
• Fee for attending board committee meetings	160,000	310,000		100,000	380,000	950,000
• Commission	100,000	100,000	1,200,000		100,000	1,500,000
• Others, please specify						
Total(1)	260,000	410,000	1,200,000	100,000	480,000	2,450,000
Other Non-Executive Directors	Renuka Ramnath	Vicha Poolvaraluk				
• Fee for attending board committee meetings	NIL	NIL				
• Commission	NIL	NIL				
• Others, please specify	NIL	NIL				
Total(2)	NIL	NIL				
Total(B)=(1+2)	NIL	NIL				
	NIL	NIL				
Total Managerial Remuneration	NIL	NIL				
Overall Ceiling as per the Act	N.A.	N.A.				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary - Naresh Chandra Gupta	CFO - Nitin Sood	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,763,282	24,419,909	36,183,191
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,635	1,424,522	1,464,157
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	17,473,280	17,473,280
3.	Sweat Equity	-	-	-
4.	Commission- as% of profit-others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	11,802,917	43,317,711	55,120,628

Annexure ‘7’

VII. Penalties/Punishment/Compounding of Offences:

Type	Section of Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal the made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

For and On behalf of the Board
For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure '8'

Particulars of Loans, Guarantee or Investment under Section 186 of the Companies as on March 31, 2017

		(Rs. in lakhs)
Sl. No.	Name of the Entity	March 31, 2017
LOAN MADE TO:		
1	Loan to wholly owned Subsidiary Company	2,000
2	Loan to Body Corporate	98
Total		2,098

		(Rs. in lakhs)
Sl. No.	Name of the Entity	March 31, 2017
INVESTMENTS MADE INTO :		
1	PVR Pictures Limited	2,102
2	Zea Maize Private Limited	4,340
3	PVR Leisure Limited	850
Total		7,292

For and On behalf of the Board

For PVR Limited

Place: New York
Date: May 30, 2017

Ajay Bijli
Chairman cum Managing Director

Annexure '9'

Dividend Distribution Policy of PVR Limited

PVR Limited (the "Company") has adopted the Dividend Distribution Policy (the "Policy") of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") on February 3, 2017.

Effective Date

The Policy shall become effective from the date February 3, 2017.

Purpose, Objectives and Scope

The Securities and Exchange Board of India ("SEBI") vide its Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year. Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (the "Board") of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this Policy, to pay progressive dividend, subject to the circumstances and factors enlisted hereon, which shall be preferably consistent with the performance of the Company over the years.

A. General Policy of the Company as regards Dividend

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following:

- Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors.

B. Considerations relevant for Decision of Dividend Pay-out

The Board shall consider the following, while taking decisions of a dividend payout during a particular year:

Statutory requirements

The Company shall observe the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Companies Act, 2013, which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

Agreements with lending institutions/ Debenture Trustees

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements as may be entered into with the lenders of the Company from time to time.

Extent of realized profits as a part of the IND AS profits of the Company

The extent of realized profits out of its profits calculated as per IND AS, affects the Board's decision of determination of dividend for a particular year. The Board is required to consider such factors before taking any dividend or retention decision.

Expectations of major stakeholders, including small shareholders

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, as far as possible, consider the expectations of the major stakeholders including the small shareholders of the Company who generally expects for a regular dividend payout.

C. Factors that may affect Dividend Pay-out

External Factors

Taxation and other regulatory concern

- Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.
- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

Product/ market expansion plan

The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to consider by the Board before taking dividend decision.

Macroeconomic conditions

Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Internal Factors

Past performance/ reputation of the Company

The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

Working capital management in the Company

The current working capital management system within the Company also impacts the decision of dividend declaration.

Age of the Company and its product/market

The age of the Company and its business of Multiplex in which the Company operates will be one of the most significant determining factors to the profitability of the Company and dividend declaration or retention.

D. Manner of utilisation of Retained Earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Other such criteria as the Board may deem fit from time to time.

E. Parameters for various Classes of Shares

- The factors and parameters for declaration of dividend to different class of shares of the Company shall be same as covered above.
- The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.
- The dividends shall be paid out of the Company's distributable profits and/or general reserves, and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.
- Dividend when declared shall be first paid to the preference shareholders of the Company as per the terms and conditions of their issue.

Amendment

To the extent any change/amendment is required in terms of any applicable law, the Managing Director, Chief Financial Officer or Company secretary of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any such changes/ amendments.

Management Discussion and Analysis

The following Management Discussion and Analysis Section should be read in conjunction with the financial statements and notes to accounts for the period ended March 31, 2017. This discussion contains certain forward looking statements based on current expectations, which entail various risks and uncertainties that could cause the actual results to differ materially from those reflected in them. All references to “PVR”, “we”, “our”, “Company” in this report refers to PVR Limited and should be construed accordingly.

Industry Structure & Development

In Current Year 2016, the Indian film industry grew by a mere 3 percent over the previous year to reach Rs.142.3 billion. Domestic theatricals and Cable & Satellite rights segments, the two major contributors to the industry’s revenues, along with the home video segment witnessed a negative growth.

Regional markets continued to grow with the increasing reach of Marathi, Punjabi & Gujarati markets starting to demonstrate greater depth in addition to major South India language markets. Hollywood movies recorded steady growth and increased their market share with increasing revenues coming from dubbed versions. However, demonetisation dampened the overall box office collections.

Current Year 2017 is expected to witness recovery of the domestic theatricals from the impact of demonetization. Films, especially regional, which postponed their release to 2017 are likely to contribute to the revenues of 2017 along with the originally planned releases. Overall, the industry is projected to grow at a CAGR of 7.7 percent till 2021 to be worth Rs. 206.6 billion.

Domestic box office has remained the main source of revenue with a 70 per cent share in the total revenues of the Indian film industry. This segment is expected to grow at a CAGR of 5.6 per cent over the next five years This is likely to be a combination of expansion in the exhibition sector –addition of multiplex screens and conversion of single screens into multiplex along with increase in average ticket prices (ATPs) - with converted single screen moving into higher ATP brackets

63 screens

Added during Financial Year 2017

Opportunities

Largest Industry

The Indian film industry is one of the largest globally with a history of steady growth. With films being the most popular form of mass entertainment in India, the film industry has witnessed robust double-digit growth over the past decade.

Under screened market

India’s challenge of low screen density (8 screens/million) is an opportunity which the multiplexes are capitalizing on. After the wave of consolidation in the industry in the last 3 years, the focus has now shifted to adding screens organically. In 2016, the multiplexes together added approximately 200 screens across India. Industry discussions indicate that the industry is likely to continue to grow at a similar pace – adding 200-250 screens per year.

This pace of growth, however, is woefully inadequate if India is to realize its true potential as a film market. If regulatory hurdles are eased at a state and local level, the industry has the potential to be a material player on the world stage in terms of market size.

Strengthening Food & Beverage (F&B) revenue stream

The multiplex chains have realized a steady increase in the F & B contribution to overall revenues over the years. To increase growth in this high margin revenue stream, multiplex chains have expanded their F&B menu, introduced live kitchen counter, increased point of sales distribution all over cinema and deployment of latest technology has eased the overall F&B buying process.

In-cinema advertising

Currently, it constitutes 1 per cent of the total advertising revenue pie but has huge growth potential. This growth can be attributed to expansion of multiplexes in metro/ non metro cities and nearly 100 per cent digitisation of screens. Digitisation has resulted in an increase in the volume of ad inventory and the ability to geographically target advertisements with multi lingual support. At the same time, the exhibition industry has become more organized, technologically advanced, and ensures a high level of transparency by providing real time campaign tracking to advertisers. The number of in-cinema advertisers has grown from 50-100 in 2010 to over 2,500 in 2016. Sponsorship revenues for PVR Cinemas increased by almost 19 per cent in 2016 over previous year.

Innovative models

Recently, PVR Cinemas took the initiative to develop new revenue stream in the form of On Demand Theatre Service. This service named as ‘Vakao’ is an online platform that enables consumers

PVR, IN PARTNERSHIP WITH HP, LAUNCHED ASIA'S FIRST VIRTUAL REALITY (VR) LOUNGE AT PVR ECX, MALL OF INDIA, NOIDA.

to watch any movie of their choice at their preferred theatre and works on the concept of crowdsourcing. The platform enables the consumer to invite enough people to join in for a show to be financially viable, and hence watch the movie of their choice at a theatre. In addition to empowering viewers with greater choice and convenience, the platform also gives them an option to view niche movies at a theatre.

Vakaa' currently has more than 122 theatres in 48 cities as a part of its Prime Theatre Inventory; the platform will be looking to expand into 50 more cities by bringing 100 more theatres on board by the second half of 2017 as it sets about to change the way entertainment is delivered and consumed in India. Some multiplexes are also working on a blanket permission from Information & Broadcasting (I&B) ministry to screen concerts, exhibitions, live matches.

Focus on attracting kids

Kids are an important audience and hence we are customizing screens to cater to this segment. In 2016, we launched "Playhouse", a space especially designed for kids. It is a 49-seater movie auditorium, screening children's movies and animated content. Features and facilities include a colorful, themed décor, bean bag seating sets, dimmer lights, customized food menu for kids, etc. these attributes make for a popular place for play-dates and birthday bashes.

Online Ticketing & Engagement

Ticketing – the e-ticketing platforms, such as BookMyShow, PayTm and Justdial, have witnessed a boost in ticket sales because of the user convenience they offer. With cheap availability of internet the online penetration has increased by multiple folds.

Engagement – Digital apps, social media, e-mails and a responsive website can communicate a brand's message effectively and give its audience a sneak preview of things to come, thereby driving awareness, interest and desire. E-magazines like movies first, Movie calendar app have also been creating awareness about when a movie is releasing.

Penetration into tier II and tier III markets

Tier-II and III cities across the country have witnessed significant changes over the past three-four years backed by high economic growth, infrastructure development, and evolution of the service sector. While metro cities witnessed the bulk of development in the past, future is expected to see the emergence of tier-II and III cities, which are largely unexplored markets

Demonetisation

Demonetisation negatively impacted revenues of exhibitors. The occupancy rate fell down to 5-7 percent and revenue was hit by 20-25 percent in first week post the demonetization effect gradually diminished.

For multiplexes, digital payments contributed significant amount (approx. 35 percent) to overall ticket sales before demonetization. This resulted in lesser impact on footfalls and revenues. Sales at theatre concessions were more affected as compared to footfalls.

Multiplexes extended various discounts and attractive offers to encourage audience shift to digital payments. Post demonetization PVR Cinemas online transactions contribution to total revenues (Box Office & F&B) increased from 34 percent to 43 percent whereas offline mode, non-cash transactions increased from 10 percent to 22 percent.

Threats/Risks

Piracy

Piracy continues to be one of the major issues affecting the Indian film industry with an annual loss of substantial revenues, to the tune of around INR 180 billion every year accompanied by a loss of 60,000 jobs every year. Over time, movie piracy has shifted from CDs and DVDs to online platforms. The modus-operandi involves use of sophisticated smartphones and camcorders to record films in theatres and then publish them on rogue websites. Such websites and their operations are believed to be closely linked to the spread of malware and cyber-crime. With increased penetration of smartphone devices and cheaper data charges, the situation is becoming worse each year. The latest challenge is leakage of pirated copies even before the official release of the film. Even sophisticated technologies like the watermarking of prints, which allow producers or rights holders to monitor the usage and movement of each print across the globe, have also not been able to stop piracy

Slow growth rate of real estate development

Development of multiplexes is largely dependent on growth of retail infrastructure. However, limited funding for the real estate industry has resulted in slow pace of mall development over the

Management Discussion and Analysis

75.2

million patrons at our cinemas during Financial Year 2016-17

past few years. This has led to increase in the acquisition prices of limited retail infrastructure. This trend is even more apparent in Tier II and Tier III towns.

Non uniformity of regulations

In India, cinema exhibition is a state subject resulting in different rules for cinemas licensing in each state. One of the biggest challenges to scalability is the red tape due to multiplicity of permissions or NOCs (which can go up to 40 in number) and different approval processes in different states. It can take from months to few years for the clearance of these licenses.

Complications in taxation of the film industry have arisen due to interplay of multiple indirect taxes and frequent changes in taxation law and judicial rulings. In addition, there are restrictions imposed by many states such as on the number of shows that can be played in a day/screen or capping the ticket prices. This restricts the revenue earning potential of the multiplex. On the other hand, high entertainment tax and complicated tax structures which vary from state to state also increases the cost of operations. These challenges slow down the pace of new investments from real estate developers and multiplex operators

Quality of Content

Success in the film exhibition business is heavily dependent on the flow of the content and quality of content being released during the year. The success of a release can be highly unstable and seasonal, therefore impacts the performance of the business.

With the advent of more and more professional entities into film production, the industry is becoming better and organized and is all set to roll out quality movies on a consistent basis thus producing quality movies for cinema goers. A film that is strong on content is well cast and marketed, can earn good returns.

Slow uptake of merchandising in India

Unlike other countries, India's merchandizing market is still not mature. Most Indian filmmakers have a relatively limited reach across the globe with piracy having its spillover effects on film

merchandising as well. Also due to diverse audience, the 'one size fits all' approach does not hold true for India. Absence of iconic figures, compromising product quality, limited popularity period and demand of film's merchandise are various other factors.

Initiatives required for growth of Exhibition Industry

Single window clearance

Since obtaining various licenses from different authorities by exhibitors is hampering the growth of screens, it becomes important that the single window clearance laws should be implemented by the government. The process of granting permissions/licenses needs to be expedited to reduce the losses to the cinema owners through interest cost and cost of keeping the property fully staffed in anticipation of the license. At the same time, the time period for license renewal (currently of 1 year) could be increased.

Slow Development of Malls

Emergence of multiplex screens in the last decade has dramatically changed the film exhibition space in India, however there is still a huge opportunity to rapidly increase the number of cinema screens in the next decade without causing oversupply.

Consolidation in the exhibition industry and a positive outlook in the economic and social conditions of the country could see investments being made to improve the infrastructure and increase screen density, but it would be important for both Central and State Governments to update and amend the regulations on priority. Currently, it would be easier to open a mall than it is to open a cinema hall, the licenses required to open a cinema hall are complex and time consuming and often discourage an investor.

Currently, there are only 4 film cities in the country, located in Mumbai, Hyderabad, Noida and Chennai. New film cities will not only help increase employment and tax revenue, but can also ease the strong pressure on the existing film cities.

Performance of the Company

The Company's financial performance is discussed under the head "Financial Highlights" in Directors Report to the Shareholders.

Operating performance

1. Footfalls & Occupancy

We entertained around 75.2 million patrons at our cinemas during Financial Year 2016-17 as compared to 69.6 million patrons during the Financial Year 2015-16, registering a growth of 8%. Your Company expects a robust growth in footfalls during the current year 2017-18.

2. Future Outlook

Future outlook for the Financial Year 2017-18 is positive and barring the unforeseen circumstances the company's performance is expected to show continued strong growth.

Internal control systems and their adequacy

Your Company believes that sound internal controls and systems are related to the principle of good governance, and should be exercised within a framework of proper checks and balances. Accordingly, your Company has devised and implemented such internal control systems as are required in its business processes; the adequacies of these have been confirmed by the Statutory Auditors in their Report. The Company remains committed to ensuring a reasonably effective internal control environment that provides assurance on the operations and safeguarding of its assets. The internal controls have been designed to provide assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company has adequate internal control systems

commensurate with its size and need. M/s KPMG periodically review all control systems and assists in monitoring and upgrading the effectiveness of control systems. The Audit Committee also reviews this process.

Material developments in human resources

Recruitment & Selection

At PVR, we believe in hiring potential talent and develop their skills further by putting up a structured and extensive training programme to develop them of professionals who would handle patrons by providing highest level of customer services in the entertainment world. The stern process of selection encompasses evaluating candidates based on their educational background, Skill & Industry experience. Our linkage with best education and training institutes ensures constant supply of resources that are industry trained and ready to deliver on the values that govern the organization.

Industrial Relations

With our fair management practices across the board we ensure a congenial work environment and a good quality of work life.

Report on Corporate Governance

Corporate Governance

Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. As required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (herein referred as SEBI (LODR) Regulations, 2015) the Company has complied with the conditions of Corporate Governance by establishment of a framework for compliance in accordance with the SEBI Regulations.

Company's philosophy on Corporate Governance

PVR's philosophy on Corporate Governance is driven by its desire towards attainment of the highest levels of transparency, accountability and equity, in all the field of its operations, and in all its dealings with its stakeholders, from shareholders and employees to Government, Lenders etc. The Company believes that all its operations and actions must serve the goals of enhancing overall enterprise value and safeguarding the shareholder's trust.

Corporate Governance is an integral part of PVR in its pursuit of excellence, growth and value creation. It continuously endeavors

to leverage available resources for translating opportunities into reality. During the year under review, the Board of Directors, Management and employees continued its pursuit of achieving these objectives through the adoption and monitoring of prudent business plans, monitoring of major risks of the Company's business. The Company pursues policies and procedures to satisfy its legal and ethical responsibilities. The Company's Philosophy is to achieve business excellence and optimize long-term Shareholders' value on a sustained basis by ethical business conduct. The Company is committed to transparency in all its dealings and places strong emphasis on business ethics.

Board of Directors

Composition of the Board

As on March 31, 2017, the Company had Seven Directors on the Board. The Board is comprised of two Executive Directors and five Non Executive Directors out of which four are Independent Directors.

Mr. Ajay Bijli, the promoter and Executive Director is the Chairman of the Board and accordingly, the number of the Independent Directors is more than half of total number of Directors.

The terms of reference of the Board of Directors are in accordance with that inter-alia specified in SEBI (LODR) Regulations, 2015 and other applicable provisions of the Companies Act, 2013.

The composition of the Board of Directors during Financial Year 2016-17, the details regarding directorship/membership in Committees of public companies, attendance in last Annual General Meeting & Board Meetings held during the financial year 2016-17 are as follows:

Name of the Directors	Category	Shareholding in the Company (No. of shares)	No. of Board Meetings attended during the financial year	Attendance at the last AGM held on September 29, 2016	Number of other Directorships* as on March 31, 2017	Number of Committee Memberships and Chairmanship in all Companies including PVR Limited	
						Memberships	Chairmanships
Ajay Bijli	Promoter, Chairman cum Managing Director	52,60,298	5	Yes	3	7	1
Sanjeev Kumar	Promoter, Joint Managing Director	37,28,892	5	Yes	2	2	N.A.
Renuka Ramnath	Non-Executive, Non Independent	0	2	No	8	11	2
Vikram Bakshi	Non -Executive, Independent	0	6	No	2	4	3
Sanjai Vohra	Non -Executive, Independent	6,338	3	Yes	2	5	3
Amit Burman	Non -Executive, Independent	0	4	No	4	12	1
Sanjay Khanna	Non -Executive, Independent	0	6	No	2	7	N.A.
Vicha Poolvaraluk	Non -Executive, Non Independent	0	0	No	-	-	-
Sanjay Kapoor	Non -Executive, Independent	0	2	No	-	-	-

*(Excluding Directorship in Private Company, Foreign Companies & companies Under Section 6 of the Companies Act, 2013).

- Mr. Sanjay Kapoor resigned from the Company w.e.f. September 9, 2016 and Mr. Vicha Poolvaraluk, a Director of the Company has ceased to be on the Board of the Company pursuant to provisions of Section 167(1)(b) of Companies Act, 2013 w.e.f May 31, 2016.

Meetings, agenda and proceedings etc of the Board Meeting

The Board of Directors met six (6) times during the year as follows:

- May 9, 2016
- May 27, 2016
- July 29, 2016
- September 20, 2016
- October 27, 2016
- February 3, 2017

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 3, 2017 to review the performance of Non-independent Directors (including the Chairman of the Company) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Limit on the number of Directorships:

In compliance with Regulation 25(1) of SEBI (LODR) Regulations, 2015, the Directors on the Board of the Company does not serve as Independent Directors in more than 7 listed companies or in case he is serving as a Whole Time Director in any Listed Company, does not hold such position in more than 3 Listed Companies.

Agenda:

All the meetings are conducted as per well designed and e-secured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiary Companies for the information of the Board. Supplementary agenda in the form of "Other Business" are included with the permission of the Chairman. E-secured agenda is circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting for ratification / approval.

Invitees & Proceedings:

Apart from the Board members and the Company Secretary, the CFO, CEO, Chief Human Resource Officer and Chief Business

Planning & Strategy Officer are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance. The Managing Director, CFO and other senior executives make presentations on operational health & safety and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

Post Meeting Action:

Post meetings, all important decisions taken at the meeting are communicated to the members of the Board by way of draft minutes for their confirmation/comments.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required information and documents etc.

Induction and Training of Board Members

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a familiarisation program including the presentation from the Managing Director & CEO on the Company's marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The familiarisation programmes for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to company's multiplexes etc. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members.

Evaluation of Board's Performance

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including

Report on Corporate Governance

the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management of the Company which is available on the website of the Company www.pvrcinemas.com. All Board members and senior management that includes Company's executives' one level below the Board have affirmed compliance with the said Code as per Regulation 26(3) of SEBI (LODR) Regulations, 2015. A declaration signed by the Chairman to this effect is provided elsewhere in the Annual Report.

Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Practices and Procedures for Fair disclosure of Unpublished Price Sensitive Information for Prevention of Insider Trading. All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code.

The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. N C Gupta, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities.

Committees of the Board

Audit Committee

Terms of Reference

The terms of reference of the Audit Committee are as per the guidelines set out in the SEBI (LODR) Regulations, 2015 with the stock exchanges read with section 177 of the Companies Act, 2013. These broadly includes (i) Develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal control and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements, (v) interaction with statutory and internal auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors (vii) reviewing and examining with the management, the annual financial statements and auditor's

report thereon before submission to the Board for approval (viii) Reviewing of related party transactions (ix) Review the Whistle Blower mechanism etc.

Composition, Meetings and Attendance:

The Board has constituted a well-qualified Audit Committee. As on March 31, 2017, the Audit Committee is comprised of four Non Executive and Independent Directors. The Chief Financial Officer, the Statutory Auditors and the Internal Auditors are the invitees in the Committee meetings.

The Company Secretary acts as the secretary of the Audit Committee.

The Terms of reference of the Audit Committee are in accordance with those specified in Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

Composition and Attendance

During the year under review the Audit Committee met Four times on May 27, 2016, July 29, 2016, October 27, 2016 and February 3, 2017 and the maximum gap between any such two meetings did not exceed four months as stipulated under Regulation 18 of SEBI (LODR) Regulations, 2015.

Name of the Members	Category of Director	No. of meetings attended
Mr. Sanjai Vohra (Chairman)	Independent	3
Mr. Amit Burman	Independent	2
Mr. Sanjay Khanna	Independent	4
Mr. Vikram Bakshi	Independent	4
Mr. Sanjay Kapoor	Independent	1

- Mr. Sanjay Kapoor resigned from the Company w.e.f. September 9, 2016

Nomination and Remuneration Committee

Terms of Reference

The Nomination and Remuneration Committee consists of five members with majority of Independent Directors. The Nomination and Remuneration Committee is empowered:

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personals.

- iii. Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- iv. Conduct Annual performance review of MD and CEO and Senior Management Employees;
- v. Administration of Employee Stock Option Scheme (ESOS);
- vi. Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

Composition

Name of the Members	Category of Director	No. of meetings attended
Mr. Sanjai Vohra (Chairman)	Independent	2
Mr. Amit Burman	Independent	2
Mr. Sanjay Kapoor	Independent	2
Mr. Ajay Bijli	Executive	4
Ms. Renuka Ramnath	Non-executive	1

- Mr. Sanjay Kapoor resigned from the Company w.e.f. September 9, 2016

The Committee met four times on May 27, 2016, June 8, 2016, July 29, 2016 and February 3, 2017

Remuneration Policy

The Remuneration policy of the Company is aimed at rewarding performance, based on review of the achievements on a regular basis. The remuneration paid to the Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders and such other authorities if any required. Detailed Remuneration Policy is provided on the Company's Website www.pvrcinemas.com.

Remuneration paid to Directors

Executive Directors

The details of the remuneration to the Executive Directors are as under:

Mr. Ajay Bijli, Chairman cum Managing Director (CMD) and Mr. Sanjeev Kumar, Joint Managing Director (JMD) of the Company were paid the following remuneration and perquisites during the year under review:

Remuneration	Mr. Ajay Bijli	Mr. Sanjeev Kumar
Salary	2,16,60,000	1,50,00,000
Perquisites (HRA)	1,08,30,000	75,00,000
Commission paid @ 2.5% of Net Profits	4,19,84,000	4,19,84,000
Total	7,44,74,000	6,44,84,000

Non-Executive Directors

Further, the following Non-Executive Directors of the Company were paid remuneration (Sitting fees) and commission for their overall engagement and contribution for the Company's business and for attending meetings of the Board/Committee of the Directors as follows:

Remuneration	Sitting Fees (Rs.)	Commission	No. of Shares held
Mr. Sanjay Khanna	3,80,000	1,00,000	NIL
Ms. Renuka Ramnath	NIL	NIL	NIL
Mr. Amit Burman	1,60,000	1,00,000	NIL
Mr. Vikram Bakshi	3,10,000	1,00,000	NIL
Mr. Vicha Poolvaraluk	NIL	NIL	NIL
Mr. Sanjai Vohra	NIL	12,00,000	6,338
Mr. Sanjay Kapoor	1,00,000	NIL	NIL
Total	9,50,000	15,00,000	6,338

The Company does not have any direct pecuniary relationship/transaction with any of its Non Executive Directors.

Stakeholders Relationship Committee

Terms of Reference

This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

Report on Corporate Governance

Composition and Attendance

The Committee is headed by Mr. Vikram Bakshi, Independent Director and consists of the members as stated below:

Name of the Members	Category of Director	No. of meetings attended
Mr. Vikram Bakshi (Chairman)	Independent	1
Mr. Sanjeev Kumar	Executive	1
Mr. Ajay Bijli	Executive	1
Mr. Sanjay Khanna	Independent	1

During the year under review, the members of Stakeholders Relationship Committee met once on February 3, 2017.

Mr. N C Gupta, Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to look into the redressal of the Shareholders and investors complaints and report the same to the Stakeholders Relationship Committee.

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under:

Total Complaints received	:	29
Total Complaints redressed	:	29
Pending as on March 31, 2017	:	Nil

The transfer/transmission/split, etc. of physical share certificates is approved normally once in a fortnight on the basis of recommendations received from the Company's Registrars and Share Transfer Agent M/s Karvy Computershare Private Limited. The Investors may lodge their grievances through e-mails at cosec@pvrcinemas.com or through letters addressed to Mr. P A Varghese, General Manager, Unit PVR Ltd., Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032.

Corporate Social Responsibility Committee:

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act 2013. The Committee is headed by the Board Chairman, Mr. Ajay Bijli and consists of the members as stated below:

Name of the Members	Category of Director	No. of meetings attended
Mr. Ajay Bijli (Chairman)	Executive	2
Mr. Sanjeev Kumar	Executive	2
Mr. Sanjai Vohra	Independent	1
Mr. Sanjay Khanna	Independent	2

During the year under review, the members of Corporate Social Responsibility Committee met twice on July 29, 2016 and February 3, 2017.

The Terms of Reference of the Committee are as follows:-

- to frame the CSR Policy and its review from time-to-time.
- to ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- to ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

Detailed CSR Policy is provided on the Company's Website www.pvrcinemas.com.

Management

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is given separately and forms part of this Annual Report.

Disclosures

Related Party Transaction Policy:

This Policy of PVR is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions in this regard. Detailed Related Party Transaction Policy is provided on the Company's Website www.pvrcinemas.com.

The company has followed the Accounting Standards notified under section 133 of the Companies Act 2013 read with rule 7 of the Companies (Account) Rules, 2014 in preparation of the financial statements.

The company has complied with the regulations issued by SEBI and terms and conditions of Listing Agreement with the Stock Exchanges.

In compliance with the revised SEBI regulations on prevention of insider trading, the Company has revised the existing code of conduct on prevention of insider trading to meet the requirements of revised regulations. The new code also lays down guidelines which advise management, employees on procedures to be followed

and disclosures to be made, while dealing with the shares of the company and cautioning them of the consequences of violations.

Vigil mechanism Policy: Section 177(9) of the Companies Act 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 requires that a Company shall establish a vigil mechanism for directors and employees for reporting concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provisions for direct access to any member of the Whistle Blower Investigation Committee. The details of establishment of such mechanism has been disclosed by the Company on its website.

During the year under review, the Company does not have any material listed/ material unlisted subsidiary companies as defined in Regulation 24 of SEBI (LODR) Regulations, 2015.

CMD/CFO Certification

The Certificate from Mr. Ajay Bijli, Chairman cum Managing Director and Mr. Nitin Sood, Chief Financial Officer in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 for the year under review as placed before the Board is enclosed at the end of this report.

Reappointment / Appointment of Directors

Mr. Ajay Bijli will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment. A brief resume of the director being appointed / re-appointed, the nature of his expertise in specific functions areas, name of companies in which he has held directorships, his shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM. Your directors recommend his reappointment at the ensuing AGM.

Last Three AGMs of the Company

Annual General Meetings:

Details of the last three Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Day & Date	Time	Venue	Special Resolutions passed
2013-14	Monday, September 29, 2014	10:30 A.M.	The Mapple Emerald, Rajokri, NH-8, Delhi-110038	Yes
2014-15	Tuesday, September 29, 2015	10:30 A.M.	The Mapple Emerald, Rajokri, NH-8, Delhi-110038	Yes
2015-16	Thursday, September 29, 2016	10:30 A.M.	The Mapple Emerald, Rajokri, NH-8, Delhi-110038	Yes

Postal Ballot

No resolution was passed during Financial Year 2016-17 through Postal Ballot/e-voting

Means of Communication

The Company interacts with its shareholders through multiple forms of corporate and financial communication such as annual reports, result announcement which includes quarterly, half-yearly and annual financial results and media releases. The financial results are also made available at the website of the Company www.pvrcinemas.com. The website also displays official news releases.

Communication to shareholders on email: As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Reports, ECS advices for dividends, etc. were sent to

the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

NEAPS (NSE Electronic Application Processing system) and BSE Corporate Compliance & Listing Centre: NSE and BSE have developed web based applications for corporate. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS/BSE Listing centre.

SCORES (SEBI complaints redressal system): SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder

Report on Corporate Governance

can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Exclusive email ID for investors: The Company has designated the email id investorrelations@pvr cinemas.com exclusively for investor servicing.

The Annual Results of the Company were published in the following newspapers:

Newspapers	Language	Region
Financial Express	English	Delhi, Ahmadabad, Chandigarh, Lucknow, Bangalore, Bombay, Kolkata, Chennai Cochin and Hyderabad.
Jansatta	Hindi	New Delhi
Business Standard	English	Delhi, Ahmadabad, Bangalore, Bombay, Bhubnashewar, Kolkata, Chandigarh, Cochin, Hyderabad, Lucknow, Chennai and Pune

General Shareholders' Information

1. Annual General Meeting	: July 24, 2017 10.30 A.M. at The Mapple Emerald Rajokri, National Highway-8 New Delhi – 110038
2. Financial Calendar	: Tentative Schedule
The Company follows the period of April 1 to March 31, as the Financial Year.	
First quarterly results	: July, 2017
Second quarterly / Half yearly results	: October, 2017
Third quarterly results	: January, 2018
Annual results for the year ending on March 31, 2018	: May, 2018
Annual General Meeting for the year ending on March 31, 2018	: September, 2018
3. Book Closure Date	: 19.07.2017 to 24.07.2017 (both days inclusive)
4. Dividend Payment	: on or before August 4, 2017
5. Listing on Stock Exchanges	: BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
6. Stock Code	: BSE Script Code: 532689; NSE Symbol: PVR ISIN: INE 191H01014

7. Market Price Data

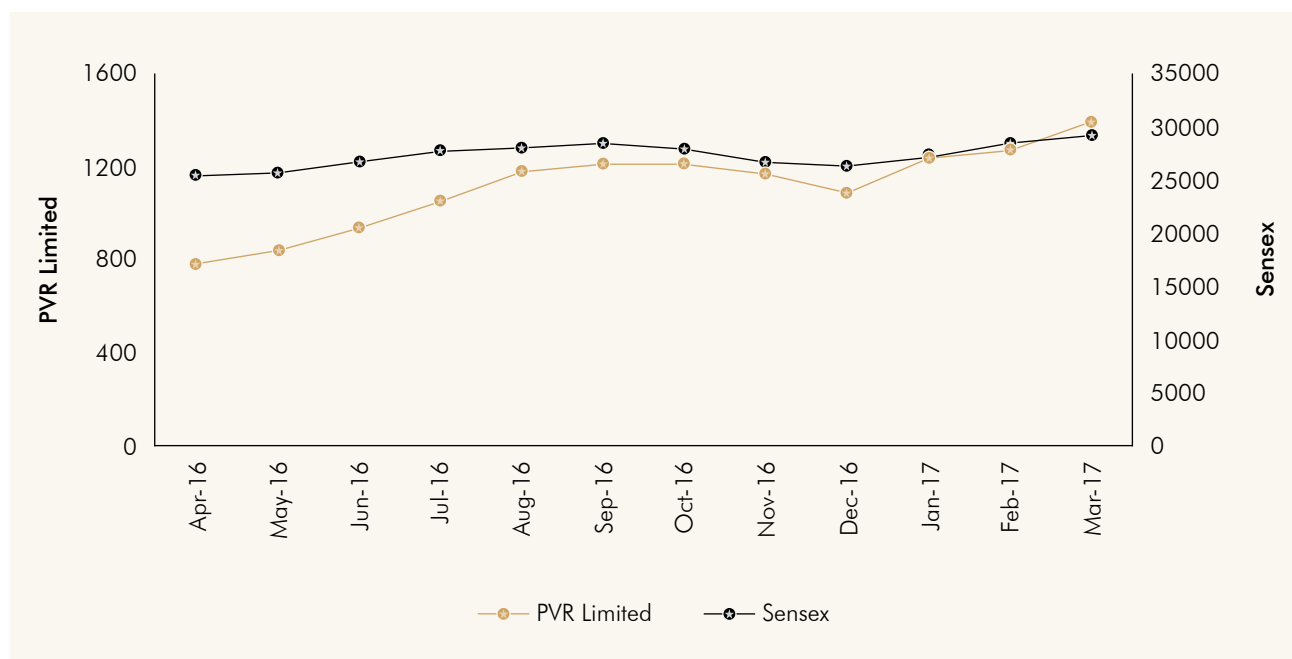
Monthly High Low for the year under review

Month	NSE			BSE		
	High	Low	Volume	High	Low	Volume
Apr-16	791.81	784.01	17,40,092	791.24	773.12	94,792
May-16	857.60	843.61	16,62,318	856.69	833.31	1,74,296
Jun-16	956.68	939.85	33,45,695	955	924.07	7,29,809
Jul-16	1077.09	1051.72	62,08,033	1076.26	1029.83	6,54,244
Aug-16	1204.53	1180.82	32,20,854	1204.78	1163.02	4,48,449
Sep-16	1239.29	1213.65	40,08,262	1240.37	1191.51	6,26,777
Oct-16	1227.57	1210.29	16,47,214	1227.61	1196.58	1,74,967
Nov-16	1199.82	1168.93	30,34,632	1198.61	1140.85	1,80,410
Dec-16	1108.63	1086.64	26,98,313	1107.68	1071.91	1,34,076
Jan-17	1251.86	1228.58	60,20,910	1259.26	1211.16	3,29,953
Feb-17	1290.15	1290.15	16,45,914	1289.29	1257.29	1,44,008
Mar-17	1405.25	1370.82	43,23,120	1405.66	1370.73	5,71,993

8. Performance of PVR Share Price in Comparison to:

BSE Sensex

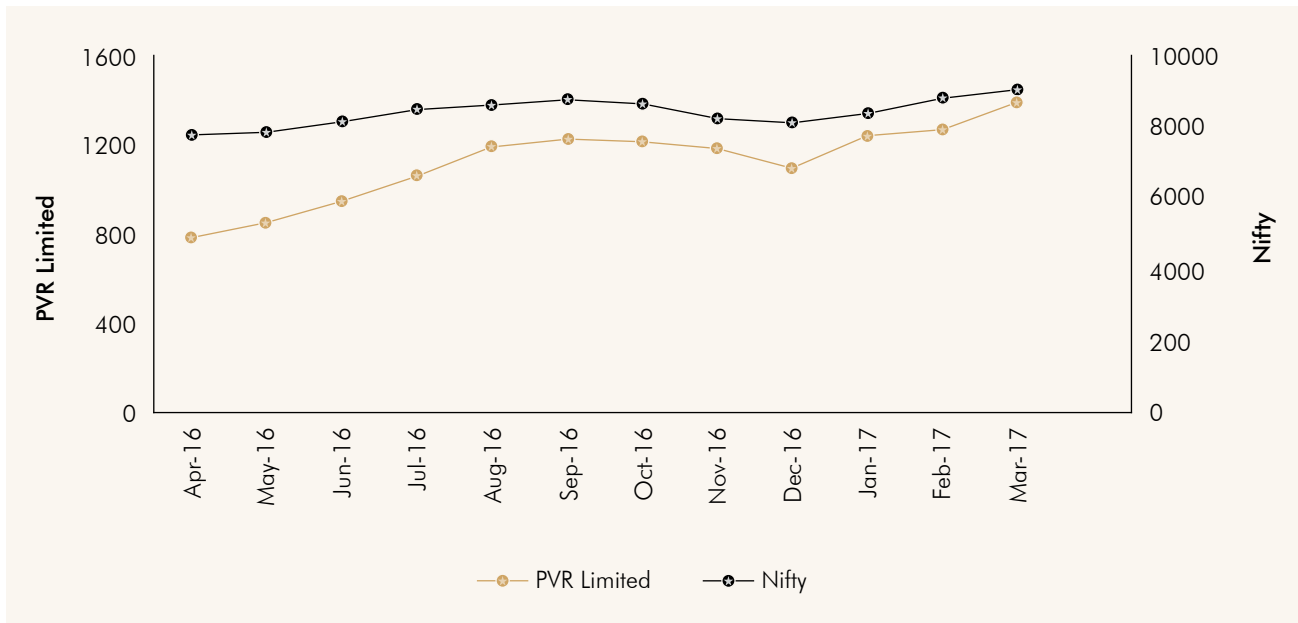
Sensitivity at BSE



Report on Corporate Governance

NSE Nifty Index

Sensitivity at BSE



9. Registrar and Transfer Agents : Karvy Computershare Private Limited (KCPL),
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad- 500 032
Tel : +91-40-23420 815-824
Fax: +91-40-23420 814
Website: www.kcpl.karvy.com
10. Share Transfer System : Shares in physical form can be lodged with KCPL at the above mentioned address.
11. (a) Distribution Schedule

Category (Amount)	Distribution Schedule - Consolidated as on 31-03-2017				
	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	29,649	97.318322	1,269,613	12,696,130	2.716413
5001- 10000	307	1.007681	230,236	2,302,360	0.492604
10001- 20000	176	0.577693	257,286	2,572,860	0.550479
20001- 30000	52	0.170682	131,196	1,311,960	0.280702
30001- 40000	31	0.101753	110,720	1,107,200	0.236892
40001- 50000	20	0.065647	92,394	923,940	0.197682
50001- 100000	59	0.193659	449,999	4,499,990	0.962800
100001& Above	172	0.564564	44,197,144	441,971,440	94.562429
Total	30,466	100.00	46,738,588	467,385,880	100.00

11. (b) Shareholding Pattern

Category	Consolidated Shareholding Pattern as on 31-03-2017		
	No. of Holders	Total Shares	% To Equity
FOREIGN PORTFOLIO INVESTORS	131	1,69,75,454	36.319998
PROMOTERS	2	89,89,190	19.232909
FOREIGN CORPORATE BODIES	5	82,16,030	17.578687
MUTUAL FUNDS	48	56,98,555	12.192399
RESIDENT INDIVIDUALS	28,247	23,76,452	5.084561
BODIES CORPORATES	461	19,37,923	4.146302
FOREIGN INSTITUTIONAL INVESTORS	13	12,25,336	2.621680
NON RESIDENT INDIANS	477	5,01,532	1.073058
PROMOTER GROUP	2	4,29,115	0.918117
EMPLOYEES	8	1,15,345	0.246788
ALTERNATIVE INVESTMENT FUND	1	87,000	0.186142
H U F	784	65,320	0.139756
CLEARING MEMBERS	77	63,949	0.136823
NON RESIDENT INDIAN NON REPATRIABLE	199	42,040	0.089947
BANKS	3	10,751	0.023002
NBFC	4	3,748	0.008019
TRUSTS	3	845	0.001808
INDIAN FINANCIAL INSTITUTIONS	1	3	0.000006
Total	30,466	4,67,38,588	100.00

12. (b) Dematerialization of shares and liquidity

Our Equity Shares are traded in dematerialized form since its listing. We have entered into agreement with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate trading in dematerialized form in India.

The breakup of Equity Share capital in dematerialized form held with depositories and in physical form as on March 31, 2017 is as follows:

Category	No. of Holders	Total Shares	% to Equity
PHYSICAL	192	1,292	0.002764
NSDL	22,298	4,58,24,186	98.043582
CDSL	7,976	9,13,110	1.953653
Total	30,466	4,67,38,588	100.00

Report on Corporate Governance

Consolidation of folios and avoidance of multiple mailing

In order to enable the company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

Service of documents through Email

In terms of provisions of Companies Act, 2013 service of documents on members by a Company is allowed through electronic mode. Further, as per Listing Regulations, Listed Companies shall supply soft copies of full annual reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like shareholders meeting notice/other notices, Audited Financial Statements, Director's Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. This will definitely help prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit.

Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company.

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Transfer Agents.

Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/transmissions etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

Reconciliation of Share Capital Audit

S Anand SS Rao, an Independent firm of practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted/ held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Stakeholders' Relationship Committee of the Board.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

13. Address for correspondence

Registered Office

Corporate Office

Investor grievance email

: Mr. Pankaj Dhawan
Company Secretary & Compliance Officer
PVR Limited

: 61, Basant Lok, Vasant Vihar, New Delhi – 110057

: Block A, 4th Floor, Building No. 9A, DLF Cyber City,
Phase-III, Gurugram, Haryana – 122002

cosec@pvr cinemas.com

Tel: + 91-124-4708100

Fax: + 91-124-4708101

Website: www.pvr cinemas.com

14. Certificate on Corporate Governance

A certificate from Practicing Company Secretary on compliance of Regulation 34(3) of SEBI (LODR) Regulations, 2015 relating to corporate governance is published as an Annexure to the Director's Report.

Certification by Chief Executive Officer & Chief Financial Officer of the Company

We, Ajay Bijli, Chief Executive Officer and Nitin Sood, CFO of PVR Limited, to the best of our knowledge and belief certify that

- A. We have reviewed financial statements and the cash flow statement of the Company for the financial year ended March 31, 2017 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain 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. 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 for financial reporting and procedures for the company and that we have evaluated the effectiveness of Company's internal control systems and procedures pertaining to financial reporting.

- D. We have indicated based on our most recent evaluation wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:

1. Deficiencies in the design or operation of internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
2. Significant changes in internal control over financial reporting during the year.
3. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
4. Any fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company internal control system over financial reporting.

Place: New York/ Gurugram
Date: May 30, 2017

Ajay Bijli **Nitin Sood**
CEO CFO

Certification by Chief Executive Officer of the Company

I declare that all Board Members and Senior Management personnel have affirmed compliances with the code of conduct for the Financial Year 2016-17.

Place: New York
Date: May 30, 2017

Ajay Bijli
CEO

Business Responsibility Report

About PVR Ltd

PVR is the largest and most premium film exhibition company in India. Since its inception in 1997, the brand has redefined the way entertainment is consumed in India. PVR currently operates a cinema circuit comprising of 579 screens at 126 properties in 50 cities (18 states and 1 Union Territory), serving approx. 75 million patrons annually.

About this report

The Securities and Exchange Board of India (SEBI) as per its (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of Company's Annual Report for top 500 listed entities

based on market capitalization at the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2015 which contains 9 Principles and Core Elements for each of the those 9 Principles. SEBI vide circular SEBI/HO/CFD/CMD/CIR/P/2017/10 dated February 6, 2017 have provided that the integrated reporting may be adopted on a voluntary basis from Financial Year 2017-18 by top 500 companies which are required to prepare BRR. Detailed Business Responsibility Report for 2015-16 (available at: www.pvrcinemas.com)

SECTION A

General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L74899DL1995PLC067827
2. Name of the Company	PVR Limited
3. Registered address	61, Basant Lok, Vasant Vihar, New Delhi-110057
4. Website	www.pvrcinemas.com
5. E-mail id	cosec@pvrcinemas.com
6. Financial Year reported	April 1, 2015 to March 31, 2016
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	59141
8. List three key products/services that the Company manufactures/provides (as in balance sheet) :	Exhibition of Films, F&B and Sponsorship
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	None
(b) Number of National Locations	50 Cities
10. Markets served by the Company	India

SECTION B

Financial Details of the Company

- | | |
|--|-------------------------------|
| 1. Paid up Capital (INR) | Rs. 46,68,69,380 |
| 2. Total Turnover (INR) | Financial Results are awaited |
| 3. Total profit after taxes (INR) | Financial Results are awaited |
| 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | 2% |
| 5. List of activities in which expenditure in 4 above has been incurred | |
| • Eradicating of Hunger | |
| • Eradicating of Poverty | |
| • Promoting Health Care | |
| • Promoting Education | |
| • Gender Equality | |
| • Women Empowerment | |
| • Environment Sustainability | |
| • Protection of Heritage | |

SECTION C

Other Details

- Does the Company have any Subsidiary Company/ Companies?
Yes, Company has three subsidiary companies:
 - PVR Pictures Limited
 - PVR bluO Entertainment Limited
 - Zea Maize (P) Ltd.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
No, subsidiary companies do not participate in BR initiatives.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
Yes, Less than 30%.

Business Responsibility Report

SECTION D

BR Information

1. Details of Director/Directors responsible for BR

a. Details of the Director/Director responsible for implementation of the BR policy/policies

DIN	Name	Designation
	Mr. Ajay Bijli	Chairman cum Managing Director
	Mr. Sanjeev Kumar	Joint Managing Director
	Mr. Sanjai Vohra	Independent Director
	Mr. Sanjay Khanna	Independent Director

b. Details of the BR head

i. DIN Number (if applicable)	
ii. Name	Mr. Nitin Sood
iii. Designation	CFO
iv. Telephone Number	011-4708100
v. e-mail id	nitin.sood@pvrcinemas.com

2. Principle-wise (as per NVGs) BR Policy/policies

a. Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Yes. The policy has been approved by the Board and signed by the Managing Director.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes, the Company has various Committees of Board/Directors/Officials to oversee the implementation of the policy.								
6	Indicate the link for the policy to be viewed online?	www.pvrcinemas.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policy has been communicated to all the internal and external stakeholders								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievances or feedback to the policies can be sent to investors@pvrcinemas.com								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

- b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Depending upon need, the Senior Management may periodically assesses the BR performance of the Company.

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Once the BR Report is approved by the Board, the Company will put it on Company's website.

recipe to achieve business excellence and optimize long-term value. As our business grows, the governance and management of our company has assumed critical importance.

To fulfill our commitment towards good corporate governance, we strive to instill a proper sense of ethics in each and every employee. Our Code of Ethics & Conduct covers not just our employees but also extends to the Board members and members of the Committees of the Board. The promoter family believes that they have a trusteeship and fiduciary role to follow both in terms of perpetuating the family business and in preserving and growing the business.

We rely on our employees to uphold our values and follow our expectations of ethical conduct. PVR has a detailed Code of Ethics & Conduct which ensures a common minimum standard for professional behavior from all our employees. We supplement our code with detailed policies on aspects such as anti-harassment, whistle-blower protection and other issues concerning our workplace.

The Code of Conduct not only outlines fundamental ethical considerations, but also addresses more specific considerations of professional conduct. The code lists out specific professional responsibilities expected from all members of the PVR family. These include living the PVR values each day, knowing and respecting existing laws, observing corporate discipline and being accountable to all stakeholders, among others. All employees are required to understand this code and agree to abide by it. The policy is also regularly updated and all employees are informed about the same.

PVR's Whistle Blower & Protection policy is a platform for our stakeholders (namely directors, employees & their representative bodies, business associates and security holders) to report unethical business practices at the workplace without the fear of reprisal; thereby helping the organization eliminate any malpractices in the system.

PRINCIPLE 1:

Ethics, Transparency & Accountability

PVR Ltd is a growing organization. Its leadership is conscious of its responsibility towards governance and ethics in the larger context of society and nation as a whole. Our investors have reposed their faith in us to safeguard their investments through consistent delivery of high level returns, by carrying out its business dynamically and leading from the front.

As a value-based, socially responsible organization, PVR operates its business in accordance with local legislations in all the respective States where it operates as per Company's Code of Conduct. PVR is bound to the ethical standards in its operations and behavior.

PVR Code of Conduct is an integral part of the service conditions for employment in the company and it describes general duties, responsibilities and management's expectations regarding behaviors and conduct of employees. Our policy on code of business conduct and ethics is, in fact, a key ingredient in our

Business Responsibility Report

Risk Assessment & Minimization Committee is responsible for addressing each complaint raised and makes recommendations on corrective actions to the management to act on immediately.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs Others?

The Company's policies on Ethics, Transparency and Accountability along with the Code of Conduct, is applicable to all individuals working in the Company including its Directors and others in the PVR Group Companies. The Company encourages its business partners to follow the code.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaint received during Financial Year 2016 - 17	Complaint resolved during Financial Year 2016-17	Complaints resolved (%)
Investors' complaint	29	29	100
Consumers' complaint	3,512	3,350	95
Total	3,541	3379	97.50

PRINCIPLE 2:

Products Lifecycle Sustainability

As a growing organisation, PVR understands its responsibility towards the society and knows how critical it is that it profitably, yet safely, provide its products that benefit its consumers. Each of Company's products helps it move closer to our commitment of being dedicated to the Health & Well-being of every consumer.

We don't spare any effort in ensuring that our products at F&B counters in all cinemas are safe and that the highest quality of standards is maintained throughout the entire supply chain, from the raw material to the finished product. We ensure that all our vendors conform to the standards as laid down by FSSAI.

We have zero-tolerance for any deviation in quality of our products. Quality is the hallmark across the value chain. We know that the best raw materials help make the best products. All the raw material that we use for our F&B products is compliant with standards laid out by the FSSAI. We also ensure that all disposables and packaging material are of food grade quality.

PVR believes in complete transparency when it comes to product labelling and claims. We are committed to providing reliable nutritional information about our food and health products and comply by all the statutory norms and regulation as specified by the regulatory bodies. We inform our consumers about the ingredients in all our products to help them make an informed choice and pick the best products.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Popcorn
- Nachos
- Sandwiches

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

N.A.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

PVR has established an approved procedure to ensure sustainable sourcing of products.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, PVR has embedded sustainability throughout its procurement supply chain and raw materials are procured from vendors close to the cinemas wherever applicable thereby fulfilling its social responsibilities towards the communities surrounding its different places of work.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company has always strived to reduce waste associated with its products and use products which are recyclable in nature for e.g. Paper napkins etc.

PRINCIPLE 3:

Employee's Well-Being

PVR today has a dedicated and an inspired workforce stands at 9,862 in India including staff hired on a contractual basis across the nation. Our talent acquisition, development and retention

practice has helped us address the requirements for organizational and business growth.

Our Human Resources (HR) team works towards creating an environment that supports the professional development of our team members and significant investments are made every year to attract, retain and develop the potential of those talented people essential to our continued success.

We have implemented various learning initiatives for well-rounded development of our people. The company follows a process for identification of training needs, which emphasizes linkage between business and individual performance and customer satisfaction. Keeping in mind the needs of different trainee groups, we employ a mix of various formats to deliver training to our people through classroom training, outbound training, and on-the-job training. We have also put in place regular orientation and refresher programs for our frontline cinema staff.

In addition, we also ensure our internal stake holders' participation for feedback and improvements through a 360 degree assessment. The aspect of innovation is further emphasized through "PVR Innovation Awards" and cross functional synergy is encouraged through various participatory group discussions. Our key technology implementation also takes into account employee participation in the change process and thus they are exposed to the leading practices of the industry.

Our training and development programs also cater to our contractual workforce.

1. Please indicate the Total number of employees.

PVR's manpower strength in the beginning of Financial Year 2017-18 stood at 9,862 employees

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

PVR employed 4,951 contractual employees in Financial Year 2016-17

3. Please indicate the Number of permanent women employees.

We encourage diversity and have currently 582 permanent women employees on our rolls.

4. Please indicate the Number of permanent employees with disabilities

Presently, we do not have any employee with disability. However a program is being envisaged to engage people with physical disabilities.

5. Do you have an employee association that is recognized by management.

No we do not have any employee association recognized by management. However in accordance with Rights to Freedom of association our employees individual freedom is not restricted.

6. What percentage of your permanent employees is members of this recognized employee association?
N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	10 cases in last calendar year	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

Particulars	Corporate	Cinemas
Permanent employees	30%	100%
Permanent women employees	40%	100%
Casual/Temporary/Contractual Employees	100%	100%
Employees with disabilities	NA	NA

PRINCIPLE 4:

Stakeholder Engagement

1. Has the company mapped its internal and external stakeholders?

Yes, PVR has mapped its internal and external shareholders. We recognize employees, communities, stakeholders, investors and regulatory authorities as our key stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

PVR identifies underprivileged communities around its business locations as disadvantaged, vulnerable and marginalised stakeholders. PVR continuously engages with all such stakeholders identifying their needs and priorities so as to serve their needs accordingly.

Business Responsibility Report

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, PVR Nest, a Charitable Trust established by PVR, aims at providing a dedicated approach to community development while fulfilling its corporate social responsibility commitments. The Trust works with "Children at Risk" (Childscapes) through various programmes on rehabilitation, education, nutrition, healthcare and employability, additionally; through its infrastructure-business enterprise, PVR Cinemas; it fosters the largest film-based education programme - CineArt in the country.

PRINCIPLE 5:

Human Rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

PVR, the Company follows its policy on Human Rights which are applicable to all employees in the Company. For its subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the policy. PVR discourages dealing with any supplier/contractor if it is in violation of human rights and also prohibits the use of forced or child labour at all manufacturing units /with business associates.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint has been received pertaining to human rights violation.

PRINCIPLE 6:

Environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company follows its policy on Environment Protection which is applicable to all its business places. For the subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation. However, the same is not applicable to suppliers and contractors.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate

change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Climate change, global warming and environmental degradation pose unique challenges as well as opportunities for PVR. We take pride in positioning ourselves as an ecologically sensitive organization. We are continually investing in new technologies, implementing process improvements and innovating.

3. Does the company identify and assess potential environmental risks? Y/N

PVR firmly believes in sustainable development which is reinforced by environmental management systems PVR has been contemplating its efforts to improve the environment protection measures further.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No, PVR has not registered any project to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The efforts of the Company are aimed to minimise energy consumption inspite of the rapid increase in operations of the Company. Exploring Possibilities to Purchase Renewable power from private power producers under PPA (Power purchase agreement), contributing towards Green Initiative. Water Conservation across PVR sites in India is facilitated by Installation of water flow restrictors in wash basin taps across PVR has help reduce tap water consumption by 60% thus reducing the energy consumed in pumping and helping in water conservation. Through energy audit, efforts have been made to install tube lights and other electrical equipments which save energy consumption.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not applicable. Since Company is entertainment service industry.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

PRINCIPLE 7:

Policy Advocacy

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- a. Northern India Motion Pictures Association (NIMPA)
- b. National Association of Motion Pictures & Exhibitors (NAMPE)
- c. Federation of Karnataka Chambers of Commerce & Industry (FKCCI)
- d. FICCI Multiplex Association of India (FICCI-MIA)
- e. Retailers Association of India (RAI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

PVR is part of various task forces and forums within the above listed industrial and trade bodies. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not participate lobbying on any specific issue. In the past, we have participated in forums pertaining to:

- Corporate Governance
- Consumer Interest
- Tackling Counterfeiting

PRINCIPLE 8:

Inclusive Growth

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

- a. PVR is a highly differentiated film and entertainment company which has cinemas as its core business and an ecosystem of retail entertainment. PVR Limited (the Company got incorporated in 1995) is one of the first to adopt Corporate Social Responsibility (CSR) as a comprehensive programme. The company got listed in National Stock Exchange (NSE) and BSE Limited in 2006.

- b. PVR Nest, a sustained and focussed social responsibility initiative by PVR Ltd. seeks to rehabilitate marginalized children in the vicinity of PVR Complexes. This is the first-ever step by the exhibition company to collaborate with the local government, NCPCR (National Commission for Protection for Child Rights) business houses, market traders associations, schools and local communities to mainstream children. There are more than half a million children in Delhi-NCR who have been identified as vulnerable (https://www.unicef.org/education/bege_61659.html). The PVR Group has dedicated its CSR investment towards its flagship “**Childscapes**” program, which focuses on the welfare of Children at risk.
- c. To further develop its association with local communities in promoting social, educational and economic development, PVR Nest followed the registration process in 2006 as a Charitable Trust, Regn. no. 9024 in Book No. 4, as a not-for-profit nodal body, Vol No. 1083, with 80G and 12 A Income Tax exemption and FCRA no. 231661429.
- d. **PVR Nest** aims at providing a dedicated approach to community development while fulfilling its corporate social responsibility commitments. We work with “**Children at Risk**” (Childscapes) through various programmes on **rehabilitation, education, nutrition, healthcare and employability**.
- e. Additionally; through its infrastructure-business enterprise, PVR Cinemas; it fosters the **largest film-based education programme - CineArt** in the country. Campaigns under this initiative are conceptualized us and our program partners, who are cross-sectoral and represent government, business houses, CSOs, policy makers, creative groups etc.
- f. So far we have a depositary of 80 films, which represents a plethora of social causes such as Road Safety, Environment Conservation, Water Preservation, Health and Heritage etc. The films produced under the **CineArt** initiative by children are screened at PVR Cinemas across India.
- g. PVR Nest has five centres situated at **Vasant Vihar, Vikaspuri, Naraina, Saket and Lajpat Nagar** and is run by a team of **10 passionate centre heads**. Through these centres, we reach out to nearly 500 children on a daily basis. We also engage with out-of-school children and prepare their integration into the formal education using our collaboration with over **40 Govt/Public/Aided/Semi-aided/MCD schools across Delhi – NCR**. So far, over 250 children have been mainstreamed.

Business Responsibility Report

- h. The centre co-partners with **National Commission for Protection of Child Rights (NCPCR), HAQ, JAMGHAT, Dusty Foot Foundation, Pratham, Indus Action, Society for Promotion of Youth and Masses (SPYM)** and other non-governmental organisations on age-appropriate curriculum and educational initiatives, rehabilitation, nutrition, healthcare and employability.
 - i. Above mentioned partners also play a critical role in developing the capacities of our centre heads & PVR Nest team members by giving them training on protection of child rights, gender sensitisation, and awareness of government legislations such as RTE Section 12(1) (c), which benefits the children.
 - j. We believe in promoting experiential learning approach. Therefore, we have developed a robust partnership with **Art of Play” Foundation** run by Gandhi Fellows, who organise sports workshops and tournaments, connecting with over 100 children on a monthly basis. Dance is taught to children in collaboration with **Shaimak Dawar Foundation**.
 - k. To promote art and education as life tools, we have brought on-board, **Foundation for Indian Contemporary Art (FICA)**, which undertakes regular workshops with children and our centre heads to promote their creative dimension.
 - l. PVR Nest also runs a **“Half Way Home” to rehabilitate children who have undergone detoxification at a rehab centre**. The Half Way Home is run in collaboration with Society for Promotion of Youth and Masses (SPYM) and has currently 08 children sponsored by PVR Nest. However, the target for 2017 is 50.
 - m. Partnership on **food and nutrition** is with **Con Agro Foods and Janta Meals**, which prepares 6,450 nutritious and healthy meals each month, covering 350 children’s food requirements.
 - n. To promote employability, it works with organisations such as **Corporate Executive Board**. Healthcare initiatives are run in partnership with the **Max Foundation**, which organises regular health and immunization camps for children.
2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**
Our social responsibility projects are implemented through its internal team as well as in partnership with non-governmental

organisations (NGOS) and government institutions. The aim is to create innovative collaborative programmes and actions for larger impact.

- a. PVR Nest ensures that its presence is established right from the commencement of the initiatives. It works closely with the target audiences right from need identification to the project implementation phase. Extensive engagement with every stakeholder is also undertaken. Feedback from stakeholders is also analysed, modified as well as corrective actions prioritised.
 - In accordance with the requirements of Schedule VII of The Company’s Act 2013, PVR Limited has devised a CSR policy, which is attached as Annexure A.
 - In order to effectively implement the CSR initiatives in areas having maximum impact, a CSR Committee has been constituted comprising the following members:
 - Mr. Ajay Bijli - Chairman and Managing Director, PVR Limited
 - Mr. Sanjeev Kumar Bijli - Joint Managing Director, PVR Limited
 - Mr. Sanjai Vohra - Independent Director
 - Mr. Sanjay Khanna - Independent Director
 - b. The implementation is over seen collectively by PVR Nest CSR under the guidance and supervision of Ms. Deepa Menon. The CSR Team is comprised of Head - CSR (Ms. Sarika Negi), Special Projects (Ms. Preeti Virmani), Partnership Manager (Mr. Akshay Kumar) and Senior Accounts Manager (Ms. S Rajalakshmi).
3. **Have you done any impact assessment of your initiatives?**
 - a. Assessment of the various initiatives is conducted at regular intervals.
 - b. The analysis is done on the basis of Individual Development Plans (IDP), which are devised specifically for the children coming to the centres. The progress on IDPs is a tangible indicator of outreach and impact through school enrolments, rehabilitation programmes, nutrition provided, health camps organised and employability provided, among other indicators at the end of the year.
 - c. Further, for the CineArt projects, the modules are designed in a manner which enables the children to

revisit whatever they have learned during the course of the campaign. This is in the form of activities, creative submissions and formation of various clubs, which the students are required to undertake at regular intervals. These help to understand what the students have learnt during the process. Depending upon the challenges observed, corrective measures are taken. So far PVR Nest has worked with 500 plus school across India through its CineArt project.

4. What is your company's direct contribution to community development projects (Amount in Rs. and the details of the projects undertaken)

- a. 2% of the last 3 years' profits are earmarked for PVR Nest for undertaking CSR initiatives, as mandated by the Govt. of India. Based on the profits, the allocation for Financial Year 2016-17 was Rs. 1.65 crores. Attached Annexure B

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the members of the community?

Out-of-school children can only be reached with targeted interventions that address the range of barriers faced by marginalized children, and innovative interventions targeting out-of-school children. PVR Nest has developed multipronged strategies to raise awareness within the community.

- a. Access to Education through emerging Non-formal Education Centers of PVR Nest - the first step adopted within the community. PVR Nest created 5 centers which are Community-based Education Centres (CBEC).
- b. Partnership with traditional storytellers to build the "Listen to Learn" program. Community mothers were invited to understand the importance of learning from home.
- c. C-Cube Fellowship Programme in association with community mothers to educate them about the Right to Education Act.
- d. Right to Education Campaign launch in association with Indus Action to build awareness and bring access to communities to private school.
- e. PVR Nest adopted Pratham's (Combined Activities for Maximized Learning) (CAMaL-meaning wonder) to evolve teaching reading, writing, and math with children in disadvantaged communities.

PRINCIPLE 9:

Customer Value

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

As at the end of financial year, two consumer cases are pending before the Aurangabad, Maharashtra State Commission

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

Yes, PVR displays product information on its packaging for the benefit of the consumer, over and above what is mandated by local laws like Bureau of Indian Standards Act. The additional information is provided to enhance the value consumers can derive from the product and to ensure safe and appropriate use. The additional information on the product label relates to proven the active ingredients, directions for use, safety, caution etc. and varies from product to product.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/consumer satisfaction trends?

We carry out periodic surveys on customer satisfaction, These surveys are quite extensive in nature. We evaluate each and every touch point which directly or indirectly influence customer's experience in the entire life cycle of movie watching.

The touch point that we cover from experience point of view are primarily Box Office, Security, Cinema Lobby, Washroom, Auditorium and F&B.

Currently, These surveys are conducted by TNS global market research company. TNS is one of the largest research agencies worldwide, that provide actionable insights helping companies make impactful decisions that drive growth. TNS is part of Kantar, one of the world's largest insight, information and consultancy groups.

We have partnered with them in 2015 and have been conducting various surveys on customer satisfaction at PVR cinemas and will continue to explore new ways in our pursuit to enhance Customer's value in all possible ways.

Independent Auditor's Report

To the Members of PVR Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of PVR Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies.

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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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| <p>(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;</p> <p>(e) 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;</p> <p>(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 2" to this report;</p> <p>(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:</p> <p>i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;</p> <p>ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.</p> | <p>iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.</p> <p>iv. The Company has provided requisite disclosures in Note 52 to these standalone Ind AS 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.</p> |
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For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Partner

Place of Signature: Gurugram

Date: May 30, 2017

Membership Number: 094421

ANNEXURE 1 REFERRED TO IN PARAGRAPH UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

Re: PVR Limited ('the Company')

- (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) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of 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 loans to one company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans not prejudicial to the Company's interest.
- (b) The Company has granted loans that are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. The payment of interest has been regular.
- (c) There is no amount of loans granted to companies, firms or other parties listed in the register maintained

under section 189 of the Companies Act, 2013 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 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (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, duty of custom, duty of excise, 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.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of Entertainment tax as Capital receipt and other disallowance	590	Assessment Year 2006-07, 2008-09 and 2009-10	High Court
Income Tax Act, 1961		425	Assessment Year 2007-11	Income Tax Appellate Tribunal
Income Tax Act, 1961		1,155	Assessment Year 2007-08, 2011-12 to 2014-15	Commissioner of Income Tax (Appeal)
Finance Act 1994, (Service Tax Provision) along with Rules	Chargeability of Services and disallowances of CENVAT	558	Various dates	Customs Excise and Service Tax Appellate Tribunal
UP VAT Act, 2007/ Maharashtra VAT Act, 2002 / Kerala VAT Act, 2003	Value Added Tax	1,281	Financial Year 2006-07 to 2007-08, 2009-10 to 2014-15	Joint Commissioner / Deputy Commissioner / Assistant Commissioner

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| <p>(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 banks and financial institution. There are no dues to any financial institutions.</p> <p>(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer. During the year, the Company has issued debenture, obtained term loan and utilised the money for which they were raised.</p> <p>(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.</p> <p>(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.</p> <p>(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.</p> <p>(xiii) According to the information and explanations given by the management, transactions with the related parties are in</p> | <p>compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.</p> <p>(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.</p> <p>(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 Companies Act, 2013.</p> <p>(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.</p> |
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For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Partner

Place of Signature: Gurugram

Date: May 30, 2017

Membership Number: 094421

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PVR LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **PVR 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.

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 Companies Act, 2013, 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 & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Place of Signature: Gurugram

Partner

Date: May 30, 2017

Membership Number: 094421

Balance Sheet

as at March 31, 2017

	Note	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	3	97,947	80,789	68,061
Capital work-in-progress	3	10,522	7,174	6,818
Goodwill	4	42,660	8,060	8,060
Other intangible assets	4	1,493	1,565	1,073
Intangible assets under development	4	-	153	-
Investments in subsidiaries	5A	7,292	8,384	7,884
Financial assets				
Investments	5B	101	103	148
Other financial assets	6	17,337	19,870	13,363
Other non current assets	7	10,209	9,125	11,719
Deferred tax assets (net) (includes MAT credit entitlement)	8	4,310	5,887	7,730
Total non-current assets	A	191,871	141,110	124,856
Current assets				
Inventories	9	1,692	1,852	1,103
Financial assets				
Investments	10	96	82	38
Loans	11	2,527	2,122	1,343
Trade receivables	12	8,820	8,178	6,756
Cash and cash equivalents	13	1,264	23,392	791
Other bank balances	13	506	569	426
Other financial assets	6	3,674	1,612	302
Other current assets	7	3,866	3,285	2,660
Total current assets	B	22,445	41,092	13,419
Total assets [A+B]		214,316	182,202	138,275
Equity and liabilities				
Equity				
Equity share capital	14 & 15	4,674	4,669	4,153
Other equity		90,623	81,938	38,271
Total equity	A	95,297	86,607	42,424
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	60,504	57,181	62,808
Provisions	17	623	595	777
Total non-current liabilities	B	61,127	57,776	63,585
Current liabilities				
Financial liabilities				
Borrowings	18	12,443	-	4,699
Trade payables	19	18,244	16,456	12,903
Other payables	19A	20,020	13,708	10,599
Provisions	17	298	382	365
Other current liabilities	20	6,887	7,273	3,700
Total current liabilities	C	57,892	37,819	32,266
Total equity and liabilities [A+B+C]		214,316	182,202	138,275
Summary of significant accounting policies	2.2			

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2017

		(Rs. In lakhs)	
Particulars	Note	March 31, 2017	March 31, 2016
Income			
Revenue from operations	21	200,201	172,039
Other income	22	6,018	6,117
Total Income		206,219	178,156
Expenses			
Movie exhibition cost		49,376	43,362
Consumption of food and beverages		13,219	11,616
Employee benefits expense	23	20,522	16,855
Finance costs	24	7,997	8,336
Depreciation and amortisation	25	12,239	9,851
Other expenses	26	87,657	72,820
Total expenses		191,010	162,840
Profit before exceptional items and tax		15,209	15,316
Exceptional items	27	495	1,109
Profit before tax		14,714	14,207
Tax expense:			
Current tax		3,156	3,012
Deferred tax (including mat credit entitlement)		2,266	1,844
Total tax expenses		5,422	4,856
Profit for the year [A]		9,292	9,351
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent period:			
Re-measurement gains/(loss) on defined benefit plans		(223)	30
Income tax effect		81	(10)
Other comprehensive income for the year (net of tax) [B]		(142)	20
Total comprehensive income for the year [A+B] (comprising profit and other comprehensive income)		9,150	9,371
Earnings per equity share on profit for the year	28		
[Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]			
Basic		19.89	20.72
Diluted		19.89	20.71
Earnings per equity share on total comprehensive income	28		
[Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]			
Basic		19.58	20.74
Diluted		19.58	20.72
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Statement of Changes in Equity

for the year ended March 31, 2017

A. Equity Share Capital (Refer note 14)

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Balance as per last financial statements	4,669	4,153
Changes in equity share capital during the year	5	516
Closing Balance	4,674	4,669

B. Other Equity

Particulars	Reserves and Surplus					Other comprehensive income		Total
	Capital Reserve	Securities Premium	Debt redemption reserve	General reserve	Employee stock option outstanding	Retained Earnings	Re-measurement gains/(loss) on defined benefit plans	
As at April 01, 2015	-	11,924	1,032	4,030	242	21,043	-	38,271
Profit for the year	-	-	-	-	-	9,351	-	9,351
Other comprehensive income	-	-	-	-	-	-	20	20
Total Comprehensive Income	-	11,924	1,032	4,030	242	30,394	20	47,642
Issue of share capital	-	34,500	-	-	-	-	-	34,500
Employee stock compensation for options granted	-	-	-	-	87	-	-	87
Exercise of share options	-	300	-	-	-	-	-	300
Deferred employee stock compensation	-	-	-	-	(5)	-	-	(5)
Transferred from stock options outstanding	-	249	-	-	(249)	-	-	-
Transaction costs on issue of shares	-	(26)	-	-	-	-	-	(26)
Transfer to Debt redemption reserve (refer below note)	-	-	1,671	-	-	(1,671)	-	-
Dividends (refer note 15)	-	-	-	-	-	(466)	-	(466)
Tax on Dividends (refer note 15)	-	-	-	-	-	(95)	-	(95)
At March 31, 2016	-	46,947	2,703	4,030	75	28,162	20	81,938
Profit for the year	-	-	-	-	-	9,292	-	9,292
Other comprehensive income	-	-	-	-	-	-	(142)	(142)
Total Comprehensive Income	-	46,947	2,703	4,030	75	37,454	(122)	91,088
Exercise of share options	-	98	-	-	-	-	-	98
Employee stock compensation for options granted	-	-	-	-	5	-	-	5
Transferred from stock options outstanding	-	80	-	-	(80)	-	-	-
Transfer to Debt redemption reserve (refer below note)	-	-	2,269	-	-	(2,269)	-	-
Transfer from Debt redemption reserve (on redemption of 20% of 11.40% NCD)	-	-	(50)	-	-	50	-	-
Dividends (refer note 15)	-	-	-	-	-	(971)	-	(971)
Tax on Dividends (refer note 15)	-	-	-	-	-	(198)	-	(198)
Adjustment on account of Business combination (Refer note 45(i) & (iii))	602	-	-	-	-	-	-	602
At March 31, 2017	602	47,125	4,922	4,030	-	34,066	(122)	90,623

Note:

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create Debt Redemption Reserve (DRR) out of profits of the Company available for payment of Dividends. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and Company has accordingly created the same.

Summary of significant accounting policies 2.2

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Cash Flow Statement

for the year ended March 31, 2017

	Note	March 31, 2017	(Rs. In lakhs) March 31, 2016
Operating activities:			
Profit before tax		14,714	14,207
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of tangible assets	25	11,602	9,612
Amortisation of intangible assets	25	637	239
Provision for doubtful debts and advances	26	514	242
Bad debts/advances written off	26	29	177
Net loss on disposal and discard of property, plant and equipment	26	628	834
Interest Income	22	(1,414)	(1,421)
Interest expense	24	7,297	7,756
Employee stock option expense	23	5	78
Exceptional items - Assets written off (March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)	27	245	618
Exceptional items - Net loss erstwhile subsidiaries for the year ended March 31, 2016 recognised in current year	27	87	-
Unspent liabilities written back	22	(66)	(120)
Rent expenses (pertaining to deferred rent)	26	1,239	992
		35,517	33,214
Working capital adjustments:			
Increase/(Decrease) in provisions		(311)	(176)
Increase/(Decrease) in trade and other payables		1,493	7,239
Decrease/(Increase) in trade receivables		(1,017)	(2,101)
Decrease/(Increase) in inventories		200	(749)
Decrease/(Increase) in loans and advances and other assets		384	(2,145)
Cash generated from operations		36,266	35,282
Direct taxes paid (net of refunds)		(3,072)	(1,847)
Net cash flow generated from operating activities (A)		33,194	33,435
Cash flows (used in) investing activities			
Purchase of Property, Plant and Equipments, intangible assets, cwip and capital advances		(62,311)	(21,929)
Proceeds from sale of property, plant and equipments		63	24
Security deposits		(5,175)	(1,403)
Investment in subsidiaries		(850)	(500)
Purchase/redemption of National Saving Certificates		(12)	2
Loan repaid to subsidiary		-	(1,500)
Loans given to subsidiaries		(1,600)	(600)
Loans repaid by subsidiaries		200	200
Interest received		377	542
Fixed deposits with banks (includes escrow deposit)		5,005	(5,117)
Net cash flow (used in) investing activities (B)		(64,303)	(30,281)
Cash flow (used in)/from financing activities			
Proceeds from issuance of share capital including securities premium		103	35,290
Proceeds from long term borrowings		15,085	3,366
Repayment of long-term borrowings		(11,636)	(7,692)
Proceeds from short-term borrowings		20,920	8,000
Repayment of short-term borrowings		(10,000)	(8,000)
Payment of dividend and tax thereon		(1,169)	(561)
Interest paid on borrowings		(7,298)	(7,757)
Net cash flow used in financing activities (C)		6,005	22,646
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(25,104)	25,800
Cash and cash equivalents at the beginning of the year		23,392	791
Less: Bank overdraft (refer note 18)		-	(3,199)
Add: Cash and cash equivalent acquired on amalgamation as at April 01, 2016		1,453	-
Cash and cash equivalents at the end of the year		(259)	23,392

Components of cash and cash equivalents

		(Rs. In lakhs)
	March 31, 2017	March 31, 2016
Balances with banks:		
On current accounts	885	859
On deposits with original maturity of less than three months	74	211
Cash on hand	305	222
Investment in liquid mutual fund	-	22,100
Cash and cash equivalents (refer note 13)	1,264	23,392
Less: Bank overdraft (refer note 18)	(1,523)	-
Total cash and cash equivalent	(259)	23,392
Summary of significant accounting policies	2.2	

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Notes

to the financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

PVR Limited ("the Company") is a public limited Company with domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on leading stock exchanges in India. The registered office of the Company is located at "61, Basant lok, Vasant Vihar, New Delhi, India – 110057".

The Company is in the business of films exhibition & production and operates largest theatre circuit in India. The Company also earns revenue from in-cinema advertisements/product displays and sale of food and beverages and restaurant business.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all the period up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer to note 29 for detailed information on adoption of Ind AS.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

Certain financial assets and liabilities measured at fair value {refer accounting policy regarding financial instruments, refer note 2.2 (n)}

2.2 Summary of Significant accounting policy

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions

and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Business Combination and Goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment (please refer note 29).

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

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

Notes

to the financial statements for the year ended March 31, 2017

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

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other comprehensive income, as appropriate.

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity

as capital reserve, without routing the same through Other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill arising from business combination is tested for impairment, considering the integrated business of PVR (Theatrical Exhibition Unit), as practically it is impossible to allocate it to specific cinema location, considering various synergies in term of pricing of ticket, advertisement income, purchasing power and other commercial aspects.

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

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which

Notes

to the financial statements for the year ended March 31, 2017

the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(c) Property, plant and equipment (PPE)

- (i) PPE and Capital work in progress (including Pre-operative expenses) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of CENVAT) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.
- (ii) Expenditure directly relating to construction activity are capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is adjusted against the total of the indirect expenditure. Further, Expenditure on additions and betterment of operational properties are capitalized, and expenditures for maintenance and repairs are charged to statement of Profit & loss as incurred.
- (iii) An item of PPE and any significant part initially recognized is derecognized upon disposal or

when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

- (iv) The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- (v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Deemed cost of transition to Ind AS - For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as on April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(d) Depreciation on Property, plant and equipment

Leasehold Improvements are amortized over the estimated useful life generally varying in between 20-25 years or unexpired period of lease, whichever is lower, on a straight line basis.

Assets costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

Depreciation on all other assets is provided on Straight-line method at the rates computed based on estimated useful life of the assets, which are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Notes

to the financial statements for the year ended March 31, 2017

Particulars	Useful life as per Schedule II (in years)	Useful life considered by the Company (in years)
Concession equipments	15	8
Gaming equipments	15	13.33
Furniture and fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

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

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life and the basis of amortization and impairment losses is as under:

(i) Software

Cost relating to purchased software and software licenses are capitalized and amortized on a straight-line basis over their estimated useful lives of 6 years.

(ii) Goodwill

Goodwill recognized as part of business combination has indefinite useful lives and is not amortized, but is tested for impairment on annual basis.

(iii) Film Right's

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

- i In respect of films which have been co-produced /co owned/acquired and in which the Company holds rights for a period of 5 years and above as below:

- 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights etc.
- In case these rights are not exploited along with or prior to their first domestic theatrical release, proportionate cost of such right is carried forward to be written off as and when such right is commercially exploited or at the end of 1 year from the date of first domestic theatrical release, whichever occurs earlier.
- Balance 40% to 20% is amortized over the remaining license period based on an estimate of future revenue potential subject to a maximum period of 10 years.

- ii. In respect of films, where the Company holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortized on first theatrical release of the movie. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference

Notes

to the financial statements for the year ended March 31, 2017

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 derecognised.

(f) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(g) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses, if any are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(h) Investment in Subsidiary

Investment in subsidiaries is carried at cost in the financial statements.

(i) Inventories

Inventories are valued as follows:

a) Food and beverages

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

b) Stores and spares

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

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

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

Notes

to the financial statements for the year ended March 31, 2017

(i) Leases

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

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on an ongoing basis

Where the Company is the lessor

Leases in which the Company does not transfer substantially all risks and benefits of ownership of the assets are classified as operating lease. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on ongoing basis. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of profit and loss

(k) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(l) 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. The Company collects entertainment tax, sales tax and service tax on behalf of government and, therefore, these are

Notes

to the financial statements for the year ended March 31, 2017

not economic benefits flowing to the Company. Hence, they are excluded from revenues. The following specific recognition criteria must also be met before revenue is recognized:

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

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

ii. Sale of Food and Beverages

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

iii. Income from Movie Production

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

(a) Income from Theatrical Distribution

The revenue from theatrical distribution is recognized once the movie is released based on "Daily Collection Report" submitted by the exhibitor.

(b) Income from sale of other rights other than theatrical distribution

Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

iv. Advertisement Revenue

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

v. Management Fee

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

vi. Convenience Fee

Convenience fee is recognized as and when the movie tickets are sold on digital platforms. Further, in case of fixed contracts

with digital ticketing partners, revenue is recognized on accrual basis in accordance with the terms of the agreement.

vii. Rental and Food court Income

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

viii. Gaming Income

Revenue from gaming is recognized as and when the games are played by customers.

ix. Virtual Print Fees Income

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

x. Interest Income

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

xi. Dividend Income

Revenue is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

(m) Foreign currency translations

The Company's financial statements are presented in Indian currency, which is also the company's functional currency.

Notes

to the financial statements for the year ended March 31, 2017

Transactions and balances

Transactions in foreign currencies are initially recorded in functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(n) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market

participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuer's are involved for valuation of significant assets, liabilities, such as ESOP, Gratuity etc.

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to the financial statements for the year ended March 31, 2017

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 41); and
- Financial instruments (including those carried at amortised cost) {note 2.2(w)}

(o) Retirement and other employee benefits

(i) Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

(ii) Gratuity

Gratuity is a defined benefit obligation. The Company have approved gratuity funds for the future payment of gratuity to the employees. The Company accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary.

(iii) Compensated absence

Short term compensated absences are provided for based on estimates. Long term compensated balances are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

- (iv) Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net

interest on the net defined benefit liability and the return on plan assets (excluding amounts included in measurement of net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

(p) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the

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accounting profit or loss nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT

credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(q) Earnings Per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting dividend on preference shares and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r) Provisions

General

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability

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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.

(s) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(t) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and IndAS 102 Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense, together with a corresponding increase in the "Employee Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest.

(u) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, grants related to depreciable assets are usually recognized in statement of profit or loss on a systematic basis over the useful life of the assets.

(v) Dividend

The Company recognise a liability to make dividend distributions to equity holders when the distribution is approved by the shareholders.

(w) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues

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to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that

are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and

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subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment

loss on the following financial assets and credit risk exposure:

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

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

(x) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless stated otherwise.

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3. PROPERTY, PLANT AND EQUIPMENT

	(Rs. in lakhs)								
Particulars	Freehold Land	Building	Leasehold Improvements	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total	Capital Work in Progress
Cost (Deemed cost / WDV as on April 01, 2015) - refer note (iv) below	2	10	30,488	26,938	8,868	1,520	235	68,061	6,818
Additions	-	-	6,798	12,783	2,488	830	121	23,020	
Disposals and discard	-	-	(1,313)	(1,068)	(782)	(284)	(113)	(3,560)	
At March 31, 2016	2	10	35,973	38,653	10,574	2,066	243	87,521	-
Additions	-	-	6,336	10,428	2,694	654	228	20,340	
Additions on account of Business Combination (Refer Note 45 (ii) & (iii))	-	-	4,411	4,397	541	150	-	9,499	
Disposals and discard	-	-	(600)	(1,199)	(880)	(85)	(45)	(2,809)	
At March 31, 2017	2	10	46,120	52,279	12,929	2,785	426	114,551	-
Depreciation									
Charge for the year	-	-	3,311	3,978	1,684	556	83	9,612	
Disposals and discard	-	-	(1,099)	(812)	(604)	(257)	(108)	(2,880)	
At March 31, 2016	-	-	2,212	3,166	1,080	299	(25)	6,732	-
Charge for the year	-	-	4,043	4,956	1,872	626	105	11,602	
Disposals and discard	-	-	(343)	(551)	(751)	(76)	(9)	(1,730)	
At March 31, 2017	-	-	5,912	7,571	2,201	849	71	16,604	-
Net Block									
At March 31, 2016	2	10	33,761	35,487	9,494	1,767	268	80,789	7,174
At March 31, 2017	2	10	40,208	44,708	10,728	1,936	355	97,947	10,522

Notes:

i. Capital Work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. Assets on Finance lease included in Plant and Machinery are as follows:

Particulars	Cost	WDV
March 31, 2017	5,005	4,392
March 31, 2016	3,412	3,189
April 01, 2015	-	-

iii. Capitalised borrowing costs

The amount of borrowing costs included in capital work-in-progress during the year ended March 31, 2017 was Rs. 256 lakhs (March 31, 2016: 214 lakhs)

iv. Ind AS 101 Exemption:

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forward at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has disclosed the Cost as at April 01, 2015 net of accumulated depreciation/ amortisation. However

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as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

			(Rs. in lakhs)
Particulars	Gross Block as at March 31, 2015	Accumulated depreciation as at March 31, 2015	Net Block as at March 31, 2015 / Deemed cost as at April 01, 2015
Tangible Assets			
Freehold Land	2	-	2
Building	15	5	10
Leasehold Improvements	43,188	12,700	30,488
Plant & Machinery	42,944	16,006	26,938
Furniture & Fittings	16,349	7,481	8,868
Office Equipments	3,480	1,960	1,520
Vehicles	394	159	235
Total	106,372	38,311	68,061

4. INTANGIBLE ASSETS

	(Rs. in lakhs)				
Particulars	Goodwill	Software Development	Movie Rights	Other Intangible Assets	Intangible assets under development
	A	B	C	Total	
Cost (Deemed cost / WDV as on April 01, 2015) - refer note ii below	8,060	787	286	1,073	
Additions	-	732	-	732	
Disposals and discard	-	(6)	-	(6)	
At March 31, 2016	8,060	1,513	286	1,799	-
Additions	-	530	-	530	
Addition on account of Business	34,600	35	-	35	
Combination (Refer Note 45(ii) & 45 (iii))	-	(15)	-	(15)	
Disposals and discard	-	(15)	-	(15)	
At March 31, 2017	42,660	2,063	286	2,349	-
Amortisation					
For the year	-	239	-	239	
Deductions/ Adjustments	-	(5)	-	(5)	
At March 31, 2016	-	234	-	234	-
For the year	-	380	257	637	
Deductions/ Adjustments	-	(15)	-	(15)	
At March 31, 2017	-	599	257	856	-
Net Block					
At March 31, 2016	8,060	1,279	286	1,565	153
At March 31, 2017	42,660	1,464	29	1,493	-

Notes:

i. Impairment testing of Goodwill:

Our recorded goodwill is Rs. 42,660 lakhs and Rs. 8,060 lakhs as of March 31, 2017 and March 31, 2016, respectively. We evaluate goodwill for impairment annually or any time an event occurs or circumstances change that would more likely than not reduce the fair value for a reporting unit below its carrying amount. Our goodwill is related to theatrical exhibition business, which is core business for purposes of evaluating recorded goodwill for impairment. Goodwill arising from business

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combination is tested for impairment, considering the integrated business of PVR (Theatrical exhibition unit), as practically it is impossible to allocate to specific cinema, considering various synergies in terms of pricing of ticket, advertisement income, purchasing power and other commercial aspects. If the carrying value of the reporting unit exceeds its fair value, we are required to reallocate the fair value of the reporting unit as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the price paid to acquire the reporting unit. At March 31, 2017 and March 31, 2016, we assessed qualitative factors and reached a determination that it is not more likely than not that the fair value of our reporting unit is less than its carrying value and therefore the two step method, as described in standard, is not necessary. Factors considered in determining this conclusion include but are not limited to the excess fair value of our equity as determined by Companies closing stock price on March 31, 2017 over our carrying value as of March 31, 2016 and our Adjusted EBITDA improvement from last year. At March 31, 2017, the fair value of our total stockholders' equity exceeded the carrying value and hence, there was no goodwill impairment as of March 31, 2017 and March 31, 2016.

**ii. First Time adoption:
Ind AS 101 Exemption:**

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forwarded at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has disclosed the Cost as at April 01, 2015 net of accumulated depreciation/amortisation. However as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

Particulars	(Rs. In lakhs)		
	Gross Block as at March 31, 2015	Accumulated amortization as at March 31, 2015	Net Block as at March 31, 2015/ Deemed cost as at April 01, 2015
Intangible Assets			
Goodwill	10,075	2,015	8,060
Software Development	1,768	981	787
Movie Rights	1,803	1,517	286
Total	13,646	4,513	9,133

5. NON CURRENT INVESTMENTS

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
5A Investment in subsidiaries (unquoted, valued at cost)			
PVR Pictures Limited	2,102	1,602	1,602
Equity share of Rs. 4 each 42,006,173 (March 31, 2016 : 35,833,334, April 01, 2015: 35,833,334)			
PVR bluO Entertainment Limited (Refer note 45(ii))	4,340	-	-
Equity share of Rs. 10 each 18,627,083 (March 31, 2016 : Nil, April 01, 2015: Nil)			
PVR Leisure Limited (Refer note 45(ii))	-	4,906	4,906
Equity share of Rs. 10 each Nil (March 31, 2016 : 1,900,000, April 01, 2015: 1,900,000)			
PVR Leisure Limited (Refer note 45(ii))*	-	0*	0*
Share warrant of Rs. 100 each Nil (March 31, 2016 : 1, April 01, 2015: 1)			
PVR Leisure Limited (Refer note 45(ii))	-	1,376	1,376
Preference shares of Rs. 341.52 each Nil (March 31, 2016 : 586,667, April 01, 2015: 586,667)			
Zea Maize Private Limited	500	500	-

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		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Equity share of Rs. 10 each 19,033 (March 31, 2016: 19,033, April 01, 2015: Nil)			
Zea Maize Private Limited	350	-	-
0.01% Compulsory convertible preference shares of Rs.10 each 13,322 (March 31, 2016 : Nil, April 01, 2015: Nil)			
	7,292	8,384	7,884

* Absolute amount is Rs. 100.

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
5B Investments (unquoted, valued at amortised cost)			
National savings certificates* (Deposited with various tax authorities)	197	185	186
	197	185	186
Less: Amount disclosed under current investment (Refer note 10) (being due for maturity within next 12 month)	96	82	38
	101	103	148
Aggregate amount of unquoted investment	7,393	8,487	8,032
*Notes : National Saving Certificates are held in various names in the interest of the Company			
Managing Director	36	36	36
Employees	120	96	68
Developers	8	8	8
Promoters of the erstwhile subsidiary Company	33	45	74

6. OTHER FINANCIAL ASSETS

		(Rs. In lakhs)				
		Non-current	Current			
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Non-current bank balances (refer note 13 & 45(iii)) (March 31, 2016: Includes deposit in Escrow account of Rs. 5,000 lakhs)	138	5,079	92	-	-	-
Interest accrued on:						
Fixed Deposits	16	7	7	11	20	9
National Saving certificate	25	26	45	54	47	18
Others	-	-	-	21	49	19
(A)	179	5,112	144	86	116	46
Revenue earned but not billed	(B) -	-	-	336	967	256
Government grant receivable (Entertainment tax)*	(C) 1,691	2,309	2,075	1,752	145	-
Security deposit						
Unsecured, considered good	15,467	12,449	11,144	1,500	384	-
Unsecured, considered doubtful	318	446	206	-	-	-
	15,785	12,895	11,350	1,500	384	-
Provision for doubtful security deposit	(318)	(446)	(206)	-	-	-
(D)	15,467	12,449	11,144	1,500	384	-
Total (A+B+C+D)	17,337	19,870	13,363	3,674	1,612	302

* The Entertainment tax exemption in respect of some of the Multiplexes of the Company has been accounted on the basis of eligibility criteria as laid down in the respective state Government schemes and applications filed with authorities and is subject to final orders yet to be received from respective state authorities for some of the exempted Multiplexes.

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7. OTHER ASSETS

(Rs. In lakhs)						
		Non-current			Current	
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Prepaid expenses	892	1,058	1,153	1,059	773	604
Deferred rent	6,661	6,025	6,294	966	867	823
(A)	7,553	7,083	7,447	2,025	1,640	1,427
Capital advances						
Unsecured, considered good	1,672	841	1,907	-	-	-
Unsecured, considered doubtful	-	-	32	-	-	-
	1,672	841	1,939	-	-	-
Provision for doubtful capital advances	-	-	(32)	-	-	-
(B)	1,672	841	1,907	-	-	-
Advances recoverable in cash or kind						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	411	935	792
Unsecured, considered doubtful	-	-	-	9	27	217
	-	-	-	420	962	1,009
Provision for doubtful advances	-	-	-	(9)	(27)	(217)
(C)	-	-	-	411	935	792
Others						
Unsecured, considered good						
Advance income tax (net of provision)	94	311	1,475	-	-	-
Income tax paid under protest	890	890	890	-	-	-
Balances with statutory/ Government authorities	-	-	-	1,430	710	441
(D)	984	1,201	2,365	1,430	710	441
Total (A+B+C+D)	10,209	9,125	11,719	3,866	3,285	2,660

8. DEFERRED TAX ASSETS (NET) (INCLUDES MAT CREDIT ENTITLEMENT)

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax liabilities			
Impact of differences in depreciation/ amortisation in block of tangible and intangible assets as per tax books and financial books	4,630	1,731	2,296
Gross deferred tax liabilities	4,630	1,731	2,296
Deferred tax asset			
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	264	505	341
Provision for doubtful debts and advances	415	365	324
Unabsorbed depreciation/ losses available for offsetting against future taxable income	-	-	4,244
Others	397	336	279
Gross deferred tax asset	1,076	1,206	5,188
Net deferred tax (liabilities)/Assets	A (3,554)	(525)	2,892
Add: Minimum Alternative Tax (MAT) credit entitlement (refer below note)	B 7,864	6,412	4,838
Net deferred tax asset (including MAT Credit entitlement)	A+B 4,310	5,887	7,730

Notes:

- a.) The MAT credit entitlement asset recognized by the Company represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of Section 115JAA of the Income Tax Act, 1961. The management, based on the present trend of profitability and also the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

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9. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 01, 2015
Food and beverages	969	739	654
Stores and spares (includes Goods in transit Rs. Nil (March 31, 2016: Rs. 513 lakhs, April 01, 2015: Rs. Nil)	723	1,113	449
	1,692	1,852	1,103

10. CURRENT INVESTMENTS

	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 01, 2015
Investments (unquoted, valued at amortised cost)	96	82	38
National Savings Certificates (refer note 5B) (Deposited with various State tax Authorities)			
	96	82	38

11. LOANS

	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 1, 2015
Loan and advances to related parties (Unsecured, considered good) (refer note 44)			
Loan to wholly owned subsidiary Company	2,000	600	200
Loan to Key management personnel	-	262	395
Advances recoverable in cash or kind	2	-	-
(A)	2,002	862	595
Loan to others (Unsecured, consider good)			
Loan to body corporate	98	98	98
Loan to employees	427	1,161	650
(B)	525	1,259	748
Total (A+B)	2,527	2,122	1,343
a. Loans and advances to related parties include			
PVR Pictures Limited (unsecured loan)	2,000	600	200
Key Management Personnel in terms of Companies Act 2013:			
Mr. Nitin Sood	-	245	395
Mr. N C Gupta	-	17	-
b. Advances recoverable in cash or kind			
Zea Maize Private Limited	2	-	-
c. Loans and advances in the nature of loans given to subsidiaries			
i. PVR Pictures Limited			
Balance at the end of the year	2,000	600	200
Maximum amounts outstanding during the year	2,000	800	400
There is no repayment schedule in respect of this loan. It is repayable on demand.			

12. TRADE RECEIVABLES

	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 01, 2015
Secured, considered good	72	67	115
Unsecured, considered good	8,748	8,111	6,641
Unsecured, considered doubtful	873	581	481
	9,693	8,759	7,237
Provision for doubtful debts	(873)	(581)	(481)
	8,820	8,178	6,756

Notes:

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private Companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days.
- Closing trade receivable includes Rs. Nil (March 31, 2016: Rs. 6 lakhs) receivable from related party.

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13. CASH AND CASH EQUIVALENT AND OTHER BANK BALANCES

(Rs. In lakhs)

	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Cash and cash equivalent						
<i>Balances with banks:</i>						
On current accounts	-	-	-	885	859	600
Deposits with original maturity of less than 3 months	-	-	-	74	211	54
Cash on hand	-	-	-	305	222	137
Investment in Mutual fund (Refer below (a) note)	-	-	-	-	22,100	-
Cash and cash equivalent	-	-	-	1,264	23,392	791
Other bank balances						
Deposits with maturity for more than 12 months	138	79	105	-	-	-
Deposits with maturity for more than 3 months but less than 12 months	-	-	-	498	561	418
Restricted cash: Deposit in Escrow account (Refer note 45 (iii))	-	5,000	-	-	-	-
Unpaid and unclaimed dividend accounts	-	-	-	8	8	8
Other bank balances	138	5,079	105	506	569	426
Amount disclosed under non-current other financial assets (refer note 6)	(138)	(5,079)	(105)	-	-	-
Total	-	-	-	1,770	23,961	1,217
Note						
(a) Investment in Mutual fund (unquoted)						
Nil (March 31, 2016: 127,527, April 01, 2015: Nil) units of Reliance Liquid Fund				-	4,700	-
Nil (March 31, 2016: 120,250, April 01, 2015: Nil) units of DSP Blackrock Fund				-	2,600	-
Nil (March 31, 2016: 1,566,752, April 01, 2015: Nil) units of Birla Sunlife Fund				-	3,800	-
Nil (March 31, 2016: 236,476, April 01, 2015: Nil) units of UTI Fund				-	4,000	-
Nil (March 31, 2016: 1,341,678, April 01, 2015: Nil) units of ICICI Fund				-	3,000	-
Nil (March 31, 2016: 168,624, April 01, 2015: Nil) units of SBI Mutual Fund				-	4,000	-
Total	-	-	-	-	22,100	-

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- (b) Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

14. SHARE CAPITAL

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Authorised share capital			
Equity shares of Rs. 10 each	11,070	9,370	9,370
0.001% Non-cumulative convertible Preference shares of Rs. 341.52 each	2,015	-	-
	13,085	9,370	9,370
Issued, subscribed and fully paid-up shares			
Equity shares of Rs. 10 each fully paid	4,674	4,669	4,153
Total issued, subscribed and fully paid-up share capital	4,674	4,669	4,153

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	(Rs. In lakhs)					
	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
i. Authorised Equity shares						
Balance at the beginning of the year	93,700,000	9,370	93,700,000	9,370	93,700,000	9,370
Increased during the year on account of Business combination (Refer Note 45 (i) & (ii))	17,000,000	1,700	-	-	-	-
Balance at the end of the year	110,700,000	11,070	93,700,000	9,370	93,700,000	9,370
ii. Authorised Non-cumulative convertible Preference shares						
Balance at the beginning of the year	-	-	-	-	-	-
Increased during the year on account of Business combination (Refer Note 45 (ii))	590,000	2,015	-	-	-	-
Balance at the end of the year	590,000	2,015	-	-	-	-
iii. Issued Equity shares						
a. Shares outstanding at the beginning of the year	46,686,938	4,669	41,528,888	4,153	41,528,888	4,153
Shares Issued during the year:						
Employee stock options plan (ESOP) (refer note 31)	51,650	5	158,050	16	-	-
Preferential allotment	-	-	5,000,000	500	-	-
Shares outstanding at the end of the year	46,738,588	4,674	46,686,938	4,669	41,528,888	4,153

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b. Terms and rights attached to equity shares

The Company has only one class of equity shares issued having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the 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 as on year end

Name of Shareholders	March 31, 2017		March 31, 2016		April 01, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs. 10 each fully paid						
Mr. Ajay Bijli (refer note 45(i))	5,260,298	11.25	-	-	-	-
Mr. Sanjeev Kumar Bijli (refer note 45(i))	3,728,892	7.98	-	-	-	-
Berry Creek Investment Ltd	3,582,585	7.67	-	-	-	-
Gray Birch Investment Ltd	2,958,888	6.33	-	-	-	-
Multiples Private Equity Fund I Limited	1,771,598	3.79	2,908,125	6.23	2,908,125	7.00
Plenty Private Equity FII I Limited	1,392,508	2.98	4,119,762	8.82	-	-
Major Cineplex Group Public Company Limited	755,000	1.62	1,671,000	3.58	2,300,932	5.54
Bijli Holdings Private Limited (Refer note 45 (i))	-	-	10,031,805	21.49	10,031,805	24.16
L Capital Eco Limited	-	-	-	-	6,244,898	15.04

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date, wherever applicable is given below:

	(Aggregate No. of Shares)				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Shares issued during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services.	51,650	158,050	422,668	398,942	204,126
Equity shares allotted as fully paid up pursuant to the scheme of amalgamation for consideration other than cash.	-	-	-	1,090,203	-

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15. DISTRIBUTION MADE AND PROPOSED

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Cash Dividends on equity shares approved and paid:			
Final Dividend for the year ended March 31,	935	466	1,028
DDT on final Dividend	190	95	175
Interim Dividend declared by erstwhile Company Bijli Holdings Private Limited (refer note 45(i))	36	-	-
DDT on Interim Dividend	8	-	-
	1,169	561	1,203
Proposed dividends on Equity shares:*			
Final Dividend for the year ended March 31, 2017: Rs. 2 per share (March 31, 2016: Rs. 2 per share, April 01, 2015: Re. 1) per share	935	934	415
DDT on proposed Dividend	190	190	85
	1,125	1,124	500

Notes

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

16. LONG TERM BORROWINGS

(at amortised cost)

	(Rs. In lakhs)					
	Non-current portion			Current maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Debentures						
Secured Redeemable Non-Convertible Debentures (net of transaction cost.) (refer note (a) below)	43,729	35,572	35,721	1,850	200	-
Term loans						
Secured term loans from banks	13,856	18,631	26,775	6,525	8,144	6,732
Secured term loans from body corporate	-	-	172	-	-	750
Other loans						
Secured car finance loans from banks	50	97	140	47	43	38
Secured Finance lease obligation from body corporate (refer note 32)	2,869	2,881	-	524	433	-
	60,504	57,181	62,808	8,946	8,820	7,520
Amount disclosed under the head "other current liabilities" (refer note 19A)	-	-	-	(8,946)	(8,820)	(7,520)
	60,504	57,181	62,808	-	-	-

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Notes:

a. Secured Redeemable Non-Convertible Debentures (NCD):

(Rs. In lakhs)					
Particulars	Effective Interest Rate	Date of Allotment	Repayment Period	Repayment Schedule	Amount
80 (March 31, 2016: 100) of Rs. 1,000,000 each	11.40%	1/Jan/10	7th to 10th years	20:20:30:30	800
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.95%	25/Feb/14	5th year	100	5,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.75%	10/Jun/14	5th year	100	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	11.00%	16/Oct/14	4th to 7th years	25:25:25:25	10,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	11.00%	24/Nov/14	5th to 7th years	30:30:40	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	10.75%	9/Jan/15	6th and 7th year	50:50	10,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	8.90%	29/Jul/16	1st, 2nd and 3rd Year	33:33:34	5,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	7.84%	12/Jan/17	3 Years and 6 Months	100	5,000
					45,800

- All Debentures are secured by mortgage on immovable properties (excluding immovable properties at Gujarat and a flat at Bengaluru) ranking pari passu and secured by first pari passu charge on movable tangible assets of the Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Company both present and future.
- b. i. Term loan from banks and bodies corporate are secured by first pari passu charge over all tangible assets of the Company (excluding immovable properties at Gujarat, a flat at Bengaluru, vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Company both present and future.
- ii. Car loans of Rs. 97 lakhs (March 31, 2016: Rs. 140 lakhs) carries interest @ 10.25% p.a. and is repayable in 60 monthly instalments. The loan is secured by hypothecation of vehicles purchased out of the proceeds of the loan.
- iii. Above loans are repayable in equal/ unequal monthly/ quarterly instalments as follows:

(Rs. In lakhs)			
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Debentures:			
Repayable within 1 year	1,850	200	-
Repayable within 1 - 3 year	20,450	8,000	400
Repayable after 3 years	23,500	27,800	35,600
Term Loan:			
Repayable within 1 year	6,525	8,144	7,482
Repayable within 1 - 3 year	11,148	15,200	16,018
Repayable after 3 years	2,708	3,431	10,929
Secured car finance loans from banks:			
Repayable within 1 year	47	43	38
Repayable within 1 - 3 year	50	97	90
Repayable after 3 years	-	-	50

- (iv) Term Loan from banks and bodies corporate carries variable interest rate based on respective bank/ bodies corporate benchmark rate, effective rate of interest varying in between 8.55% p.a to 10.75% p.a.
- (v) Finance lease obligations are secured by hypothecation of respective machinery taken on lease. The interest rate implicit in the lease is varying in between 11.37% p.a. to 13.99% p.a. The payment is scheduled in 28 equal quarterly installments from the start of lease agreements.
- (vi) The company has satisfied all material debt covenants.

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17. PROVISIONS

(Rs. In lakhs)						
	Long-term			Short-term		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits						
Provision for gratuity (net) (refer note 30)	288	338	583	-	196	108
Provision for leave benefits	335	257	194	298	186	257
	623	595	777	298	382	365

18. SHORT-TERM BORROWINGS (AT AMORTISED COST)

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Unsecured commercial paper	10,920	-	-
Secured bank overdraft	1,523	-	3,199
Unsecured loan from a subsidiary company	-	-	1,500
	12,443	-	4,699

Notes:

- Bank overdraft is secured by first pari passu charge on all current assets of the Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks/ body corporate benchmark rate, effective rate of interest varying in between 10.15% p.a. to 10.75% p.a.
- In respect of Commercial Paper maximum amount outstanding during the year was Rs. 11,000 lakhs (March 31, 2016 : Rs. 8,000 lakhs) with a maturity period of 3 months.
- Loan taken from subsidiary was repayable on demand and carried interest @ of 8.5% p.a.
- Commercial paper are presented at value which these have been sold and accrued interest upto date.
- At March 31, 2017, the Company had available Rs. 4,477 lakhs (March 31, 2016: Rs. 6,000 lakhs, April 01, 2015: 2,801 lakhs) of undrawn committed borrowing facilities.

19. TRADE PAYABLE

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Total outstanding dues of trade payable other than micro and small enterprises (refer note 36)	18,244	16,456	12,903
	18,244	16,456	12,903

19A. OTHER PAYABLES

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Payables on purchase of Property, Plant and Equipments	10,384	4,334	2,515
Security deposits	495	355	362
Current maturities of long-term borrowings (Includes current maturity of finance lease obligation) (refer note 16)	8,946	8,820	7,520
Interest accrued but not due on borrowings			
- Car loan	1	-	5
- Debentures	186	192	189
Unpaid dividends	8	8	8
	20,020	13,708	10,599

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20. OTHER CURRENT LIABILITIES

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Advances from customers	2,621	2,610	1,299
Employee benefits payables	2,562	2,962	1,354
Statutory dues payable	1,704	1,701	1,047
	6,887	7,273	3,700

21. REVENUE FROM OPERATIONS

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	
Sale of services [refer (a) below]	142,881	123,512	
Sale of food and beverages [refer (b) below]	55,054	46,666	
Other operating revenue [refer (c) below]	2,266	1,861	
	200,201	172,039	
a. Details of services rendered			
Income from sale of movie tickets	112,564	99,530	
Advertisement income	24,502	20,653	
Convenience fees	5,815	3,329	
	142,881	123,512	
b. Details of products sold			
Sale of food and beverages	55,054	46,666	
	55,054	46,666	
c. Details of other operating revenue			
Food court rental Income	990	1,040	
Virtual print fees	866	459	
Gaming Income	372	323	
Management fees	38	39	
	2,266	1,861	

22. OTHER INCOME

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	
Government grant	3,721	2,718	
Net gain on redemption of mutual fund Investments	444	1,586	
Interest income from:			
Bank deposits	94	286	
NSC's Investments	14	20	
Financial assets at amortised cost	1,059	827	
Others	247	288	
Foreign exchange differences (net)	21	-	
Other non-operating income (net) (includes excess liability written back Rs. 66 lakhs (March 31, 2016: Rs. 120 lakhs)	418	392	
	6,018	6,117	

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23. EMPLOYEE BENEFIT EXPENSE

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Salaries, wages, allowances and bonus	18,384	14,807
Contribution to provident and other funds (refer note 30)	1,007	945
Employee stock option scheme (refer note 31)	5	78
Staff welfare expenses	1,126	1,025
	20,522	16,855

24. FINANCE COSTS

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Interest on		
Debentures	4,252	3,719
Term loans	2,595	3,662
Banks and others	450	375
Other financial charges	700	580
	7,997	8,336

25. DEPRECIATION AND AMORTISATION

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Depreciation of tangible assets (refer note 3)	11,602	9,612
Amortisation of intangible assets (refer note 4)	637	239
	12,239	9,851

26. OTHER EXPENSES

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Rent (refer note 32)	38,312	32,626
Less: Rental income from sub-lessees	(488)	(547)
Net rent expenses	37,824	32,079
Electricity and water charges (net of recovery)	13,569	11,846
Common area maintenance (net of recovery)	10,511	8,160
Repairs and maintenance	8,839	6,825
Advertisement and sales promotion	3,413	2,847
Rates and taxes	3,053	1,842
Security service charges	2,433	1,882
Travelling and conveyance	2,245	1,794
Legal and professional fees (refer below note)	1,917	1,748
Communication costs	984	758
Net loss on disposal and discard of property, plant and equipment	628	656
Printing and stationery	530	502
Insurance	333	287
CSR expenditure (refer note 38)	185	138
Provision for doubtful debts and advances	514	242
Bad debts/advances written off	405	544
Less: Utilised from provisions	(376)	(367)
Capital work in progress written off	-	178
Directors' sitting fees	11	7
Miscellaneous expenses	639	852
	87,657	72,820

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Notes:

- a. Payment to auditors (included in legal and professional charges above)

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
As auditor:	
Audit fee	28
Limited Review	20
Tax audit fee	2
Other Certifications	1
Reimbursement of out of pocket expenses	3
	54
	88

27. EXCEPTIONAL ITEMS

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Assets written off	245
Business acquisition related cost (March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)	163
Net loss of erstwhile subsidiaries for the year ended March 31, 2016 (Refer Note 45(ii))	87
	495
	1,109

28. EARNING PER SHARE (EPS)

The following reflects the profit and shares data used in the basic and diluted EPS computations:

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Profit for the year	9,292
Total comprehensive income	9,150
Weighted average number of equity shares in calculating basic EPS:	
- Number of equity shares outstanding at the beginning of the year	46,686,938
- Number of equity shares issued on May 31, 2016	34,000
- Number of equity shares issued on July 29, 2016	650
- Number of equity shares issued on September 01, 2016	17,000
- Number of equity shares issued on May 01, 2015	-
- Number of equity shares issued on July 22, 2015	-
- Number of equity shares issued on September 04, 2015	-
- Number of equity shares issued on January 29, 2016	-
- Number of equity shares issued on February 29, 2016	-
- Number of equity shares issued on March 31, 2016	-
Number of equity shares outstanding at the end of the year	46,738,588
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661
Weighted average number of equity shares in calculating diluted EPS:	
Number of equity shares outstanding at the beginning of the year	46,686,938
Number of equity shares outstanding at the end of the year	46,738,588
Weighted number of equity shares of Rs. 10 each outstanding during the year (as above)	46,725,661
Add: Effect of stock options vested and outstanding for Nil (March 31, 2016: 51,650) equity shares	-
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661
EPS on profit for the year:	
Basic earnings per equity share (in Rs.)	19.89
Diluted earnings per equity share (in Rs.)	19.89
EPS on total comprehensive income:	
Basic earnings per equity share (in Rs.)	19.58
Diluted earnings per equity share (in Rs.)	19.58

Notes

to the financial statements for the year ended March 31, 2017

29. FIRST-TIME ADOPTION OF Ind AS

These are Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with IGAAP.

29.1 EXEMPTIONS AVAILED AND APPLIED

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- Ind AS 103 Business combinations: The Company has elected to apply Ind AS 103 prospectively to business combinations done after its transition date. Business combinations made prior to the transition date have not been restated;
- Deemed cost: Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their IGAAP carrying value;
- Ind AS 27 requires investments in subsidiaries, joint ventures and associates to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. The Company has availed the above exemption and recognized the investment in subsidiaries at the IGAAP carrying amount at the date of transition to Ind AS; and
- Ind AS 102 requires share based payments to be measured at fair value. However Ind AS 101 provides an exemption on application of Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind AS. Accordingly, Company has availed this exemption and measured the unvested options at fair value. The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using Intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to the retained earnings as on the transition date.

29.2 RECONCILIATION:

The following reconciliations provide the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

29.2.1 RECONCILIATION OF EQUITY AS PREVIOUSLY REPORTED UNDER IGAAP TO IND AS:

							(Rs. in lakhs)
Particulars	Reference	Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Assets							
Non-current assets							
Property, Plant & Equipment		68,061		68,061	80,789		80,789
Capital work in progress		6,818		6,818	7,174		7,174
Goodwill	A	8,060		8,060	7,052	1,008	8,060
Other Intangible assets		1,073		1,073	1,565		1,565
Intangible assets under development		-		-	153		153
	(I)	84,012	-	84,012	96,733	1,008	97,741

Notes

to the financial statements for the year ended March 31, 2017

(Rs. in lakhs)

Particulars	Reference	Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Investments in subsidiaries		7,884		7,884	8,384		8,384
Financial assets:							
Investments		148		148	103		103
Other Financial assets	C	11,273	2,090	13,363	16,952	2,918	19,870
Other non-current assets	D	14,615	(2,896)	11,719	13,503	(4,378)	9,125
Deferred tax assets (net) (includes MAT credit entitlement)	B	4,837	2,893	7,730	5,887		5,887
	(II)	38,757	2,087	40,844	44,829	(1,460)	43,369
Current assets							
Inventories		1,103		1,103	1,852		1,852
Investments		38		38	82		82
Loans		1,343		1,343	2,122		2,122
Trade Receivables		6,756		6,756	8,178		8,178
Cash and cash equivalent		791		791	23,392		23,392
Other bank balances		426		426	569		569
Other Financial assets		302		302	1,612		1,612
Other current assets		2,660		2,660	3,285		3,285
	(III)	13,419		13,419	41,092		41,092
Total assets [I+II+III]		136,188	2,087	138,275	182,654	(452)	182,202
Equity and liabilities							
Equity							
Equity share capital		4,153		4,153	4,669		4,669
Other Equity	E	35,684	2,587	38,271	80,737	1,201	81,938
Total equity	(I)	39,837	2,587	42,424	85,406	1,201	86,607
Non-current liabilities							
Financial liabilities:							
Borrowings		62,808		62,808	57,181		57,181
Provision	F	1,277	(500)	777	1,718	(1,123)	595
Deferred tax liabilities (net)	B	-		-	530	(530)	-
	(II)	64,085	(500)	63,585	59,429	(1,653)	57,776
Current liabilities							
Financial liabilities:							
Borrowings		4,699		4,699	-		-
Trade Payables		12,903		12,903	16,456		16,456
Other Payables		10,599		10,599	13,708		13,708
Provision		365		365	382		382
Other current liability		3,700		3,700	7,273		7,273
	(III)	32,266	-	32,266	37,819	-	37,819
Total equity and liabilities [I+II+III]		136,188	2,087	138,275	182,654	(452)	182,202

Notes

to the financial statements for the year ended March 31, 2017

Explanations for reconciliation of Balance sheet as previously reported under IGAAP to Ind AS:

A. Goodwill Amortization:

Adjustment includes reversal of Goodwill amortization amounting to Rs. 1,008 lakhs, as under Ind AS Goodwill is tested for impairment.

B. Deferred tax Assets (DTA):

Adjustment includes creation of DTA amounting to Rs. 2,893 lakhs on business losses & unabsorbed depreciation on account of reasonable certainty and other temporary differences arising out of Ind AS.

C. Other financial assets:

Security deposit paid to Mall Developers discounted and recorded at Present value.

D. Other non-current assets:

- Acquisition-related costs have been expensed off under "exceptional item" in accordance with Ind AS 103 "Business combination" amounting to Rs. 490 lakhs for the year ended March 31, 2016.
- Security deposit paid to Mall Developers discounted and deferred rent portion classified under other current assets.

E. Other Equity:

- a) Adjustments to retained earnings and other comprehensive Income have been made in accordance with Ind AS for the above mentioned lines.
- b) In addition, as per Ind AS19, actuarial gains and losses are recognized in other comprehensive Income as compared to being recognized in the statement of Profit & loss under IGAAP.

F. Provision:

Adjustments reflects dividend (including corporate dividend tax), declared and approved post reporting period amounting to Rs. 1,123 lakhs for March 2016 and Rs. 500 lakhs for March 2015.

The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirement for this note.

29.2.2 RECONCILIATION OF STATEMENT OF PROFIT AND LOSS AS PREVIOUSLY UNDER IGAAP TO Ind AS:

Particulars	Reference	(Rs. in lakhs)		
		Year ended March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations	I	174,757	(2,718)	172,039
Other income	I,D	2,571	3,546	6,117
Total Income		177,328	828	178,156
Expenses				
Film exhibition cost		43,362		43,362
Consumption of food and beverages		11,616		11,616
Employee benefits expense	G	16,792	63	16,855
Finance costs		9,851		9,851
Depreciation and amortization expense	A	9,344	(1,008)	8,336
Other expenses	D	71,828	992	72,820
Total Expenses		162,793	47	162,840

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(Rs. in lakhs)				
Particulars	Reference	Year ended March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
Profit/(loss) before exceptional items and tax		14,535	781	15,316
Exceptional items	D	619	490	1,109
Profit before tax		13,916	291	14,207
Tax expense:				
Current tax	H	3,022	(10)	3,012
Deferred tax charge	B	(520)	2,364	1,844
Total Tax Expenses/(credit)		2,502	2,354	4,856
Profit/(loss) for the year [A]		11,414	(2,063)	9,351
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans		-	30	30
Income tax effect	H	-	(10)	(10)
Other comprehensive income for the year (net of tax) [B]		-	20	20
Total Comprehensive Income for the Period [A+B]		11,414	(2,043)	9,371

Explanations for reconciliation of statement of Profit & loss as previously reported under IGAAP to Ind AS:

G. Employee Benefit Expenses:

- (a) As per Ind AS 19, "Employee benefits", actuarial gains and losses are recognized in other comprehensive income and not reclassified to profit and loss in subsequent period amounting to Rs. 20 lakhs net of tax; and
- (b) The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using Intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to statement of profit and loss amounting to Rs. 33 lakhs.

H. Current Tax:

The tax component on actuarial gains and losses which are transferred to other comprehensive income under Ind AS.

I. Government Grant:

As per Ind AS 20, Government grant has been reclassified to Other Income amounting to Rs. 2,718 lakhs.

29.3 CASH FLOW STATEMENT

There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS.

30. GRATUITY PLAN:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with two insurance companies in the form of a qualifying insurance policies. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

As the plan assets include investments in quoted mutual funds, the Company has diversified the market risk.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

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Statement of Profit and Loss

Net employee benefit expense recognized in employee cost

Particulars	(Rs. in lakhs)	
	March 31, 2017	March 31, 2016
Current service cost	138	145
Interest cost on benefit obligation	16	73
Expected return on plan assets	-	(21)
Net benefit expense	154	197
Actual return on plan assets	-	21

Balance Sheet

Benefit Assets/ Liabilities

Particulars	(Rs. in lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Defined benefit obligation	1,556	1,139	937
Fair value of plan assets	1,268	605	246
Plan asset/(liability)	(288)	(534)	(691)

Changes in the present value of the defined benefit obligation are as follows:

	(Rs. in lakhs)		
	Year ended March 31, 2017	Year ended March 31, 2016	As at April 01, 2015
Opening defined benefit obligation	1,139	937	937
Interest cost	80	73	-
Current service cost	138	145	-
Benefits paid	(68)	(82)	-
Actuarial losses/(gain) on obligation	246	66	-
Acquisitions (credit)/ cost	21	-	-
Closing defined benefit obligation	1,556	1,139	937

Changes in the fair value of plan assets are as follows:

	(Rs. in lakhs)		
	Year ended March 31, 2017	Year ended March 31, 2016	As at April 01, 2015
Opening fair value of plan assets	605	246	246
Expected return on plan assets	23	21	-
Interest income on plan assets	64	-	-
Benefits paid	(68)	(82)	-
Contribution by employer	644	420	-
Actuarial Gain/(losses)	0	0	-
Closing fair value of plan assets	1,268	605	246

The Company expects to contribute Rs. 644 lakhs (March 31, 2016 Rs. 420 lakhs; April 01, 2015: 200 lakhs) to gratuity fund in the financial year 2017-18.

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The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2016-17	2015-16
	%	%
Investments with insurer	99.52	99.06
Bank balances with the trust	0.48	0.94

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	2016-17	2015-16	2014-15
	%	%	%
Discount rate	6.70	7.25	7.80
Expected rate of return on plan assets	8.50	8.50	8.50
Increase in compensation cost	10.50 for first 2 years and 9.00 thereafter	9.00	8.00
Employee turnover			
Manager Grade	15	20	25
Executive Grade	55	65	60

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market. The assumption for employee turnover has been changed during the year based on the trend in the industry.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions as at March 31, 2017 is as follows:

Particulars	Increase effect	Decrease effect
	(Rs. in lakhs)	
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(61.45)	67.72
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	61.94	57.33
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.32)	66.90

A quantitative sensitivity analysis for significant assumptions as at March 31, 2016 is as follows:

Particulars	Increase effect	Decrease effect
	(Rs. in lakhs)	
Effect of (Increase)/decrease in discount rate by 1% on Defined benefit obligations	(38.15)	41.21
Effect of (Increase)/decrease in Salary escalation by 1% on Defined benefit obligations	29.42	(27.70)
Effect of (Increase)/decrease in withdrawal rate by 5% on Defined benefit obligations	(20.73)	26.88

The sensitivity analysis above has been determined on the basis of actuarial certificate.

Defined Contribution Plan:

Particulars	2016-17	2015-16
	(Rs. in lakhs)	
Contribution to Provident Fund - Charged to Statement of Profit & Loss (including Capital work in progress of Rs. 51 lakhs (March 31, 2016: Rs. 46 lakhs) (refer note 50)	845	740

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017:

	Gratuity cost charged to statement of profit or loss					Re-measurement gains/(losses) in OCI					Contributions by employer	Acquisitions credit/(cost)	March 31, 2017
	April 1, 2016	Service cost	Net interest	Sub-total included in statement	Benefits paid	Return on plan assets	Actuarial changes arising from changes in demographic assumption	Actuarial changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI			
Defined benefit obligation	(1,139)	(138)	(80)	(218)	68	-	(56)	(49)	(141)	(246)	-	(21)	(1,556)
Fair value of plan assets	605	-	64	64	(68)	23	-	-	-	23	644	-	1268
Benefit liability	(534)	-	-	(154)	-	-	-	-	-	(223)	644	(21)	(288)

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2016:

	Gratuity cost charged to statement of profit or loss				Benefits		Re-measurement gains/(losses) in OCI			Contributions by employer	Acquisitions credit/(cost)	March 31, 2016
	April 1, 2015	Service cost	Net interest income/(expense)	Sub-total included in statement profit and loss	paid	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments included in OCI			
Defined benefit obligation	(937)	(145)	(73)	(218)	82	-	-	(66)	-	-	-	(1139)
Fair value of plan assets	246	-	-	-	(82)	21	-	-	-	420	-	605
Benefit liability	(691)			(218)						420	-	(534)

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31. EMPLOYEE STOCK OPTION PLANS

The Company has provided stock option scheme to its employees. During the year 2016-17, the following schemes were in operation:

PVR ESOS 2012:

Date of grant	January 14, 2013
Date of Shareholder's approval	September 13, 2012
Date of Board Approval	August 01, 2012
Number of options granted	550,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at January 11, 2013	Rs. 287.25
Weighted average fair value of options granted on the date of grant	Rs. 147.85

The details of activity under PVR ESOS 2012 have been summarized below:

	2016-17		2015-16	
	Number of Options	Weighted Average Exercise Price (Rs.)	Number of Options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	34,650	200	176,200	200
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	34,650	200	141,550	200
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	34,650	200
Exercisable at the end of the year	-	-	34,650	200
Weighted average remaining contractual life of options (in years)	-	-	2.79	200

The weighted average share price at the date of exercise for stock options was Rs. 883.06 (March 31, 2016:Rs. 727.53)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2017	March 31, 2016
Dividend yield (%)	0.70%	0.70%
Expected volatility	36.99%	36.99%
Risk-free interest rate	7.80%	7.80%
Exercise price (Rs.)	Rs. 200	Rs. 200
Expected life of option granted in years	6	6

The Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. Nil lakhs (March 2016: Rs. 60.77 lakhs) is recorded in the statements of profit and loss.

Notes

to the financial statements for the year ended March 31, 2017

PVR ESOS 2013:

Date of grant	August 21, 2013
Date of Shareholder's approval	August 20, 2013
Date of Board Approval	May 28, 2013
Number of options granted	50,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting.
Vesting Conditions	Subject to continued employment with the Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at August 21, 2013	Rs.365.35
Weighted average fair value of options granted on the date of grant	Rs. 241.14

The details of activity under PVR ESOS 2013 have been summarized below:

	2016-17		2015-16	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	17,000	200	33,500	200
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	17,000	200	16,500	200
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	17,000	200
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	3.39	200

The weighted average share price at the date of exercise for stock options was Rs. 1,183.15 (March 31, 2016: Rs. 816.25)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2017	March 31, 2016
Dividend yield (%)	0.27%	0.27%
Expected volatility	39.51%	39.51%
Risk-free interest rate	8.63%	8.63%
Exercise price (Rs.)	200	200
Expected life of option granted in years	6	6

The Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. 5.29 lakhs (March 2016: Rs. 21.41 lakhs) is recorded in the statements of profit and loss.

32. LEASES

- Rental expenses in respect of operating leases are recognized as an expense in the statement of profit and loss and pre-operative expenditure (pending allocation), as the case may be.

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to the financial statements for the year ended March 31, 2017

Operating Lease (for assets taken on lease)

Disclosure for assets taken under non-cancellable leases, where the Company is presently carrying commercial operations is as under, which reflects the outstanding amount for non-cancellable period:

(Rs. in lakhs)		
Particulars	2016-17	2015-16
Lease payments for the year recognized in statement of profit and loss (including deferred rent portion)	38,312	32,626
Lease payments for the year included in Capital work in progress	71	227
Minimum lease payments :		
Within one year	23,106	19,162
After one year but not more than five years	67,950	54,163
More than five years	40,560	24,690

- ii. Rental income/Sub-Lease income in respect of operating leases are recognized as an income in the statement of profit and loss or netted off from rent expense, as the case may be.

Operating Lease (for assets given on lease)

The Company has given various spaces under operating lease agreements. These are generally cancellable on mutual consent and the lessee can vacate the rented property at any time. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

(Rs. in lakhs)		
Particulars	2016-17	2015-16
Sub-lease rent receipts	1,015	1,061

The Company has given spaces of cinemas/ food courts under operating lease arrangements taken on lease or being operated under revenue sharing arrangements. The Company has common fixed assets for operating multiplex/giving on rent. Hence separate figures for the fixed assets given on rent are not ascertainable.

iii. Finance lease: Company as lessee

The Company has finance leases contracts for plant and machinery (Projectors). These leases involve significant upfront lease payment, have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

(Rs. In lakhs)				
Particulars	March 31, 2017		March 31, 2016	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	899	524	813	433
After one year but not more than five years	3,259	2,537	3,145	2,282
More than five years	352	332	642	599
Total minimum lease payments	4,510	3,393	4,600	3,314
Less: amounts representing finance charges	(1,117)	-	(1,286)	-
Present value of minimum lease payments	3,393	3,393	3,314	3,314

There was no finance lease arrangement for the year ended March 31, 2015.

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to the financial statements for the year ended March 31, 2017

33. CAPITAL & OTHER COMMITMENTS

(a) Capital Commitments

Particulars	March 31, 2017	(Rs. in lakhs)	
		March 31, 2016	April 01, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	8,665	5,951	5,273

(b) Other Commitments

The Company is availing Entertainment tax exemptions in some states, in respect of certain Multiplexes as per the State Government schemes and is under obligation to operate respective Multiplexes for a certain number of years.

34. CONTINGENT LIABILITIES:

S. No.	Particulars	March 31, 2017	(Rs. in lakhs)	
			March 31, 2016	April 01, 2015
a)	Possible exposure against various appeals filed by the Company against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006 respectively. (the Company has paid an amount of Rs. 890 lakhs (Rs. 890 Lakhs as at March 31, 2016 and March 31, 2015) which is appearing in the Schedule of Other non current assets).	6,966	5,777	4,577
b)	Possible exposure on account of entertainment tax exemption treated as capital subsidy basis past ongoing assessments at assessing officer level.	999	2,188	3,503
c)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before Supreme Court.	334	334	334
d)	Notice from Entertainment Tax Department Chennai against short deposit of Entertainment Tax on regional movies.	43	43	43
e)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823	823
f)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees.	143	-	-
g)	Show cause notices raised by Service tax Commissionerate, New Delhi. (The Company has already deposited under protest an amount of Rs. 90 lakhs which is appearing under loans and advances).	5,383	5,464	2,110
h)	Possible exposure of Service tax on sale of food and beverages.	4,949	2,229	1,614
i)	Demand of Sales tax under Various States VAT Acts where appeal is pending before competent authority (the Company has paid an amount of Rs.53 lakhs under protest).	1,285	498	225
j)	Claims against the Company not acknowledged as debts.	419	553	553
k)	Amount involved/ exposure in respect of matter under litigation with various parties including developers.	-	354	364
l)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

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

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35. DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE:

Particulars of un-hedged foreign currency exposure as at the balance sheet date:

		(Rs. in lakhs)		
Particulars	Currency	March 31, 2017	March 31, 2016	April 01, 2015
Cash in Hand	Thai Bhat	0.27	0.27	0.27
	Hongkong Dollar	0.06	0.06	0.04
	Sterling Pound	0.00	0.08	0.08
	Korian Won	0.00	0.00	0.00
	UK Pound	0.90	0.00	0.00
	Singapore Dollar	0.39	0.41	0.19
	US Dollar	1.22	0.95	0.64
	Euro	1.91	1.62	0.31
	Dirham	0.74	0.72	0.29
Total		5.49	4.11	1.82
Payable for purchase of Property, Plant and Equipment	US Dollar	277.53	464.14	-

36. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprise Development Act, 2006 which comes into force with effect from October 02, 2006. As per the act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Company has sent the confirmation letters to its suppliers at the year end, to identify the supplier registered with the act. As per the information available with the Company, none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure done.

37. (i) Expenditure in foreign currency

		(Rs. in lakhs)	
Particulars	2016-17	2015-16	
Travelling	111	65	
Professional fees (including expenses, net of withholding tax)	622	280	
Others	246	156	
Total	979	501	

(ii) Income in foreign currency

		(Rs. in lakhs)	
Particulars	2016-17	2015-16	
Advertisement Income	149	-	
Income from sale of tickets and food and beverages	391	229	

(iii) CIF value of imports

		(Rs. in lakhs)	
Particulars	2016-17	2015-16	
Capital Goods	2,950	980	
Store and spares	1,252	1,163	

38. CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act.

Notes

to the financial statements for the year ended March 31, 2017

During the year, the Company has spent Rs. 185 lakhs through its foundation PVR Nest & others. PVR Nest focuses on providing education, healthcare, nutrition and rehabilitation to children.

(Rs. in lakhs)		
Particulars	2016-17	2015-16
Gross amount required to be spent by the Company during the year	165	88
Amount spent during the year (refer note 26)	185	138

39. DISCLOSURE REQUIRED UNDER SEC 186(4) OF THE COMPANIES ACT 2013

Included in loans and advance are certain inter corporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

(Rs. in lakhs)						
Particulars	Rate of Interest (p.a)	Due date	Secured/unsecured	March 31, 2017	March 31, 2016	April 01, 2015
PVR Pictures Ltd.*	11%	Repayable on demand, within a period of 14 days from such demand	Unsecured	2,000	600	200
Sandhya Prakash Ltd.**	18%	13 monthly instalments adjusted with lease rentals till April 2018.	Unsecured	98	98	98

* The loan had been given to PVR Pictures Ltd., a wholly owned subsidiary company, for meeting their working capital requirements.

** The loan had been given to Sandhya Prakash Ltd. (Mall Developer) for their capital expenditure requirement, where the Company has an existing operational cinema.

40. SIGNIFICANT INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

These financial statement are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements".

The Company has following investment in subsidiaries as at March 31, 2017

Name of the Company	Nature	Country of Incorporation	Percentage of holding		
			March 31, 2017	March 31, 2016	April 01, 2015
PVR Pictures Limited	Subsidiary	India	100%	100%	100%
PVR BluO Entertainment Limited	Subsidiary	India	51%	51% through subsidiary PVR Leisure Limited	51% through subsidiary PVR Leisure Limited
Zea Maize Private Limited	Subsidiary	India	70% (80% through convertible preference shares)	70%	Nil
Erstwhile PVR Leisure Limited		Refer Note 45(ii)		100%	100%
Erstwhile Lettuce Entertainment You Limited		Refer Note 45(ii)		100%	100%

41. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future year/periods.

Notes

to the financial statements for the year ended March 31, 2017

(i) Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(ii) Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

(iii) Taxation:

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(iv) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.

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(v) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 42 for such measurement.

(vi) Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

42. FAIR VALUE

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value and fair value of financial instruments by categories as of March 31, 2017 were as follows:

(Rs. in lakhs)					
Particulars	Amortised Cost	Financial Assets/liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Current and non-current					
Investments	197	-	-	197	197
Loans	2,527	-	-	2,527	2,527
Trade receivables	8,820	-	-	8,820	8,820
Cash and cash equivalent	1,264	-	-	1,264	1,264
Other bank balances	506	-	-	506	506
Other financial assets	21,011	-	-	21,011	21,011
Total	34,325	-	-	34,325	34,325
Liabilities:					
Borrowings	72,947	-	-	72,947	72,947
Trade payables	18,244	-	-	18,244	18,244
Other payables	20,020	-	-	20,020	20,020
Total	1,11,211	-	-	1,11,211	1,11,211

The carrying value and fair value of financial instruments by categories as of March 31, 2016 were as follows:

(Rs. in lakhs)					
Particulars	Amortised Cost	Financial Assets/liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	185	-	-	185	185
Loans	2,122	-	-	2,122	2,122
Trade receivables	8,178	-	-	8,178	8,178
Cash and cash equivalent	1,292	22,100	-	23,392	23,392
Other bank balances	569	-	-	569	569
Other financial assets	21,482	-	-	21,482	21,482
Total	33,828	22,100	-	55,928	55,928

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(Rs. in lakhs)					
Particulars	Amortised Cost	Financial Assets/liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Liabilities:					
Borrowings	57,181	-	-	57,181	57,181
Trade payables	16,456	-	-	16,456	16,456
Other payables	13,708	-	-	13,708	13,708
Total	87,345	-	-	87,345	87,345

The carrying value & fair value of financial instruments by categories as of April 01, 2015 were as follows:

(Rs. in lakhs)					
Particulars	Amortised Cost	Financial Assets/liabilities at fair value through statement of profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	186	-	-	186	186
Loans	1,344	-	-	1,344	1,344
Trade receivables	6,756	-	-	6,756	6,756
Cash and cash equivalent	791	-	-	791	791
Other bank balances	439	-	-	439	439
Other financial assets	13,665	-	-	13,665	13,665
Total	23,181	-	-	23,181	23,181
Liabilities:					
Borrowings	67,507	-	-	67,507	67,507
Trade payables	12,904	-	-	12,904	12,904
Other payables	10,599	-	-	10,599	10,599
Total	91,010			91,010	91,010

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

43. SEGMENT INFORMATION

Operating Segments:

The Company is engaged in the business of film exhibition and production. There are no separately identifiable business segment considering the proportion of revenues, profits and assets of the Company. Hence no separate disclosures have been made in line with Ind AS – 108 on Segment Reporting.

44. RELATED PARTY DISCLOSURE

Names of related parties and related party relationship

Subsidiaries	PVR Pictures Limited
	PVR bluO Entertainment Limited
	Zea Maize Private Limited
	Erstwhile PVR Leisure Limited (Merged with the Company from April 01, 2015 Refer note 45(ii))
	Erstwhile Lettuce Entertain You Limited (Merged with the Company from April 01, 2015 Refer note 45(ii))
Key Management Personnel	Mr. Ajay Bijli, Chairman cum Managing Director
	Mr. Sanjeev Kumar, Joint Managing Director
	Mrs. Renuka Ramnath, Director
	Mr. Amit Burman – Director
	Mr. Sanjai Vohra – Director
	Mr. Vikram Bakshi – Director
Relatives of Key Management Personnel	Mr. Sanjay Khanna – Director
	Mrs. Selena Bijli, Wife of Mr. Ajay Bijli
	Ms. Niharika Bijli, Daughter of Mr. Ajay Bijli
Enterprises having significant influence over the Company	Mr. Aamer Krishan Bijli, Son of Mr. Ajay Bijli
	Erstwhile Bijli Holding Private Limited (Merged with the Company from January 01, 2016 Refer note 45(i))
Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	PVR Nest
	Priya Exhibitors Private Limited

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Transactions during the year	Subsidiary Companies		Enterprises having significant influence over the Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Remuneration paid								
Ajay Bijli	-	-	-	-	730	325	-	-
Sanjeev Kumar	-	-	-	-	630	225	-	-
Selena Bijli	-	-	-	-	-	23	-	-
Niharika Bijli	-	-	-	-	14	3	-	-
Other independent directors	-	-	-	-	20	23	-	-
Rent Expense								
Priya Exhibitors Private Limited	-	-	-	-	-	-	325	288
Film Distributors Share expense (net of recovery towards publicity)								
PVR Pictures Limited	2,859	1,383	-	-	-	-	-	-
Expenses on Food, Beverage & Bowling (Staff Welfare etc.)								
Lettuce Entertain You Ltd.	-	47	-	-	-	-	-	-
Zea Maize Private Ltd.	19	1	-	-	-	-	-	-
PVR bluO Entertainment Limited	1	1	-	-	-	-	-	-
Rental and related Income								
Lettuce Entertain You Ltd.	-	68	-	-	-	-	-	-
Purchases of Goods								
Lettuce Entertain You Ltd.	-	14	-	-	-	-	-	-
Zea Maize Private Ltd.	77	13	-	-	-	-	-	-
Management Fees Incurred								
PVR bluO Entertainment Limited	6	4	-	-	-	-	-	-
Income From Sales of Tickets of Films								
PVR Pictures Limited	95	65	-	-	-	-	-	-
Interest Received								
PVR Pictures Limited	104	3	-	-	-	-	-	-
Interest Paid								
PVR Leisure Limited	-	38	-	-	-	-	-	-
Final Dividend Paid								
Bijli Holding Private Limited	-	-	-	100	-	-	-	-
Ajay Bijli	-	-	-	-	167	13	-	-
Sanjeev Kumar	-	-	-	-	96	3	-	-
Selena Bijli	-	-	-	-	3	2	-	-
Aamer Krishan Bijli	-	-	-	-	7	5	-	-
Inter Corporate Loans Given								
PVR Pictures Limited	4,775	600	-	-	-	-	-	-
Inter Corporate Loans Refund								
PVR Leisure Limited	-	1,500	-	-	-	-	-	-
PVR Pictures Limited	3,375	200	-	-	-	-	-	-
CSR expense								
PVR Nest	-	-	-	-	-	-	166	107

Notes

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Balance outstanding at the end of the year	Subsidiary Companies			Enterprises having significant influence over the Company			Key Management Personnel and their relatives			Enterprises owned or significantly influenced by key management personnel or their relatives		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Trade Receivable												
PVR bloO Entertainment Limited	-	6	-	-	-	-	-	-	-	-	-	-
Lettuce Entertain You Ltd.	-	106	-	-	-	-	-	-	-	-	-	-
Trade Payable												
PVR Pictures Limited	49	274	92	-	-	-	-	-	-	-	-	-
PVR Leisure Ltd.	-	-	1	-	-	-	-	-	-	-	-	-
Zea Maize Private Ltd.	-	5	-	-	-	-	-	-	-	-	-	-
Lettuce Entertain You Ltd.	-	16	-	-	-	-	-	-	-	-	-	-
PVR bloO Entertainment Limited	1	-	-	-	-	-	-	-	-	-	-	-
Advance recoverable												
Zea Maize Private Ltd	2	-	-	-	-	-	-	-	-	-	-	-
Security Deposits Given												
Priya Exhibitors Private Limited	-	-	-	144	144	66	-	-	-	-	-	-
Security Deposits Received												
Lettuce Entertain You Ltd.	-	7	7	-	-	-	-	-	-	-	-	-
Inter Corporate Loans Given												
PVR Pictures Limited	2,000	600	200	-	-	-	-	-	-	-	-	-
Investment in Equity Share Capital												
PVR bloO Entertainment Limited	4,340	-	-	-	-	-	-	-	-	-	-	-
PVR Leisure Ltd.	-	4,906	4,906	-	-	-	-	-	-	-	-	-
PVR Pictures Limited	2,102	1,602	1,602	-	-	-	-	-	-	-	-	-
Zea Maize Private Ltd.	500	500	-	-	-	-	-	-	-	-	-	-
Investment in Preference Share Capital												
Zea Maize Private Ltd.	350	-	-	-	-	-	-	-	-	-	-	-
PVR Leisure Ltd.	-	1,376	1,376	-	-	-	-	-	-	-	-	-
Investment in Share Warrant												
PVR Leisure Ltd.	-	0.001	0.001	-	-	-	-	-	-	-	-	-

Notes:

- (a) The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. It also does not include employer's contribution to provident fund.
- (b) No amount has been provided as doubtful debts or advance/ written off or written back in the year in respect of debts due from/to above related parties.
- (c) All of the above transactions are inclusive of the indirect taxes being levied.
- (d) The Company has given corporate guarantee for one of its subsidiaries amounting Rs. 100 lakhs (March 31, 2016 : Nil)

Notes

to the financial statements for the year ended March 31, 2017

45. BUSINESS COMBINATIONS

(i) Amalgamation of Bijli Holdings Private Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on September 15, 2016, between PVR Limited (the Company) and Bijli Holdings Private Limited (BHPL), BHPL was merged with the Company from the appointed date i.e. January 01, 2016.

BHPL was forming part of the promoter group of the Company, which was holding 10,031,805 equity shares in the Company's paid-up equity share capital. Consequent upon amalgamation of BHPL with the Company, individual promoters of the Company, directly hold shares in the Company in the same proportion as they held through the erstwhile BHPL. The amalgamation has resulted in simplification of the shareholding structure and reduction of shareholding tiers as well as demonstrates the promoter's direct commitment to and engagement to the Company.

Pursuant to the above, BHPL stands merged with the Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of PVR shall automatically stand enhanced by the authorised share capital of BHPL.

Assets acquired and liabilities assumed

		(Rs. in lakhs)
Particulars		Amount
Assets		
Loans and advances		0.96
Cash and bank balances		77.38
Total	A	78.34
Liabilities		
Trade Payables		21.02
Other current liabilities		0.53
Total	B	21.55
Capital Reserve (Balancing figure)	A-B	56.79

Pursuant to the approved scheme, 10,031,805 fully paid up equity shares of the face value of Rs. 10 each credited as fully paid up in the share capital of the Company to the members of BHPL in the ratio of their equity shareholding in BHPL. There was no change in the promoter shareholding of the Company, pursuant to this scheme. The promoter continues to hold the same percentage of shares in the Company, pre and immediately post the amalgamation of BHPL.

Had the above merger would have been accounted for, following Ind-AS 103 Business Combination; there would not be having any difference in the above transaction.

(ii) Amalgamation of Lettuce Entertain you Limited, PVR Leisure Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on January 04, 2017, between PVR Limited (the Company) and PVR Leisure Limited (PVR Leisure) and Lettuce Entertain you Limited (Lettuce), later Companies were amalgamated with the Company from the appointed date i.e. April 01, 2015. Lettuce and PVR Leisure are individually referred to as "Amalgamating Company" and collectively referred to as "Amalgamating Companies" and PVR is referred to as "Amalgamated Company" for the purpose of this clause.

Amalgamating Companies are subsidiaries of the Company and are engaged in similar/related businesses. Through consolidation, the synergies that exist among the entities in terms of similar business processes and resources can be put to the best advantage of the stakeholders.

Notes

to the financial statements for the year ended March 31, 2017

Pursuant to the above, Amalgamating Companies stands merged with the Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of PVR shall automatically stand enhanced by the authorised share capital of Amalgamating Companies.

Assets acquired and liabilities assumed

Particulars	(Rs. in lakhs)	
	PVR Leisure Limited	Lettuce Entertain you Limited
Assets		
Cash and cash equivalents	20.93	29.76
Fixed Assets	-	496.32
Inventories	-	56.45
Investment - PVR bluO Entertainment Limited	4,340.00	-
Deferred Tax Assets	-	498.44
Trade receivables	-	2.57
Loans and advances	2,458.58	48.40
Other current assets	29.87	-
Total	6,849.38	1,131.94
Liabilities		
Provisions	0.43	2.25
Trade payables	1.54	151.23
Other current liabilities	0.14	48.95
Borrowings	-	950.00
Total	2.11	1,152.43
Net Asset over (Liabilities)	6,847.27	(20.49)
Add: Net Liability of Lettuce Entertain you Limited	(20.49)	20.49
Net Value of Assets taken	6,826.78	-
Value of Investment of PVR Leisure Limited by PVR Limited	6,281.62	
Net Capital Reserve (Balancing Figure)	545.16	

Pursuant to the approved scheme, entire paid-up equity and non-cumulative convertible preference share capital of PVR Leisure as held by the Company directly, and the entire paid-up equity share capital of Lettuce held by the Company through PVR Leisure, upon the scheme becoming effective shall stand cancelled on the effective date and no shares of the Company shall be issued or allotted in consideration for amalgamation.

Had the Company was required to follow the Ind AS 103, 'Business Combination' the entities under common control should have used "Pooling of Interest method", according to which, recognized capital reserve would had been Rs.468 lakhs as against Rs. 545 lakhs recognized in books as per the approved order of Hon'ble High Court of Delhi.

Post-merger, PVR BluO Entertainment Limited has become direct subsidiary of the Company.

(iii) Acquisition of Cinema exhibition undertaking of DLF Utilities Limited

The Company during the year, acquired part of the Cinema exhibition undertaking of DLF Utilities Limited (operated under the brand name of "DT Cinemas") on a slump sale basis. Last year, in connection with this, Company had deposited

Notes

to the financial statements for the year ended March 31, 2017

Rs. 5,000 lakhs in an Escrow account. The sale and transfer of the said Cinema exhibition undertaking, as a going concern has been completed on May 31, 2016 and the same has been accounted as per Ind AS 103, "Business combination".

		(Rs. in lakhs)
Particulars		Amount
Total Consideration payable for taking the part of the film exhibition business of DLF Utilities		43,250
Fair value of assets acquired		9,038
(Company had appointed an Independent valuer to value the assets acquired from DLF Utilities Limited)		
Other net liability related to film exhibition business acquired by the Company		(388)
Balancing figure recognized as Goodwill		34,600

Out of the total consideration payable to DLF Utilities Limited as mentioned above, Rs. 10,000 lakhs are payable on obtaining two separate regulatory approvals, Rs. 5,000 lakhs payable on obtaining each approval. The management at the time of acquisition has assessed that it shall obtain all the approvals shortly and thus no adjustment in this regard are made. Company during the year has received one such approval and has paid Rs. 5,000 lakhs accordingly and is confident of receiving the other approval.

46. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to Market risk, credit risk, Legal, taxation and Accounting risk and liquidity risk. Company's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

		(Rs. in lakhs)			
Particulars	Increase effect		Decrease effect		
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans	246	305	(246)	(305)	

Notes

to the financial statements for the year ended March 31, 2017

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of the Company's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(b) Legal, taxation and Accounting risk:

Change to any of the above laws, rules, regulations related to PVR Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost of PVR. Failure to fully comply with various laws, rules and regulations may expose PVR to proceedings which may materially affect its performance.

PVR is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to landlord-tenant disputes, tax disputes(including entertainment tax subsidy and other direct and indirect tax matters like Service tax, Sales tax etc.), and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, PVR records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, PVR employs in-house counsel and uses third party tax and legal experts to assist in structuring significant transactions and contracts. PVR also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. Management believes the credit risk on cash and cash equivalents is low because the counterparties are banks with high credit ratings.

Trade receivables are amount billed to customers for the sale of goods and services, and represent the maximum exposure to credit risk of those financial assets, exclusive of the allowance for doubtful debts. Normal credit terms for amounts due from customers is within 0-90 days which is in line with Industry practice.

The Company does not require collateral or other security from customers; however, credit evaluations are performed prior to the initial granting of credit when warranted and periodically thereafter. Based on policy, the Company records a reserve for estimated uncollectible amounts, which management believes reduce credit risk. Management assesses the adequacy of reserve quarterly, taking into account historical experience, current collection trend, the age of the receivables and, when warranted and available, the financial condition of specific counterparties.

Due to diversified client base, management believes the Company does not have a significant concentration of credit risk.

Trade Receivables after adjusting provision (basis past experience and trends) are as follows:

Particulars	March 31, 2017	(Rs. in lakhs)	
		March 31, 2016	April 01, 2015
Trade Receivables	8,820	8,178	6,756

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

Notes

to the financial statements for the year ended March 31, 2017

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, finance leases and advance payment terms.

Year ended March 31, 2017

(Rs. in lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	1,523	12,574	7,372	59,351	1,374	82,194
Trade and other payables	-	24,111	5,069	138	-	29,318

Year ended March 31, 2016

(Rs. in lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	-	2,064	6,756	47,310	10,099	66,229
Trade and other payables	-	21,069	69	206	-	21,344

As at April 01, 2015

(Rs. in lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	4,699	1,806	5,714	44,587	18,500	75,306
Trade and other payables	-	15,982	-	-	-	15,982

The Company has also significant contractual obligations in the form of operating lease (Note no. 32(ii)) and capital and other commitments (Note No.33).

47. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is long term debts plus amount payable for purchase of fixed assets divided by total equity.

(Rs. in lakhs)			
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Long term debt including current maturities (refer Note no. 16)	69,450	66,002	70,328
Payable for purchase of fixed assets (refer Note no. 19A)	10,384	4,333	2,515
Total	79,834	70,335	72,843
Equity (refer Note no. 14)	95,297	86,606	42,423
Gearing ratio	84%	81%	172%

48. During the year on August 09, 2016, Company has incorporated a new subsidiary "P V R Lanka Limited" in Democratic Socialist Republic of Sri Lanka. Subsequent to the year end on May 18, 2017, the Company has invested a sum of USD 59,993, to subscribe 91,249 numbers of shares of LKR 100 each.

Notes

to the financial statements for the year ended March 31, 2017

49. The Board of Directors has recommended final dividend of 20% (Rs. 2 per fully paid up equity share of Rs 10 each) for the year ended March 31, 2017, subject to the approval of shareholders at the ensuing Annual General meeting of the Company.

50. EXPENSES CAPITALIZED DURING THE YEAR

The Company has incurred following expenses as pre-operative expenses through Capital work-in-progress.

(Rs. in lakhs)		
Particulars	2016-17	2015-16
Salaries, allowances and bonus	1,242	1,261
Contribution to provident and other funds	51	46
Rent	71	227
Electricity and water charges	17	18
Repairs and maintenance	40	51
Rates and taxes	327	67
Travelling and conveyance	87	74
Legal and Professional expenses	841	428
Insurance	27	34
Communication cost	5	7
Security service charges	213	178
Finance cost	256	214
Other miscellaneous expenses	64	27
Total	3,241	2,632

51.1 INCOME TAX EXPENSE

(Rs. in lakhs)		
Particulars	March 31, 2017	March 31, 2016
(a) Income tax expense reported in the statement of profit or loss comprises:		
Current income tax:		
Current tax (MAT payable)	3,156	3,011
Less: MAT credit entitlement	1,255	1,574
Current income tax charge	1,901	1,437
MAT credit (entitlement)/reversal for earlier years	(197)	-
Total current tax	1,704	1,437
Deferred tax:		
Relating to origination and reversal of temporary differences	3,718	3,419
Income tax expense reported in the statement of profit and loss	5,422	4,856
Effective Income tax rate	36.85%	34.17%
(b) Statement of Other Comprehensive Income		
Net loss/ (gain) on re-measurements of defined benefit plans	81.08	(10.21)
(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
Accounting profit before tax	14,714	14,207
Statutory income tax rate	34.61%	34.61%
Computed tax expense	5,092	4,917
Adjustments in respect of current income tax of previous years	151	(61)
Non-deductible expenses for tax purposes	179	-
Income tax charged to statement of profit and loss	5,422	4,856

Notes

to the financial statements for the year ended March 31, 2017

51.2 TAX MOVEMENT

		(Rs. in lakhs)	
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
(a) MAT credit entitlement			
Opening Balance	6,412	4,838	4,838
Add: MAT credit entitlement/(reversal) for earlier years	197	-	-
Add: MAT credit entitlement for current year	1,255	1,574	-
Closing Balance	7,864	6,412	4,838
(b) Deferred Tax Asset / (Liability)			
Opening Balance	(525)	2,892	-
Less: Difference in Book Value and written down value as per Income Tax	(3,508)	565	(2,296)
Add: Effect of carry forward of losses and unabsorbed depreciation		(4,244)	4,244
Add: Deferred Tax on losses / unabsorbed depreciation of amalgamating companies (refer note 45(ii))	609	-	-
Add: Tax income / (expenses) on other timing differences	(130)	262	944
Closing balance	(3,554)	(525)	2892

52. 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 March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBN's and other notes as per the notification is given below:

		(Rs. in lakhs)	
Particulars	SBN's*	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	409	4	413
(+) Permitted receipts	-	6,903	6,903
(-) Permitted payments	-	(182)	(182)
(-) Amount deposited in Banks	(409)	(6,358)	(6,767)
Closing cash in hand as on December 30, 2016	-	367	367

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 08, 2016.

53. The figures in the financial statements and notes thereto have been rounded off to nearest rupees in lakhs, where one lakh is equal to one hundred thousand.

As per report of even date
For **S.R. BATLIBOI & CO. LLP**
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

per **Vikas Mehra**
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Independent Auditor's Report

To the Members of PVR Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of PVR Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute

of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 34 to the consolidated Ind AS financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2017.
 - iv. The Group has provided requisite disclosures in Note 46 to these consolidated Ind-AS financial statements,

to the extent applicable to the Holding Company and subsidiaries incorporated in India, as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose Ind AS financial statements include total assets of Rs 8,100 Lakhs and net assets of Rs 4,032 Lakhs as at March 31, 2017, and total revenues of Rs 9,374 Lakhs and net cash outflows/ (inflows) of Rs 198 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit/loss of Rs. 341 Lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Partner

Place of Signature: Gurugram

Date: May 30, 2017

Membership Number: 094421

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PVR LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of PVR Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of PVR Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these 3 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Place of Signature: Gurugram

Date: May 30, 2017

Membership Number: 094421

Consolidated Balance Sheet

as at March 31, 2017

	Note	March 31, 2017	March 31, 2016	(Rs. In lakhs) April 01, 2015
Assets				
Non-current assets				
Property, plant and equipment	3	104,473	88,242	75,225
Capital work-in-progress	3	10,557	7,393	8,040
Goodwill	4	42,660	8,060	8,060
Goodwill on consolidation	4	705	519	313
Other intangible assets	4	3,030	3,143	2,437
Intangible assets under development	4	-	201	-
Financial assets				
Investments	5	101	103	148
Other financial assets	6	17,838	20,269	13,730
Other non current assets	7	10,840	9,864	12,502
Deferred tax assets (net) (includes MAT credit entitlement)	8A	4,326	6,333	7,874
Total non-current assets	A	194,530	144,127	128,329
Current assets				
Inventories	9	1,904	2,046	1,260
Financial assets				
Investments	10	96	82	38
Loans	11	525	1,522	1,144
Trade receivables	12	10,208	9,008	7,670
Cash and cash equivalents	13	2,475	26,137	2,134
Other bank balances	13	515	576	439
Other financial assets	6	3,704	1,635	311
Other current assets	7	8,612	4,589	3,277
Total current assets	B	28,039	45,595	16,273
Total assets [A+B]		222,569	189,722	144,602
Equity and liabilities				
Equity				
Equity share capital	14	4,674	4,669	4,153
Other equity		91,827	83,453	39,327
Equity attributable to equity holders of the Parent Company		96,501	88,122	43,480
Non-controlling interests	15	4,050	4,010	3,832
Total equity	A	100,551	92,132	47,312
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	60,504	57,182	63,268
Provisions	17	710	672	833
Deferred tax liabilities (net) (includes MAT credit entitlement)	8B	91	-	45
Total non-current liabilities	B	61,305	57,854	64,146
Current liabilities				
Financial liabilities				
Borrowings	18	12,508	-	3,199
Trade payables	19A	19,762	17,158	13,749
Other payables	19B	20,077	13,789	11,405
Provisions	17	325	405	384
Other current liabilities	20	8,041	8,384	4,407
Total non-current liabilities	C	60,713	39,736	33,144
Total equity and liabilities [A+B+C]		222,569	189,722	144,602
Summary of significant accounting policies	2.3			

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

(Rs. In lakhs)			
Particulars	Note	March 31, 2017	March 31, 2016
Income			
Revenue from operations	21	211,943	184,956
Other income	22	6,225	6,348
Total Income		218,168	191,304
Expenses			
Movie exhibition cost		46,516	41,975
Consumption of food and beverages		14,010	12,483
Employee benefits expense	23	22,051	18,594
Finance costs	24	8,058	8,395
Depreciation and amortisation	25	13,838	11,511
Other expenses	26	98,004	82,660
Total expenses		202,477	175,618
Profit before exceptional items and tax		15,691	15,686
Exceptional items	27	407	1,156
Profit before tax		15,284	14,530
Tax expense:			
Current tax		3,292	3,110
Adjustment of tax relating to earlier periods		38	-
Deferred tax (including MAT credit entitlement)		2,370	1,558
Total tax expenses		5,700	4,668
Profit for the year [A]		9,584	9,862
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period			
Re-measurement gains/(loss) on defined benefit plans		(229)	28
Income tax effect		81	(8)
Other comprehensive income for the year (net of tax) [B]		(148)	20
Total comprehensive income for the year [A+B] (comprising profit and other comprehensive income)		9,436	9,882
Total comprehensive income for the year		9,436	9,882
Attributable to:			
Equity holders of the parent		9,431	9,831
Non-controlling interests		5	51
Earnings per equity share on profit after tax and share of non controlling interest [Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]	28		
Basic		20.50	21.05
Diluted		20.50	21.03
Earnings per equity share on total Comprehensive Income attributable to equity shareholders [Nominal Value of share Rs. 10 (March 31, 2016: Rs.10)]	28		
Basic		20.18	21.10
Diluted		20.18	21.08
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2017

A. Equity Share Capital (Refer note 14)

	March 31, 2017	March 31, 2016
Balance as per last financial statements	4,669	4,153
Changes in equity share capital during the year	5	516
Closing Balance	4,674	4,669

B. Other Equity

Particulars	Reserves and Surplus					Other comprehensive income		Total
	Capital Reserve	Securities Premium	Debenture redemption reserve	General reserve	Employee stock option outstanding	Retained Earnings	Re-measurement gains/(loss) on defined benefit plans	
As at April 01, 2015	385	12,341	1,032	4,343	242	20,984	-	39,327
Profit for the year (before OCI and after share of non-controlling Interest)	-	-	-	-	-	9,811	-	9,811
Other comprehensive income	-	-	-	-	-	-	20	20
Total Comprehensive Income	385	12,341	1,032	4,343	242	30,795	20	49,158
Issue of share capital	-	34,500	-	-	-	-	-	34,500
Employee stock compensation for options	-	-	-	-	87	-	-	87
Exercise of share options	-	300	-	-	-	-	-	300
Deferred employee stock compensation	-	-	-	-	(5)	-	-	(5)
Transferred from stock options outstanding	-	249	-	-	(249)	-	-	-
Transaction cost on securities issue	-	(26)	-	-	-	-	-	(26)
Transfer to Debenture redemption reserve (refer below note)	-	-	1,671	-	-	(1,671)	-	-
Dividends and tax thereon (refer note 14(e))	-	-	-	-	-	(561)	-	(561)
At March 31, 2016	385	47,364	2,703	4,343	75	28,563	20	83,453
Profit for the year (before OCI and after share of non-controlling Interest)	-	-	-	-	-	9,579	-	9,579
Other comprehensive income	-	-	-	-	-	-	(148)	(148)
Total Comprehensive Income	385	47,364	2,703	4,343	75	38,142	(128)	92,884
Exercise of share options	-	98	-	-	-	-	-	98
Employee stock compensation for options	-	-	-	-	5	-	-	5
Transferred from stock options outstanding	-	80	-	-	(80)	-	-	-
Transfer to Debenture redemption reserve	-	-	2,269	-	-	(2,269)	-	-
Transfer from Debenture redemption reserve (on redemption of 20% of 11.40% NCD)	-	-	(50)	-	-	50	-	-
Dividends (refer note 14(e))	-	-	-	-	-	(971)	-	(971)
Tax on Dividends (refer note 14(e))	-	-	-	-	-	(198)	-	(198)
Adjustment on account of Business combination	217	(417)	-	-	-	59	-	(141)
Amount of Goodwill created on account additional investment in Zea Maize Private Limited (subsidiary)	-	-	-	151	-	-	-	151
At March 31, 2017	602	47,124	4,922	4,494	-	34,813	(128)	91,827

Note: The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Parent Company to create Debenture redemption reserve (DRR) out of profits of the Parent Company available for payment of Dividends. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued and the Parent Company has accordingly created the same.

Summary of significant accounting policies (refer note 2.3)

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2017

		(Rs. In lakhs)
	Note	March 31, 2017
		March 31, 2016
Operating activities:		
Profit before tax		15,284
Profit before tax		14,530
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	25	12,477
Amortisation of intangible assets	25	1,361
Net loss on disposal and discard of property, plant and equipment, CWIP (including pre-operative expenses)	26	636
Interest Income	22	(1,345)
Provision for doubtful debts and advances	26	569
Bad debts/advances written off	26	29
Interest expense	24	7,298
Employee stock option expense	23	5
Unspent liabilities written back	22	(89)
Exceptional items - Assets written off (March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)	27	245
Rent expenses (pertaining to deferred rent)	26	1,260
		37,730
		35,235
Working capital adjustments:		
Increase/(Decrease) in provisions		(303)
Increase/(Decrease) in trade & other payables		2,493
Decrease/(Increase) in trade receivables		(1,624)
Decrease/(Increase) in inventories		142
Decrease/(Increase) in loans and advances and other assets		(3,168)
Cash generated from operations		35,270
Direct taxes paid (net of refunds)		(3,309)
Net cash flow from/(used in) operating activities (A)		31,961
Cash flows (used in) investing activities		
Purchase of Property, plant and equipment, Intangible assets, capital work-in-progress and capital advance		(63,305)
Security deposits to developers		(5,246)
Proceeds from sale of property, plant and equipment		63
Purchase/redemption of National saving certificate		(12)
Interest received		288
Fixed deposits with banks (includes Escrow account deposit)		5,003
Net cash flow from/(used in) investing activities (B)		(63,209)
Cash flow (used in)/from financing activities		
Proceeds from issuance of share capital including securities premium		103
Proceeds from long term borrowings		15,085
Repayment of long-term borrowings		(11,636)
Proceeds from short-term borrowings		20,936
Repayment of short-term borrowings		(10,000)
Payment of dividend and tax thereon		(1,169)
Interest paid on borrowings		(7,304)
Net cash flow from/(used in) financing activities (C)		6,015
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(25,233)
Cash and cash equivalents at the beginning of the year		26,136
Less: Bank overdraft (refer note 18)		-
Cash and cash equivalents at the end of the year		903
		26,136

Cash and cash equivalents

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Cash and cheques on hand	319	236
With banks - on deposit accounts	74	211
With banks - on current accounts	2,082	1,415
Investment in Mutual fund	-	24,274
Sub-total (refer note 13)	2,475	26,136
Less: Bank overdraft (refer note 18)	(1,572)	-
Total cash and cash equivalent for cash flow statement	903	26,136
Summary of significant accounting policies	2.3	

The accompanying notes are an integral part of the financial statements.

As per report of even date

For **S.R. BATLIBOI & CO. LLP**

ICAI Firm Registration Number: 301003E/E300005

Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli

Chairman cum Managing Director

DIN: 00531142

Place: New York

Amit Burman

Director

DIN: 00042050

Sanjeev Kumar

Joint Managing Director

DIN: 00208173

per **Vikas Mehra**

Partner

Membership Number: 094421

Place: Gurugram

Date: May 30, 2017

Pankaj Dhawan

Company Secretary

ICSI M.No.: F3170

Nitin Sood

Chief Financial Officer

Notes

to the Consolidated financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

The Consolidated Financial Statements relate to PVR Limited (Parent Company) and its subsidiary Companies (hereinafter referred as the ("Group")). The Parent Company is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on leading stock exchanges in India. The registered office of the Parent Company is located at "61, Basant lok, Vasant Vihar, New Delhi, India – 110057".

The Group is engaged in the business of Movie exhibition, distribution and production and also earns revenue from in-house advertisement, sale of food and beverages, bowling and gaming alley and restaurant business.

The subsidiary companies which are included in the consolidation are as under:

Name of Subsidiary Company	Name of the Holding Company	Country of Incorporation	Date of acquisition	Percentage of Ownership as at March 31, 2017	Percentage of Ownership as at March 31, 2016	Percentage of Ownership as at April 1, 2015
PVR Pictures Limited	PVR Limited	India	Existing stake	100	100	100
Erstwhile PVR Leisure Limited			(Refer note 41 (ii))		100	100
Erstwhile Lettuce Entertain You Limited			(Refer note 41 (ii))		100	100
PVR bluO Entertainment Limited	PVR Limited	India	Existing stake through Erstwhile PVR Leisure Limited	51	51	51
Zea Maize Private Limited	PVR Limited	India	Existing stake	70 (80 through convertible preference shares)	70	-

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all years up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first financial statement of the Group prepared in accordance with Ind AS. Refer to note 29 for information on adoption of Ind AS.

The consolidated financial statements have been prepared on an accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments, refer note 2.3(d)).

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at March 31, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if:

Notes

to the Consolidated financial statements for the year ended March 31, 2017

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns;
- Management of the day to day operations;
- Appointment and Termination of key management personnel; and
- Decisions over development of new sites and prevention of loss of assets.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those

adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date;
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group

Notes

to the Consolidated financial statements for the year ended March 31, 2017

and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Summary of significant accounting policies

(a) Business combinations and goodwill:

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2015 (transition date). As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date on the basis of fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date on the basis of fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives, if any in host contracts by the acquiree.

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

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

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (Theatrical exhibition unit) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Notes

to the Consolidated financial statements for the year ended March 31, 2017

Goodwill arising from business combination is tested for impairment, considering the integrated business of PVR (Theatrical exhibition unit), as practically it is impossible to allocate to specific cinema location, considering various synergies in term of pricing of ticket, advertisement income, purchasing power and other commercial aspects.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised

in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

Computation of Goodwill on consolidation:

Particulars	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Investment in equity shares of PVR Pictures Limited	6,000	6,000
Less: PVR Limited's share in the net assets of its subsidiary PVR Pictures Limited	4,433	4,433
Less: amount pertaining to the production business undertaking of PVR Pictures Limited merged with PVR Limited pursuant to the scheme of arrangement approved by the Court.	1,254	1,254
Balance (A)	313	313
Investment in equity shares of Zea Maize Pvt. Ltd.	500	500
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	294	294
Balance (B)	206	206
Investment in compulsory convertible preference share capital of Zea Maize Pvt. Ltd.	350	-
Less: PVR Limited share in the net assets of its subsidiary Zea Maize Private Limited	164	-
Balance (C)	186	-
Goodwill (A+B+C)	705	519

Computation of Capital Reserve:

Particulars	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Investment in Equity share capital of PVR Leisure Limited	2,324	2,324
Less: PVR Limited's share in net assets of its subsidiary	2,081	2,081
Goodwill (A)	243	243
Investment in compulsory convertible preference share capital of PVR Leisure Limited	1,376	1,376
Less: Preference share value in PVR Subsidiary PVR Limited's share in net assets of its subsidiary	2,004	2,004
Capital Reverse (B)	(628)	(628)
Reversal of Capital Reserve due to merger of PVR Leisure Limited in the Parent Company.	385	-
Capital Reverse (C)	385	-
Net Capital Reserve (A+B+C)	-	(385)

Notes

to the Consolidated financial statements for the year ended March 31, 2017

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(c) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective

functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons,

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the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(e) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The Group collects entertainment tax, sales tax and service tax on behalf of government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenues. The following specific recognition criteria must also be met before revenue is recognized.

- Income from sale of movie tickets (Box office revenue)**
Revenue from sale of movie tickets is recognised as and when the film is exhibited.
- Sale of Food and Beverages**
Revenue from sale of food and beverages is recognized upon passage of title to customers, which coincides with their delivery to the customer.

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iii. Revenue from Bowling games

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

iv. Income from Shoe rental

Revenue from rental of shoes is recognized as and when shoes are given on rent for bowling game.

v. Income from sale of franchise

Revenue from sale of franchise is recognized on the date when the rights are made available to the franchisee for exploitation/when franchisee store commences its commercial operations.

vi. Income from film production and distribution

Revenues from film co – produced/co - owned are accounted for based on the terms of the agreement. Revenue from assignment of domestic theatrical exhibition rights of films is accounted for as per the terms of the assignment on the theatrical exhibition of the films or on the date of agreement to assign the rights, whichever is later. The revenue is recognised on gross basis.

(a) Income from Theatrical distribution

The revenue from theatrical distribution is recognized once the movie is released based on “Daily Collection Report” submitted by the exhibitor.

(b) Income from sale of other rights other than theatrical distribution

Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date when the rights are made available to the assignee for exploitation.

Digital revenue is recognised on the date when the rights are made available to the assignee for exploitation.

(c) Income from film consultancy

Film Consultancy income is recognised on monthly basis as per agreement terms.

vii. Advertisement Revenue

Advertisement revenue is recognized as and when advertisement are displayed at the

cinema halls and in accordance with the term of the agreement.

viii. Management Fees

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

ix. Convenience Fee

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

x. Rental and Food court Income

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

xi. Virtual Print Fees Income

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

xii. Interest Income

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

xiii. Dividend Income

Revenue is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

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(f) Government grants (Entertainment tax)

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Similarly, grants related to depreciable assets are usually recognized in statement of profit or loss on a systematic basis over the useful life of the assets.

(g) Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit entitlement as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT

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credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(h) Property, plant and equipment (PPE)

- (i) PPE and Capital work in progress (including Pre-operative expenses) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of CENVAT) and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises at various cinema locations.
- (ii) Expenditure directly relating to construction activity are capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent expenditure is directly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is adjusted against the total of the indirect expenditure. Further, Expenditure on additions and betterment of operational properties are capitalized, and expenditures for maintenance and repairs are charged to statement of Profit and loss as incurred.
- (iii) An item of PPE and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal

proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

- (iv) The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- (v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Deemed cost of transition to Ind AS - For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as on April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(i) Depreciation on Property, plant and equipment

Leasehold Improvements are amortized over the estimated useful life generally varying in between 20-25 years or unexpired period of lease, whichever is lower, on a straight line basis.

Assets costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

Depreciation on all other assets is provided on Straight-line method at the rates computed based on estimated useful life of the assets, which are generally in line with the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 except in the following cases, where the management based on technical and internal assessment considers life to be different than prescribed under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Particulars	Life as per Schedule II (in years)	Life considered by the Group (in years)
Concession equipments	15	8
Gaming equipments	15	13.33
Furniture and fixtures	8	5 to 10.53
Vehicles	8	5
LCD's	5	4

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PVR Group has estimated the residual value @ 5% of original cost for all assets except for sound and projections equipment's which are taken @ 10% of original cost based on technical assessment.

(i) Intangibles assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life and the basis of amortization and impairment losses is as under:

i Software

Cost relating to purchased software and software licenses are capitalized and amortized on a straight-line basis over their estimated useful lives of 6 years.

ii Goodwill

Goodwill recognized as part of business combination has indefinite useful lives and is not amortized, but is tested for impairment on annual basis.

iii Trademarks, Copyrights and Liquor Licenses

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

License for liquor sale acquired for are capitalised and are amortised over an estimated useful life of ten years.

iv Movie Right's

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

- (i) In respect of films which have been co produced /co owned/acquired and in which the Company holds rights for a period of 5 years and above as below:
 - 60% to 80% of the cost of film rights on first domestic theatrical release of the film based on the management estimates. The said amortisation relates to domestic

theatrical rights, international theatrical rights, television rights, music rights and video rights etc.

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

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

- (ii) In respect of films, where the Company holds rights for a limited period of 1 to 5 years, entire cost of movies rights acquired or produced by the Company is amortized on first theatrical release of the movie. The said amortization relates to domestic theatrical rights, international theatrical rights, television rights, music rights and video rights and others.

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

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

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

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- In case these theatrical rights are not exploited proportionate cost of such right is written off as and when the management decides to commercially not exploit such right.
- Balance 75% to 25% is amortised over the remaining license period based on an estimate of future revenue potential if the agreement is silent on allocation of rights subject to a maximum period of 10 years.

v **Movie on Demand (MOD) Platform (Vkaao)**

Investment in MOD Platform (Vkaao) is recorded at its production costs less accumulated amortization. Cost includes acquisition and production cost, direct overhead cost and borrowing costs. The same is amortised over the period of useful life which recognizes income flows.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(k) **Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

(l) **Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of

disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment losses, if any are recognised in the statement of profit and loss.

(m) **Leases**

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

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Where the Group is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the useful life of the asset.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on an ongoing basis

Where the Group is the lessor

Leases in which the Company does not transfer substantially all risks and benefits of ownership of the assets are classified as operating lease. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on ongoing basis. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of profit and loss

(n) Inventories

Inventories are valued as follows:

(i) Food and beverages

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

(ii) Stores, spares and other goods

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

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

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

(o) Retirement and other employee benefits

i. Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

ii. Gratuity

Gratuity is a defined benefit obligation. The Parent Company has created an approved gratuity fund for the future payment of gratuity to the employees. PVR Group accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary.

iii. Compensated absence

Short term compensated absences are provided for based on estimates. Long term compensated balances are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

iv. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

(p) Provisions

General

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

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Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Earnings Per share

Basic earnings per share is calculated by dividing total comprehensive Income attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted earnings per share, total comprehensive Income for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(s) Share based payments

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Ind-AS 102 Share-based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents

the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense, together with a corresponding increase in the "Employee Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest.

(t) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a

measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer

the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(u) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless stated otherwise.

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3. PROPERTY, PLANT AND EQUIPMENT

									(Rs. in lakhs)
Particulars	Freehold Land	Building	Leasehold Improvements	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total	Capital work in progress
Cost (Deemed cost / WDV as on April 01, 2015) (refer note (iv) below)	2	10	28,374	33,831	11,026	1,735	247	75,225	8,040
Additions	-	-	7,076	13,432	2,569	1,012	141	24,230	-
Assets acquired on investment in Zea maize Private Limited	-	-	-	26	27	-	-	53	-
Disposals and discard	-	-	(1,313)	(1,067)	(782)	(284)	(113)	(3,559)	-
At March 31, 2016	2	10	34,137	46,222	12,840	2,463	275	95,949	-
Additions	-	-	6,577	10,803	2,772	704	228	21,084	-
Additions on account of Business	-	-	3,966	3,786	494	138	-	8,384	-
Combination (Refer Note 41 (ii) & (iii))	-	-	-	-	-	-	-	-	-
Disposals and discard	-	-	(600)	(1,312)	(944)	(85)	(45)	(2,986)	-
At March 31, 2017	2	10	44,080	59,499	15,162	3,220	458	122,431	-
Depreciation									
Charge for the year	-	-	3,559	4,494	1,754	692	83	10,582	-
Assets acquired on investment in Zea maize Private Limited	-	-	-	4	2	-	-	6	-
Disposals and discard	-	-	(1,099)	(812)	(604)	(257)	(109)	(2,881)	-
At March 31, 2016	-	-	2,460	3,686	1,152	435	(26)	7,707	-
Charge for the year	-	-	4,285	5,451	1,954	679	108	12,477	-
Adjustment on account of Business	-	-	(70)	(218)	(30)	(8)	-	(326)	-
Combination (Refer Note 41 (ii))	-	-	-	-	-	-	-	-	-
Disposals and discard	-	-	(343)	(658)	(814)	(76)	(9)	(1,900)	-
At March 31, 2017	-	-	6,332	8,261	2,262	1,030	73	17,958	-
Net Block									
At March 31, 2016	2	10	31,677	42,536	11,688	2,028	301	88,242	7,393
At March 31, 2017	2	10	37,748	51,238	12,900	2,190	385	104,473	10,557

Notes:

i. Capital Work in progress

Capital work in progress represents leasehold improvements, plant and machinery and other assets under installation and cost relating thereto.

ii. Assets on Finance lease included in:

Particulars	Cost	WDV
March 31, 2017	5,005	4,392
March 31, 2016	3,412	3,189
April 01, 2015	-	-

iii. Capitalised borrowing costs

The amount of borrowing costs included in Capital work in progress during the year ended March 31, 2017 was Rs. 256 lacs (March 31, 2016: 214 lakhs).

iv. Ind AS 101 Exemption:

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forwarded at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has disclosed the Cost as at April 01, 2015 net of accumulated depreciation/

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amortisation. However as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

	(Rs. in lakhs)							
Particulars	Freehold Land	Building	Leasehold Improvements	Plant & Machinery	Furniture & Fittings	Office Equipments	Vehicles	Total
Gross Block as at March 31, 2015	2	15	40,975	50,608	19,777	4,507	398	116,282
Accumulated depreciation as at March 31, 2015	-	5	12,601	16,777	8,751	2,772	151	41,057
Net Block as at March 31, 2015/ Deemed cost as at April 01, 2015	2	10	28,374	33,831	11,026	1,735	247	75,225

4. INTANGIBLE ASSETS

	(Rs. in lakhs)						
Particulars	Goodwill on consolidation (refer note 2.3(a))	Goodwill	Software Development	Copyrights	Film Rights	Total	Intangible assets under development
	A	B	C	D	E	F=C+D+E	
Cost (Deemed cost / WDV as on April 01, 2015)	313	8,060	827	144	1,466	2,437	-
Additions	206	-	747	-	888	1,635	
Disposals and discard	-	-	(6)	-	(62)	(68)	
At March 31, 2016	519	8,060	1,568	144	2,292	4,004	
Additions	186	-	632	-	647	1,279	
Addition on account of Business Combination (Refer Note 41 (ii))	-	34,600	25	-	-	25	
Disposals and discard	-	-	(15)	-	(169)	(184)	
At March 31, 2017	705	42,660	2,210	144	2,770	5,124	
Amortisation							
For the year	-	-	255	19	655	929	
Deductions/ Adjustments	-	-	(6)	-	(62)	(68)	
At March 31, 2016	-	-	249	19	593	861	
For the year	-	-	397	19	945	1,361	
Adjustment on account of Business Combination (Refer Note 41 (ii))	-	-	(4)	(1)	-	(5)	
Deductions/ Adjustments	-	-	(15)	-	(108)	(123)	
At March 31, 2017	-	-	627	37	1,430	2,094	
Net Block							
At March 31, 2016	519	8,060	1,319	125	1,699	3,143	201
At March 31, 2017	705	42,660	1,583	107	1,340	3,030	-

Notes:

i. Impairment testing of Goodwill:

Our recorded goodwill is Rs. 42,660 and Rs. 8,060 as of March 31, 2017 and March 31, 2016, respectively. We evaluate goodwill for impairment annually or any time an event occurs or circumstances change that would more likely than not reduce the fair value for a reporting unit below its carrying amount. Our goodwill is related to theatrical exhibition business, which is core business for purposes of evaluating recorded goodwill for impairment. Goodwill arising from business combination is tested for impairment, considering the integrated business of PVR (Theatrical exhibition unit), as practically it is impossible to allocate to specific cinema, considering various synergies in term of pricing of ticket,

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advertisement income, purchasing power and other commercial aspects. If the carrying value of the reporting unit exceeds its fair value, we are required to reallocate the fair value of the reporting unit as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the price paid to acquire the reporting unit. At March 31, 2017 and March 31, 2016, we assessed qualitative factors and reached a determination that it is not more likely than not that the fair value of our reporting unit is less than its carrying value and therefore the two step method, as described in standard, is not necessary. Factors considered in determining this conclusion include but are not limited to the excess fair value of our equity as determined by Companies closing stock price on March 31, 2017 over our carrying value as of March 31, 2016 and our Adjusted EBITDA improvement from last year. At March 31, 2017, the fair value of our total stockholders' equity exceeded the carrying value and hence, there was no goodwill impairment as of March 31, 2017 and March 31, 2016.

ii. Ind AS 101 Exemption:

The Company has availed the exemption available under Ind AS 101, whereas the carrying value of property, plant and equipment & intangible assets has been carried forwarded at the amount as determined under the previous GAAP. Considering the frequently asked questions (FAQ) issued by the Institute of Chartered Accountants of India on June 30, 2016, regarding application of deemed cost, the company has disclosed the Cost as at April 01, 2015 net of accumulated depreciation/amortisation. However as an additional disclosure, information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

Particulars	(Rs. in lakhs)					
	Goodwill on consolidation (refer note 2.3(a))	Goodwill	Software Development	Copyrights	Film Rights	Total
	A	B	C	D	E	F=C+D+E
Gross Block as at March 31, 2015	313	10,075	1,863	326	5,015	7,204
Accumulated Amortisation as at March 31, 2015	-	2,015	1,036	182	3,549	4,767
Net Block as at March 31, 2015/ Deemed cost as at April 01, 2015	313	8,060	827	144	1,466	2,437

5. NON-CURRENT INVESTMENTS

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Investments (unquoted, valued at amortised cost)			
National Savings Certificates* (Deposited with various tax authorities)	197	185	186
	197	185	186
Less: Amount disclosed under current investment (Refer note 10) (being due for maturity within next 12 month)	96	82	38
	101	103	148
Aggregate amount of unquoted investment	197	185	186
* Notes : National saving certificates are held in various names in the interest of the Parent Company:			
Managing Director	36	36	36
Employee	120	96	68
Developer	8	8	8
Promoters of the erstwhile subsidiary company	33	45	74

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6. OTHER FINANCIAL ASSETS

	(Rs. In lakhs)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Non-current bank balances (refer note 13 and 41 (iii)) (March 31, 2016: Includes deposit in Escrow account of Rs. 5,000 lakhs)	145	5,087	97	-	-	-
Interest accrued on:						
Fixed Deposits	16	8	7	13	21	10
National Saving certificate	25	25	45	54	47	19
Others	-	-	-	21	46	19
Sub-total (A)	186	5,120	149	88	114	48
Revenue earned but not billed (B)	-	-	-	336	967	256
Government grant receivable (Entertainment tax)* (C)	1,691	2,309	2,075	1,752	145	-
Security deposit						
Unsecured, considered good	15,961	12,840	11,506	1,528	409	7
Unsecured, considered doubtful	318	446	206	-	-	-
	16,279	13,286	11,712	1,528	409	7
Provision for doubtful security deposit	(318)	(446)	(206)	-	-	-
Sub-total (D)	15,961	12,840	11,506	1,528	409	7
Total (A+B+C+D)	17,838	20,269	13,730	3,704	1,635	311

*The Entertainment tax exemption in respect of some of the Multiplexes of the Parent Company has been accounted on the basis of eligibility criteria as laid down in the respective State Government schemes and applications filed with authorities and is subject to final orders yet to be received from respective state authorities for some of the exempted Multiplexes.

7. OTHER ASSETS

	(Rs. In lakhs)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Prepaid expenses	897	1,062	1,200	1,097	828	634
Deferred rent	6,828	6,234	6,503	987	888	829
(A)	7,725	7,296	7,703	2,084	1,716	1,463
Capital advances						
Unsecured, considered good	1,847	1,010	2,084	-	-	-
Unsecured, considered doubtful	2	-	32	-	-	-
	1,849	1,010	2,116	-	-	-
Provision for doubtful capital advances	(2)	-	(32)	-	-	-
(B)	1,847	1,010	2,084	-	-	-
Advances recoverable in cash or kind						
Unsecured, considered good	-	-	-	5,021	2,040	1,319
Unsecured, considered doubtful	-	-	-	9	49	239
	-	-	-	5,030	2,089	1,558
Provision for doubtful advances	-	-	-	(9)	(49)	(239)
(C)	-	-	-	5,021	2,040	1,319
Other assets						
Unsecured, considered good						
Advance income tax (net of provision)	378	668	1,825	-	-	-
Income tax paid under protest	890	890	890	-	-	-
Balances with statutory/government authorities	-	-	-	1,507	833	495
(D)	1,268	1,558	2,715	1,507	833	495
Total (A+B+C+D)	10,840	9,864	12,502	8,612	4,589	3,277

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8. DEFERRED TAX ASSETS (NET) (INCLUDES MAT CREDIT ENTITLEMENT)

		(Rs. In lakhs)		
		March 31, 2017	March 31, 2016	April 01, 2015
8A	Deferred tax Assets (net)			
	Deferred tax asset			
	Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	283	353	354
	Provision for doubtful debts and advances	424	384	342
	Unabsorbed depreciation/ losses available for offsetting against future taxable income	-	320	4,468
	Others	398	336	279
	Gross deferred tax asset	1,105	1,392	5,443
	Less: Deferred tax liability			
	Impact of differences in depreciation/ amortisation in block of tangible and intangible assets as per tax books and financial books	4,925	1,792	2,550
	Gross deferred tax liabilities	4,925	1,792	2,550
	Deferred tax assets/(liabilities) (net) A	(3,820)	(400)	2,893
	Add: Minimum Alternative Tax (MAT) credit entitlement (refer below note) B	8,146	6,733	4,981
	Net deferred tax Assets (Includes MAT credit entitlement) A + B	4,326	6,333	7,874

		(Rs. In lakhs)		
		March 31, 2017	March 31, 2016	April 01, 2015
8B.	Deferred tax Liabilities (net) (Includes MAT credit entitlement)			
	Deferred tax liability			
	Impact of differences in depreciation/amortisation in block of tangible and intangible assets as per tax books and financial books	259	-	265
	Gross deferred tax liability	259	-	265
	Deferred tax asset			
	Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	36	-	10
	Unabsorbed depreciation/ losses available for offsetting against future taxable income	37	-	150
	Gross deferred tax asset	73	-	160
	Net deferred tax liability A	186	-	105
	Less: Minimum Alternative Tax (MAT) credit entitlement B	95	-	60
	Deferred tax Liabilities (net) (Includes MAT credit entitlement) (A-B)	91	-	45

Notes:

- The MAT credit entitlement asset recognized by PVR Group represents that portion of MAT liability, which can be recovered and set off in subsequent years based on provisions of Section 115JAA of the Income Tax Act, 1961. The management, based on the present trend of profitability and also the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

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9. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Food and beverages	1,155	915	797
Stores and spares (includes Goods in transit Rs. Nil (March 31, 2016: Rs. 513 lakhs, April 01, 2015: Rs. Nil)	722	1,113	449
Others	27	19	14
	1,904	2,046	1,260

10. CURRENT INVESTMENTS

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Investments (unquoted, valued at amortised cost)			
National Savings Certificates (refer note 5)	96	82	38
(Deposited with various State tax Authorities)			
	96	82	38

11. LOANS

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 1, 2015
Loan and advances to related parties (Unsecured, consider good)			
Loan to Key management personnel	-	262	395
A	-	262	395
Loan to others (Unsecured, considered good)			
Loan to body corporate	98	98	98
Loan to employees	427	1,162	651
B	525	1,260	749
Total	(A+B)	1,522	1,144
Note:			
Key Management Personnel in terms of Companies Act 2013:			
Mr. Nitin Sood	-	245	395
Mr. N C Gupta	-	17	-

12. TRADE RECEIVABLES

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Secured, considered good	72	67	115
Unsecured, considered good	10,136	8,941	7,555
Unsecured, considered doubtful	921	618	515
	11,129	9,626	8,185
Provision for doubtful debt	(921)	(618)	(515)
	10,208	9,008	7,670

Note:

- i Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days.

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13. CASH AND CASH EQUIVALENT

	(Rs. In lakhs)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Cash and cash equivalents						
<i>Balances with banks:</i>						
On current accounts	-	-	-	2,082	1,415	1,928
Deposits with original maturity of less than 3 months	-	-	-	74	211	54
Cash on hand	-	-	-	319	236	152
Investment in Mutual fund (Refer note (a) below)	-	-	-	-	24,274	-
	-	-	-	2,475	26,137	2,134
Other bank balances						
Deposits with maturity for more than 12 months	145	87	97	-	-	-
Deposits with maturity for more than 3 months but less than 12 months	-	-	-	507	569	431
Restricted cash: Deposit in Escrow account (refer note 45(iii))	-	5,000	-	-	-	-
Unpaid and unclaimed dividend accounts	-	-	-	8	8	8
	145	5,087	97	515	576	439
Amount disclosed under non-current assets (refer note 6)	(145)	(5,087)	(97)	-	-	-
	-	-	-	2,990	26,713	2,573

Note:

(a) Investment in Mutual fund

Nil (March 31, 2016: 896,444; April 01, 2015: Nil) units of Birla Sun Life Cash Plus	-	2,174	-
Nil (March 31, 2016: 127,527; April 01, 2015: Nil) units of Reliance liquid fund	-	4,700	-
Nil (March 31, 2016: 120,250; April 01, 2015: Nil) units of DSP Blackrock Fund	-	2,600	-
Nil (March 31, 2016: 1,566,752; April 01, 2015: Nil) units of Birla Sunlife Fund	-	3,800	-
Nil (March 31, 2016: 236,476; April 01, 2015: Nil) units of UTI Fund	-	4,000	-
Nil (March 31, 2016: 1,341,678; April 01, 2015: Nil) units of ICICI Fund	-	3,000	-
Nil (March 31, 2016: 168,624; April 01, 2015: Nil) units of SBI Mutual Fund	-	4,000	-
	-	24,274	-

- (b)** Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

14. SHARE CAPITAL

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Authorised share capital			
Equity shares of Rs. 10 each	11,070	9,370	9,370
0.001% Non-cumulative convertible Preference shares of Rs. 341.52 each	2,015	-	-
	13,085	9,370	9,370
Issued, subscribed and fully paid-up shares			
Equity shares of Rs. 10 each fully paid	4,674	4,669	4,153
Total issued, subscribed and fully paid-up share capital	4,674	4,669	4,153

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to the Consolidated financial statements for the year ended March 31, 2017

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

i. Authorised Equity shares

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	93,700,000	9,370	93,700,000	9,370	93,700,000	9,370
Increased during the year on account of Business combination (Refer Note 41 (i) & (ii))	17,000,000	1,700	-	-	-	-
Balance at the end of the year	110,700,000	11,070	93,700,000	9,370	93,700,000	9,370

ii. Authorised Non-cumulative convertible Preference shares

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	-	-	-	-	-	-
Increased during the year on account of Business combination (Refer Note 41 (iii))	590,000	2,015	-	-	-	-
Balance at the end of the year	590,000	2,015	-	-	-	-

iii. Issued Equity shares

	March 31, 2017		March 31, 2016		April 01, 2015	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	46,686,938	4,669	41,528,888	4,153	41,528,888	4,153
Shares Issued during the year:						
Employee stock options plan (refer note 31)	51,650	5	158,050	16	-	-
Preferential allotment	-	-	5,000,000	500	-	-
Shares outstanding at the end of the year	46,738,588	4,674	46,686,938	4,669	41,528,888	4,153

b. Terms and rights attached to equity shares

The Parent Company has only one class of equity shares issued having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company as on year end

	March 31, 2017		March 31, 2016		April 01, 2015	
Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs. 10 each fully paid						
Mr. Ajay Bijli (refer note 41 (i))	5,260,298	11.25	-	-	-	-
Mr. Sanjeev Kumar Bijli (refer note 41 (i))	3,728,892	7.98	-	-	-	-
Berry Creek Investment Ltd	3,582,585	7.67	-	-	-	-

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Name of Shareholders	March 31, 2017		March 31, 2016		April 01, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gray Birch Investment Ltd	2,958,888	6.33	-	-	-	-
Multiples Private Equity Fund I Ltd	1,771,598	3.79	2,908,125	6.23	2,908,125	7.00
Plenty Private Equity Fund I Ltd	1,392,508	2.98	4,119,762	8.82	-	-
Major Cineplex Group Public Company Ltd	755,000	1.62	1,671,000	3.58	2,300,932	5.54
Bijli Holdings Private Ltd (refer note 41(i))	-	-	10,031,805	21.49	10,031,805	24.16
L Capital Eco Ltd	-	-	-	-	6,244,898	15.04

As per records of the Parent Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

- d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date, wherever applicable is given below:

	(Aggregate No. of Shares)				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
The Parent Company issued shares during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan (ESOP) wherein part consideration was received in form of employee services	51,650	158,050	422,668	398,942	204,126
Equity shares allotted as fully paid up pursuant to the scheme of amalgamation for consideration other than cash	-	-	-	1,090,203	-

e. Distribution made and Proposed

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Cash Dividends on equity shares declared and paid:			
Final Dividend for the year ended March 31,	935	466	1,028
Dividend Distribution Tax on final Dividend	190	95	175
Interim Dividend declared by erstwhile Bijli Holdings Private Limited	36	-	-
Dividend Distribution Tax on Interim Dividend	8	-	-
	1,169	561	1,203
Proposed dividends on Equity shares:*			
Final Dividend for the year ended March 31, 2017: Rs. 2 per share (March 31, 2016: Rs. 2 per share, April 01, 2015: Re. 1) per share	935	934	414
DDT on proposed Dividend	190	190	85
	1,125	1,124	499

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

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15. NON-CONTROLLING INTEREST

	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
(a) PVR bluO Entertainment Limited			
Non-controlling Interest in Equity	1,790	1,790	1,790
Non-controlling Interest in Securities premium	2,052	2,052	2,052
Non-controlling Interest in Non-Equity			
Share of profit/(loss) brought forward	61	(10)	(10)
Share of profit/(loss) of the current year	44	71	0
	3,947	3,903	3,832
(b) Zea Maize Private Limited			
Non-controlling Interest in Equity	1	1	-
Non-controlling Interest in Securities premium	160	134	-
Non-controlling Interest in Non-Equity			
Share of profit/(loss) brought forward	(28)	(9)	-
Share of profit/(loss) of the current year	(30)	(19)	-
	103	107	-
Note:			
Non-controlling Interest in Equity of subsidiaries	1,791	1,791	1,790
Non-controlling Interest in Securities premium of a subsidiaries	2,212	2,186	2,052
Non-controlling Interest in Non-Equity of subsidiaries	47	33	(10)
	4,050	4,010	3,832

16. LONG TERM BORROWINGS (AT AMORTISED COST)

	(Rs. In lakhs)					
	Non-current portion			Current maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Debentures						
Secured Redeemable Non-Convertible Debentures (net of transaction cost) (refer note (a) below)	43,729	35,573	35,721	1,850	200	-
Term loans						
Secured term loans from banks	13,856	18,631	27,235	6,525	8,144	7,167
Secured term loans from body corporate	-	-	172	-	-	750
Other loans						
Secured car finance loans from banks	50	97	140	47	43	38
Secured Finance lease obligation from body corporate (refer note 32)	2,869	2,881	-	524	433	-
	60,504	57,182	63,268	8,946	8,820	7,955
Amount disclosed under the head "other current liabilities" (refer note 19)	-	-	-	(8,946)	(8,820)	(7,955)
	60,504	57,182	63,268	-	-	-

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Notes:

a. Secured Redeemable Non-Convertible Debentures (NCD):

Particulars	Effective Interest Rate	Issue Date	Repayment Period	Repayment Schedule	(Rs. In lakhs)
					Amount
80 (March 31, 2016: 100) of Rs. 1,000,000 each	11.40%	1-Jan-10	7th to 10th years	20:20:30:30	800
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.95%	25-Feb-14	5th year	100	5,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	10.75%	10-Jun-14	5th year	100	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	11.00%	16-Oct-14	4th to 7th years	25:25:25:25	10,000
500 (March 31, 2016: 500) of Rs. 1,000,000 each	11.00%	24-Nov-14	5th to 7th years	30:30:40	5,000
1,000 (March 31, 2016: 1,000) of Rs. 1,000,000 each	10.75%	9-Jan-15	6th and 7th year	50:50	10,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	8.90%	29-Jul-16	1st, 2nd and 3rd Year	33:33:34	5,000
500 (March 31, 2016: Nil) of Rs. 1,000,000 each	7.84%	12-Jan-17	3 Years and 6 Months	100	5,000
					45,800

- All Debentures are secured by mortgage on immovable properties (excluding immovable properties at Gujarat, a flat at Bengaluru and assets taken on finance lease) ranking pari passu and secured by first pari passu charge on movable tangible assets of the Parent Company (excluding vehicles hypothecated to banks and assets taken on finance lease) and all receivables of the Parent Company both present and future.

- b. (i) Term loan from banks and bodies corporate are secured by first pari passu charge over all tangible assets of the Parent Company (excluding immovable properties at Gujarat and a flat at Bengaluru and vehicles hypothecated to banks and assets taken on finance lease) and receivables of the Parent Company both present and future.

- (ii) Car loans of Rs. 97 lakhs (March 31, 2016: Rs. 140 lakhs; April 01, 2015: Rs. 178 lakhs) carries interest @ 10.25% p.a. and is repayable in 60 monthly instalments. The loan is secured by hypothecation of vehicles purchased out of the proceeds of the loan.

- (iii) Above loans are repayable in equal/ unequal monthly/ quarterly installments as follows:

Debentures:

Particulars	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	1,850	200	-
Repayable within 1 - 3 year	20,450	8,000	400
Repayable after 3 years	23,500	27,800	35,600

Term Loan:

Particulars	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	6,525	8,144	7,917
Repayable within 1 - 3 year	11,148	15,200	16,478
Repayable after 3 years	2,708	3,431	10,929

Secured car finance loans from banks:

Particulars	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
Repayable within 1 year	47	43	38
Repayable within 1 - 3 year	50	97	90
Repayable after 3 years	-	-	50

- (iv) Term Loan from banks and body corporate carries variable interest rate based on respective bank/ body corporate benchmark rate, effective rate of interest varying in between 8.55%p.a to 10.75% pa.

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- (v) Finance lease obligations are secured by hypothecation of respective machinery taken on lease. The interest rate implicit in the lease is varying in between 11.37% p.a. to 13.99% p.a. The payment is scheduled in 28 equal quarterly installments from the start of lease agreements.
- (vi) The Group has satisfied all material debt covenants.

17. PROVISIONS

(Rs. In lakhs)						
	Long-term			Short-term		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits						
Provision for gratuity (net) (refer note 30)	343	387	620	15	206	112
Provision for leave benefits	367	285	213	310	199	272
	710	672	833	325	405	384

18. SHORT-TERM BORROWINGS (AT AMORTISED COST)

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Unsecured loan from directors repayable on demand	16	-	-
Unsecured commercial paper	10,920	-	-
Secured bank overdraft	1,572	-	3,199
	12,508	-	3,199

Notes:

- Bank overdraft is secured by first pari passu charge on all current assets of the Company including inventories and receivables both present and future. It carries variable interest rate based on respective banks/ body corporate benchmark rate, effective rate of interest varying in between 10.15% to 11% p.a.
- In respect of Commercial Paper maximum amount outstanding during the year was Rs. 11,000 lakhs (March 31, 2016: Rs. 8,000 lakhs; April 01, 2015 : Rs. 4,000 lakhs) with a maturity period of 3 months.
- Commercial paper are presented at value on which these have been sold and accrued interest upto date.
- At March 31, 2017, the PVR Group had available Rs. 4,528 lakhs (March 31, 2016: Rs. 6,000 lakhs, April 01, 2015: 2,801 lakhs) of undrawn committed borrowing facilities.

19. CURRENT FINANCIAL LIABILITIES

19A Trade payable

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Total outstanding dues of trade payables other than micro and small enterprises (refer note 49)	19,762	17,158	13,749
A	19,762	17,158	13,749

19B Other Payables

(Rs. In lakhs)			
	March 31, 2017	March 31, 2016	April 01, 2015
Payables on purchase of Property, plant and equipment	10,435	4,409	2,890
Security deposits	501	360	358
Current maturities of long-term borrowings (Including current maturity of finance lease obligation) (refer note 16)	8,946	8,820	7,955
Interest accrued but not due on borrowings :			
Car loans	1	-	5
Debentures	186	192	189
Unpaid dividends	8	8	8
	20,077	13,789	11,405

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20. OTHER CURRENT LIABILITIES

		(Rs. In lakhs)	
	March 31, 2017	March 31, 2016	April 01, 2015
Advances from customers	3,482	3,400	1,659
Employee benefits payables	2,700	3,135	1,444
Statutory dues payable	1,859	1,849	1,304
	8,041	8,384	4,407

21. REVENUE FROM OPERATIONS

	March 31, 2017	March 31, 2016	(Rs. In lakhs)
Sale of services [refer (a) below]	152,113	133,709	
Sale of food and beverages and others [refer (b) below]	57,942	49,774	
Other operating revenue [refer (c) below]	1,888	1,473	
	211,943	184,956	

(a) Details of services rendered

	March 31, 2017	March 31, 2016	(Rs. In lakhs)
Income from sale of movie tickets	112,488	99,480	
Advertisement income	25,176	21,454	
Income from movie distribution	6,037	6,752	
Convenience fees	5,816	3,329	
Income from bowling games	2,331	2,422	
Income from shoe rentals	265	272	
	152,113	133,709	

(b) Details of products sold

	March 31, 2017	March 31, 2016	(Rs. In lakhs)
Sale of food and beverages	57,813	49,673	
Others	129	101	
	57,942	49,774	

(c) Details of other operating revenue

	March 31, 2017	March 31, 2016	(Rs. In lakhs)
Food court rental Income	990	979	
Virtual print fees	865	459	
Management fees	33	35	
	1,888	1,473	

22. OTHER INCOME

	March 31, 2017	March 31, 2016	(Rs. In lakhs)
Interest Income from:			
Bank deposits	110	268	
NSC's Investments	14	20	
Financial assets at amortised cost	1,076	863	
Others	145	315	
Government Grant	3,721	2,718	
Net gain on redemption of mutual fund Investments	541	1,724	
Foreign exchange differences (net)	21	14	
Other non-operating income (net) (includes excess liability written back Rs. 89 lakhs (March 31, 2016: Rs. 120 lakhs)	597	426	
	6,225	6,348	

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to the Consolidated financial statements for the year ended March 31, 2017

23. EMPLOYEE BENEFITS EXPENSE

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Salaries, wages, allowances and bonus	19,744
Contribution to provident and other funds (refer note 30)	1,083
Employee stock option scheme (refer note 31)	5
Gratuity expense (unfunded)	18
Staff welfare expenses	1,201
	22,051
	18,594

24. FINANCE COSTS

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Interest on	
Debentures	4,252
Term loans	2,595
Banks and others	451
Other financial charges	760
	8,058
	8,395

25. DEPRECIATION AND AMORTISATION

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Depreciation of tangible assets (refer note 3)	12,477
Amortisation of intangible assets (refer note 4)	1,361
	13,838
	11,511

26. OTHER EXPENSES

	(Rs. In lakhs)
	March 31, 2017
	March 31, 2016
Rent (refer note 32)	39,558
Less: Rental income from sub-lessees	(543)
Net rent expenses	39,015
Electricity and water charges (net of recovery)	14,031
Common area maintenance (net of recovery)	11,205
Repairs and maintenance	9,161
Movie production, distribution and print charges	6,237
Advertisement and sales promotion	4,210
Rates and taxes	3,133
Security service charges	2,504
Travelling and conveyance	2,392
Legal and professional fees (refer below note)	2,046
Communication costs	1,002
Loss on disposal and discard of PPE and intangible assets (net)	636
Printing and stationery	558
Insurance	345
CSR Expenditure (refer note 50)	185
Provision for doubtful debts and advances	569
Bad Debts/advances written off	405
Less: Utilised from provisions	(376)
Capital work in progress written off	-
Directors' sitting fees	11
Miscellaneous expenses	735
	98,004
	82,660

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Notes:

(a) Payment to auditors (included in legal and professional charges above)

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
As auditor:		
Audit fee	46	54
Limited Review	20	20
Tax audit fee	7	5
Other Certifications	7	17
Reimbursement of out of pocket expenses	4	4
	84	100

27. EXCEPTIONAL ITEMS

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Assets written off	245	424
Business acquisition related cost	162	732
(March 31, 2016 includes Provision for doubtful security deposit amounting to Rs. 242 lakhs)		
	407	1,156

28. EARNING PER SHARE (EPS)

	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
The following reflects the profit and shares data used in the basic and diluted EPS computations:		
Profit after tax and share of non controlling interest	9,579	9,811
Total Comprehensive Income attributable to equity shareholders	9,431	9,831
Weighted average number of equity shares in calculating basic EPS:		
-Number of equity shares outstanding at the beginning of the year	46,686,938	41,528,888
-Number of equity shares issued on May 31, 2016	34,000	-
-Number of equity shares issued on July 29, 2016	650	-
-Number of equity shares issued on September 01, 2016	17,000	-
-Number of equity shares issued on May 01, 2015	-	19,800
-Number of equity shares issued on July 22, 2015	-	5,000,000
-Number of equity shares issued on September 04, 2015	-	16,500
-Number of equity shares issued on January 29, 2016	-	92,750
-Number of equity shares issued on February 29, 2016	-	8,600
-Number of equity shares issued on March 31, 2016	-	20,400
Number of equity shares outstanding at the end of the year	46,738,588	46,686,938
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661	45,043,250
Weighted average number of equity shares in calculating diluted EPS:		
Number of equity shares outstanding at the beginning of the year	46,686,938	41,528,888
Number of equity shares outstanding at the end of the year	46,738,588	46,686,938
Weighted number of equity shares of Rs. 10 each outstanding during the year (as above)	46,725,661	45,043,250
Add: Effect of stock options vested and outstanding for Nil (March 31, 2016: 51,650) equity shares	-	36,257
Weighted number of equity shares of Rs. 10 each outstanding during the year	46,725,661	45,079,507
EPS on Profit after tax and share of non controlling interest:		
Basic earnings per equity share (in Rs.)	20.50	21.05
Diluted earnings per equity share (in Rs.)	20.50	21.03
EPS on total comprehensive income:		
Basic earnings per equity share (in Rs.)	20.18	21.10
Diluted earnings per equity share (in Rs.)	20.18	21.08

Notes

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29. FIRST-TIME ADOPTION OF Ind AS

These are PVR Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2.3 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with IGAAP.

29.1 EXEMPTIONS AVAILED AND APPLIED

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. PVR Group has applied the following exemptions:

- Ind AS 103 Business combinations: PVR Group has elected to apply Ind AS 103 prospectively to business combination done after its transition date. Business combination made prior to the transition date have not been restated;
- Deemed cost: Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, PVR Group has elected to measure all of its property, plant and equipment, intangible assets at their IGAAP carrying value;
- Ind AS 102 requires share based payments to be measured at fair value. However Ind AS 101 provides an exemption on application of Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind AS. Accordingly, PVR Group has availed this exemption and measure the unvested options at fair value. The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to the retained earnings as on the transition date.

29.2 RECONCILIATION

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

29.2.1 Reconciliation of equity as previously reported under IGAAP to Ind AS:

(Rs. In lakhs)						
Particulars	Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
	IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Assets						
Non current assets						
Property, Plant and Equipment	75,225		75,225	88,242		88,242
Capital work in progress	8,040		8,040	7,393		7,393
Goodwill	8,060		8,060	8,060		8,060
Goodwill on Consolidation	313		313	519		519
Other Intangible assets	A 2,437		2,437	2,135	1,008	3,143
Intangible assets under development	-		-	201		201
(I)	94,075	-	94,075	106,550	1,008	107,558
Financial assets:						
Investments	148		148	103		103
Other Financial assets	C 11,602	2,128	13,730	17,295	2,974	20,269
Other non current assets	D 15,462	(2,960)	12,502	14,329	(4,465)	9,864
Deferred tax assets (net) (includes MAT credit entitlement)	B 4,979	2,895	7,874	6,333		6,333
(II)	32,191	2,063	34,254	38,060	(1,491)	36,569

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(Rs. In lakhs)

Particulars	Opening Balance Sheet as at April 01, 2015			Balance Sheet as at March 31, 2016		
	IGAAP	Effect of transition to Ind AS	Ind AS	IGAAP	Effect of transition to Ind AS	Ind AS
Current assets						
Inventories	1,260		1,260	2,046		2,046
Investments	38		38	82		82
Loans	1,144		1,144	1,522		1,522
Trade Receivables	7,670		7,670	9,008		9,008
Cash and cash equivalent	2,134		2,134	26,137		26,137
Other bank balances	439		439	576		576
Other Financial assets	311		311	1,635		1,635
Other current assets	3,277		3,277	4,589		4,589
	(III)					
Total assets [I+II+III]	142,539	2,063	144,602	190,205	(483)	189,722
Equity and liabilities						
Equity						
Equity share capital	4,153		4,153	4,669		4,669
Other Equity	F 36,764	2,563	39,327	82,277	1,176	83,453
Non-controlling interests	3,832		3,832	4,010		4,010
Total equity	(I) 44,749	2,563	47,312	90,956	1,176	92,132
Non-current liabilities						
Financial liabilities:						
Borrowings	63,268		63,268	57,182		57,182
Provision	E 1,333	(500)	833	1,796	(1,124)	672
Deferred tax liabilities (net) (includes MAT credit entitlement)	45		45	535	(535)	-
	(II)					
Current liabilities						
Financial liabilities:						
Borrowings	3,199		3,199	-		-
Trade Payables	13,749		13,749	17,158		17,158
Other Payables	11,405		11,405	13,789		13,789
Provision	384		384	405		405
Other current liabilities	4,407		4,407	8,384		8,384
	(III)					
Total equity and liabilities [I+II+III]	142,539	2,063	144,602	190,205	(483)	189,722

Explanations for reconciliation of Balance sheet as previously reported under IGAAP to Ind AS:

A Goodwill Amortization:

Adjustment includes reversal of Goodwill amortization amounting to Rs. 1,008 lakhs, as under Ind AS Goodwill is tested for impairment.

B. Deferred tax Assets (DTA):

Adjustment includes creation of DTA amounting to Rs. 2,895 lakhs on business losses and unabsorbed depreciation on account of reasonable certainty and other temporary differences arising out of Ind AS.

C. Other financial assets:

Security deposit paid to Mall Developers discounted and recorded at Present value.

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D. Other non-current assets:

- a) Acquisition-related costs have been expensed off under "exceptional item" in accordance with Ind AS 103 "Business combination" amounting to Rs. 490 lakhs for the year ended March 31, 2016;
- b) Security deposit paid to Mall Developers discounted and deferred rent portion classified under other non current assets.

E. Provision:

Adjustments reflects proposed dividend (including corporate dividend tax), declared and approved post reporting period amounting to Rs. 1,124 lakhs for March 2016 and Rs. 500 lakhs for March 2015.

The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirement for this note.

F. Other Equity:

- a) Adjustments to retained earnings and other comprehensive Income have been made in accordance with Ind AS for the above mentioned lines.
- b) In addition, as per Ind AS19, actuarial gains and losses are recognized in other comprehensive Income as compared to being recognized in the statement of Profit and loss under IGAAP.

29.2.2 Reconciliation of Statement of Profit and Loss as previously under IGAAP to Ind AS:

		(Rs. In lakhs)		
		Year ended March 31, 2016		
Particulars		IGAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations	I	187,674	(2,718)	184,956
Other income	I,D	2,784	3,564	6,348
Total Income		190,458	846	191,304
Expenses				
Movie exhibition cost		41,975	-	41,975
Consumption of food and beverages		12,483	-	12,483
Employee benefits expense	G	18,534	60	18,594
Finance costs		8,395	-	8,395
Depreciation and amortisation	A	12,519	(1,008)	11,511
Other expenses	D	81,645	1,015	82,660
Total expenses		175,551	67	175,618
Profit before Share of Non-controlling Interest in Profit/(loss), exceptional items and tax		14,907	779	15,686
Share of (profit)/loss of an associates and a joint venture		(51)		(51)
Profit/(loss) before exceptional items and tax		14,856	779	15,635
Exceptional items	D	666	490	1,156
Profit before tax		14,190	289	14,479
Tax expense:				
Current tax	H	3,118	(8)	3,110
Deferred tax (including MAT credit entitlement)	B	(801)	2,359	1,558
Total tax expenses/(credit)		2,317	2,351	4,668
Profit/(loss) for the year [I]		11,873	(2,062)	9,811
Other comprehensive income				
Re-measurement gains/(loss) on defined benefit plans		-	28	28
Income tax effect	H	-	(8)	(8)
Other comprehensive income for the year (net of tax) [II]		-	20	20
Total comprehensive income for the period [I+II]		11,873	(2,042)	9,831

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Explanations for reconciliation of statement of Profit & loss as previously reported under IGAAP to Ind AS:

G. Employee Benefits Expense:

- (a) As per Ind AS 19, "Employee benefits", actuarial gains and losses are recognized in other comprehensive Income and not reclassified to profit and loss in subsequent period amounting to Rs. 20 lakhs net of tax; and
- (b) The excess of share compensation expenses measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in "Employee stock option outstanding reserve" with the corresponding impact taken to statement of profit and loss amounting to Rs. 32 lakhs.

H. Current Tax:

The tax component on actuarial gains and losses which are transferred to other comprehensive income under Ind AS.

I. Government Grant:

As per Ind AS 20, Government grant has been reclassified to Other Income amounting to Rs. 2,718 lakhs.

29.3 CASH FLOW STATEMENT

There was no significant reconciliation items between cash flow prepared under IGAAP and those prepared under Ind AS.

30. GRATUITY PLAN:

The PVR Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @15 days last drawn salary for each completed year of service in terms of payment of Gratuity Act, 1972. The Parent Company scheme is funded with two insurance companies in the form of a qualifying insurance policies. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets. Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

As the plan assets include investments in quoted mutual funds, the Parent Company has diversified the market risk.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Gratuity scheme of subsidiaries is unfunded.

Statement of Profit and Loss

Net employee benefit expense recognized in employee cost

(Rs. In lakhs)

Particulars	Funded		Unfunded	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Current service cost	138	145	16	13
Interest cost on benefit obligation	16	73	4	3
Expected return on plan assets	-	(21)	-	-
Net actuarial loss/(gain) recognised in the year	-	-	4	2
Net benefit expense	154	197	24	18
Actual return on plan assets	-	21	-	-

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Balance Sheet Benefit Assets/ Liabilities

(Rs. In lakhs)

Particulars	Funded			Unfunded		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Defined benefit obligation	1,556	1,139	937	70	59	41
Fair value of plan assets	1,268	605	246	-	-	-
Plan asset/(liability)	(288)	(534)	(691)	(70)	(59)	(41)

Changes in the present value of the defined benefit obligation are as follows:

(Rs. In lakhs)

Particulars	Funded			Unfunded		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Opening defined benefit obligation	1,139	937	937	58	42	41
Interest cost	80	73	-	4	3	-
Current service cost	138	145	-	16	12	-
Benefits paid	(68)	(82)	-	(12)	(2)	-
Actuarial losses/(gain) on obligation	246	66	-	4	2	-
Acquisitions (credit)/ cost	21	-	-	-	-	-
Closing defined benefit obligation	1,556	1,139	937	70	59	41

Changes in the fair value of plan assets are as follows:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Opening fair value of plan assets	605	246	246
Expected return	23	21	-
Interest income on plan assets	64	-	-
Benefits paid	(68)	(82)	-
Contribution by employer	644	420	-
Actuarial Gain/(losses)	0	0	-
Closing fair value of plan assets	1,268	605	246

The Parent Company expects to contribute Rs. 644 lakhs (March 31, 2016 Rs. 420 lakhs; April 01, 2015: Rs. 200 lakhs) to gratuity fund in the financial year 2017-18.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	2016-17	2015-16	2014-15
	%	%	%
Investments with insurer	99.52	99.06	96.17
Bank balances with the trust	0.48	0.94	3.83

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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to the Consolidated financial statements for the year ended March 31, 2017

The principal assumptions used in determining gratuity obligations for the Parent Company's plans are shown below:

Particulars	2016-17	2015-16	2014-15
	%	%	%
Discount rate	6.70	7.25	7.80
Expected rate of return on plan assets	8.50	8.50	8.50
Increase in compensation cost	10.50 for first 2 years and 9.00 thereafter	9.00	8.00
Employee turnover			
Manager Grade	15	20	25
Executive Grade	55	65	60

The estimates of future salary increases considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market. The assumption for employee turnover has been changed during the year based on the trend in the industry.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2017 is as follows:

Particulars	(Rs. In lakhs)	
	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(61.45)	67.72
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	61.94	57.33
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(47.32)	66.90

A quantitative sensitivity analysis for significant assumptions of the Parent Company as at March 31, 2016 is as follows:

Particulars	(Rs. In lakhs)	
	Increase effect	Decrease effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(38.15)	41.21
Effect of Increase/decrease in Salary escalation by 1% on Defined benefit obligations	29.42	(27.70)
Effect of Increase/decrease in withdrawal rate by 5% on Defined benefit obligations	(20.73)	26.88

The sensitivity analysis above have been determined basis actuarial certificate.

Defined Contribution Plan:

Particulars	(Rs. In lakhs)	
	2016-17	2015-16
Contribution to Provident Fund		
Charged to Statement of Profit and Loss (including Capital work in progress of Rs. 51 lakhs (March 31, 2016: Rs. 46 lakhs) (refer note no. 47)	912	809

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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017:

Gratuity cost charged to statement of profit and loss												(Rs. In lakhs)	
Re-measurement gains/(losses) in OCI													
April 1 2016	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefits paid	Return on plan assets	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI	Contributions by employer	Acquisitions credit/(cost)	March 31 2017	
Defined benefit obligation	(1,139)	(138)	(80)	(218)	68	-	(56)	(49)	(141)	(246)	-	(21)	(1,556)
Fair value of plan assets	605	-	64	64	(68)	23	-	-	-	23	644	-	1268
Benefit liability	(534)	-	-	(154)	-	-	-	-	-	(223)	644	(21)	(288)

Changes in the defined benefit obligation and fair value of plan assets of the Parent Company as at March 31, 2016:

Gratuity cost charged to statement of profit and loss										(Rs. In lakhs)			
April 1 2015		Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefits paid	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	Acquisitions credit/(cost)	March 31 2016
Defined benefit obligation	(937)	(145)	(73)	(218)	82	-	-	(66)	-	(66)	-	-	(1139)
Fair value of plan assets	246	-	-	-	(82)	21	-	-	-	21	420	-	605
Benefit liability	(691)	-	-	(218)	-	-	-	-	-	(45)	420	-	(534)

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31. EMPLOYEE STOCK OPTION PLANS

The Parent company has provided stock option scheme to its employees. During the year 2016-17, the following schemes were in operation:

PVR ESOS 2012:

Date of grant	January 14, 2013
Date of Shareholder's approval	September 13, 2012
Date of Board Approval	August 01, 2012
Number of options granted	550,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at January 11, 2013	Rs. 287.25
Weighted average fair value of options granted on the date of grant	Rs. 147.85

The details of activity under PVR ESOS 2012 have been summarized below:

Particulars	2016-17		2015-16	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	34,650	200	176,200	200
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	34,650	200	141,550	200
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	34,650	200
Exercisable at the end of the year	-	-	34,650	200
Weighted average remaining contractual life of options (in years)	-	-	2.79	200

The weighted average share price at the date of exercise for stock options was Rs. 883.06 (March 31, 2016:Rs. 727.53)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
Dividend yield (%)	0.70%	0.70%
Expected volatility	36.99%	36.99%
Risk-free interest rate	7.80%	7.80%
Exercise price (Rs.)	Rs. 200	Rs. 200
Expected life of option granted in years	6	6

The Parent company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. Nil (March 2016: Rs. 60.77 lakhs) is recorded in the statements of profit and loss.

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PVR ESOS 2013:

Date of grant	August 21, 2013
Date of Shareholder's approval	August 20, 2013
Date of Board Approval	May 28, 2013
Number of options granted	50,000
Method of Settlement (Cash/Equity)	Equity
Vesting Period	Not less than one year and not more than ten years from the date of grant of options.
Exercise Period	Within a period of three years from the date of vesting
Vesting Conditions	Subject to continued employment with the Parent Company. Further, Compensation Committee may also specify certain performance parameters subject to which options would vest.
Market value as at August 21, 2013	Rs. 365.35
Weighted average fair value of options granted on the date of grant	Rs. 241.14

The details of activity under PVR ESOS 2013 have been summarized below:

Particulars	2016-17		2015-16	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
Outstanding at the beginning of the year	17,000	200	33,500	200
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	17,000	200	16,500	200
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	17,000	200
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	3.39	200

The weighted average share price at the date of exercise for stock options was Rs. 1183.15 (March 31, 2016:Rs. 816.25)

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
Dividend yield (%)	0.27%	0.27%
Expected volatility	39.51%	39.51%
Risk-free interest rate	8.63%	8.63%
Exercise price (Rs.)	Rs. 200	Rs. 200
Expected life of option granted in years	6	6

The Parent Company measures the cost of ESOP using the fair value method. The option has been granted on an exercise price of Rs. 200. As a result, an expense of Rs. 5.29 lakhs (March 31, 2016: Rs. 21.41 lakhs) is recorded in the statements of profit and loss.

32. LEASES

- a. Rental expenses in respect of operating leases are recognized as an expense in the statement of profit and loss and Pre-operative expenditure (pending allocation), as the case may be.

Operating Lease (for assets taken on lease)

- (i) The PVR Group has taken various cinemas, multiplexes, offices, food courts, bowling alleys and godown premises under operating lease agreements. These are generally renewable at the option of the PVR Group. The management of the PVR Group based on inputs from valuation experts, has allocated rent into two parts i.e. rent paid for use of land and building separately.

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- (ii) Disclosure for assets taken under non cancellable leases, where the Company is presently carrying commercial operations is as under; which reflects the outstanding amount for non-cancellable period.

(Rs. In lakhs)		
Particulars	2016-17	2015-16
Lease payments for the year recognized in statement of profit and loss (including deferred rent portion)	39,558	33,783
Lease payments for the year included in Capital work in progress (refer note 47)	81	249
Minimum Lease Payments:		
Not Later than one year	24,269	20,283
Later than one year but not later than five years	73,090	59,281
Later than five years	52,240	38,867

- b. Rental income/Sub-Lease income in respect of operating leases are recognized as an income in the statement of profit and loss and netted off from rent expense, as the case may be.

(i) **Operating Lease (for assets given on lease)**

The PVR Group has given various spaces under operating lease agreements. These are generally cancellable on mutual consent and the lessee can vacate the rented property at any time. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

(Rs. In lakhs)		
Particulars	2016-17	2015-16
Sub-lease rent receipts	1,070	1,138

The PVR Group has given spaces of cinemas/ food courts under operating lease arrangements taken on lease or being operated under revenue sharing arrangements. The PVR Group has common fixed assets for operating multiplex/giving on rent. Hence separate figures for the fixed assets given on rent are not ascertainable.

c. **Finance lease: Company as lessee**

The Parent Company has finance leases contracts for plant and machinery (Projectors). These leases involve significant upfront lease payment; have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

(Rs. In lakhs)				
Particulars	March 31, 2017		March 31, 2016	
	Minimum payments	Present value of Minimum lease payments	Minimum payments	Present value of Minimum lease payments
Within one year	899	524	813	433
After one year but not more than five years	3,259	2,537	3,145	2,282
More than five years	352	332	642	599
Total minimum lease payments	4,510	3,393	4,600	3,314
Less: amounts representing finance charges	(1,117)	-	(1,286)	-
Present value of minimum lease payments	3,393	3,393	3,314	3,314

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33. CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments

Particulars	March 31, 2017	(Rs. In lakhs)	
		March 31, 2016	April 01, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	9,784	6,659	5,918

(b) Other Commitments

The Parent Company is availing Entertainment tax exemptions in some states, in respect of certain Multiplexes as per the State Government schemes and is under obligation to operate respective Multiplexes for a certain number of years.

34. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:

S. No.	Particulars	March 31, 2017	(Rs. In lakhs)	
			March 31, 2016	April 01, 2015
a)	Possible exposure against various appeals filed by the Parent Company against the demand with Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal with regard to certain expenses disallowed by the assessing officer in respect of financial year ended March 31, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007, 2006 respectively. (The Parent Company has paid an amount of Rs. 890 lakhs (Rs. 890 Lakhs as at March 31, 2016 and March 31, 2015) which is appearing in the Schedule of Other non current assets).	6,966	5,777	4,577
b)	Possible exposure on account of entertainment tax exemption treated as capital subsidy basis past on going assessment at Assessing Officer level.	999	2,188	3,503
c)	Demand of entertainment tax under Assam Amusement and Betting Tax Act, 1939 where appeal is pending before High Court.	334	334	334
d)	Notice from Entertainment Tax Department Chennai against short deposit of Entertainment Tax on regional movies.	43	43	43
e)	Notice from Commercial Tax Department, Indore against alleged collection of Entertainment tax during exemption period.	823	823	823
f)	Notice from Entertainment Tax Department Maharashtra in respect of levy of Entertainment tax on Convenience fees	143	-	-
g)	Show cause notices raised by Service tax Commissionerate, New Delhi. (The Parent Company has already deposited under protest an amount of Rs. 90 lakhs which is appearing under loans and advances).	5,383	5,464	2,110
h)	Possible exposure of Service tax on sale of food and beverages.	4,949	2,229	1,614
i)	Demand of Sales tax under Various States VAT Acts where appeal is pending before competent authority (the Parent Company has paid an amount of Rs.53 lakhs under protest).	1,285	498	225
j)	Claims against the Parent Company not acknowledged as debts.	419	553	553
k)	Amount involved/ exposure in respect of matter under litigation with various parties including developers.	-	354	364
l)	Sales tax matter in subsidiaries	187	4	-
m)	Labour cases pending *	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable

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

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35. SEGMENT INFORMATION

Operating Segments:

The PVR Group is engaged in the business of film exhibition, distribution and production and bowling games and restaurant business. There are no separately identifiable business segment considering the proportion of revenues, profits and assets of the PVR Group. Hence no separate disclosures have been made in line with Ind AS – 108 on Segment Reporting.

36. RELATED PARTY DISCLOSURE

Names of related parties and related party relationship	Details
Key Management Personnel	Mr. Ajay Bijli, Chairman cum Managing Director Mr. Sanjeev Kumar, Joint Managing Director Mrs. Renuka Ramnath, Director Mr. Amit Burman, Director Mr. Sanjai Vohra, Director Mr. Vikram Bakshi, Director Mr. Sanjay Khanna, Director
Key Management Personnel in Subsidiaries	Mr. Chirag Gupta, Director Mr. Ankur Gupta, Director
Enterprises having significant influence over the Company	Erstwhile Bijli Holding Private Limited (Merged with the Parent Company from January 01, 2016 Refer note 41(i))
Relatives of Key Management Personnel	Mrs. Selena Bijli, Wife of Mr. Ajay Bijli Ms. Niharika Bijli, Daughter of Mr. Ajay Bijli Mr. Aamer Krishan Bijli, Son of Mr. Ajay Bijli Mr. Satya Narain, Father of Mr. Ankur Gupta
Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	PVR Nest Priya Exhibitors Private Limited

Particulars	(Rs. In lakhs)					
	Enterprises having significant influence over the Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Transactions during the year						
Remuneration paid						
Mr. Ajay Bijli	-	-	730	325	-	-
Mr. Sanjeev Kumar	-	-	630	225	-	-
Mrs. Selena Bijli	-	-	-	23	-	-
Ms. Niharika Bijli	-	-	14	3	-	-
Other independent directors	-	-	20	23	-	-
Mr. Chirag Gupta	-	-	21	16	-	-
Mr. Ankur Gupta	-	-	18	16	-	-
Rent Expense						
Priya Exhibitors Private Limited	-	-	-	-	325	288
Mr. Satya Narain	-	-	30	29	-	-
CSR Expense						
PVR Nest	-	-	-	-	166	107
Final Dividend Paid						
Bijli Holding Private Limited	-	100	-	-	-	-
Mr. Ajay Bijli	-	-	167	13	-	-
Mr. Sanjeev Kumar	-	-	96	3	-	-
Mrs. Selena Bijli	-	-	3	2	-	-
Mr. Aamer Krishan Bijli	-	-	7	5	-	-

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Particulars	(Rs. In lakhs)					
	Enterprises having significant influence over the Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Loan Taken						
Mr. Chirag Gupta	-	-	17	-	-	-
Loan repaid						
Mr. Chirag Gupta	-	-	1	55	-	-
Mr. Ankur Gupta	-	-	-	35	-	-

Particulars	(Rs. In lakhs)								
	Enterprises having significant influence over the Company			Key Management Personnel and their relatives			Enterprises owned or significantly influenced by key management personnel or their relatives		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Balance Outstanding at the end of the year									
Security Deposit Given									
Priya Exhibitors Private Limited	-	-	-	-	-	-	144	144	66
Mr. Satya Narain	-	-	-	6	6	-	-	-	-
Loan from Directors									
Mr. Chirag Gupta	-	-	-	16	-	-	-	-	-

Notes:

- The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the PVR Group as a whole. It also does not include employer's contribution to provident fund.
- No amount has been provided as doubtful debt or advance/written off or written back in the year in respect of debts due from/to above related parties.
- All of the above transactions are inclusive of the indirect taxes being levied.

37. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR 2016-17:

Name of the Entity	(Rs. In lakhs)							
	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income (OCI)		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
PVR Limited	94.78	95,297	97.00	9,292	96.45	(142)	97.02	9,150
Indian Subsidiaries								
PVR Pictures Limited	3.50	3,520	2.91	278	2.98	(4)	2.91	274
PVR BluO Entertainment Limited	7.81	7,855	1.24	119	0.46	(1)	1.25	118
Zea Maize Private Limited	0.51	513	(1.91)	(183)	0.41	(1)	(1.95)	(184)
Share of Non controlling Interest								
PVR BluO Entertainment Limited			(0.46)	(44)	(0.22)	0	(0.47)	(44)
Zea Maize Private Limited			0.31	30	(0.08)	0	0.32	30
Elimination	(6.60)	(6,634)						
Adjustment on account of Business combination			0.91	87			0.93	87
Total	100.00	100,551	100.00	9,579	100.00	(148)	100.00	9,431

All above subsidiaries are consolidated with Parent Company, for consolidating financial statements.

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38. DISCLOSURE REQUIRED UNDER SEC 186(4) OF THE COMPANIES ACT 2013

Included in loans and advance are certain inter corporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

						(Rs. In lakhs)
Particulars	Rate of Interest	Due date	Secured/ unsecured	March 31,2017	March 31,2016	April 01,2015
Sandhya Prakash Ltd.	18%	13 monthly instalments adjusted with lease rentals till April 2018.	Unsecured	98	98	98

The loan has been given to Sandhya Prakash Ltd. (Mall Developer) for their capital expenditure requirement, where the Parent Company is running operational cinema.

39. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the PVR Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future year/periods.

a) Estimates and assumptions:

- (i) The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The PVR Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(ii) Defined benefit plans (gratuity benefits):

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

(iii) Taxation

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The PVR Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the PVR Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(iv) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

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A provision is recognized if, as a result of a past event, the PVR Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The PVR Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the PVR Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.

(v) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 40 for such measurement.

(vi) Intangible asset under development

The PVR Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

40. FAIR VALUE

Set out below, is a comparison by class of the carrying amounts and fair value of the PVR Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value.

The carrying value & fair value of financial instruments by categories as of March 31, 2017 were as follows:

(Rs. In lakhs)					
Particulars	Amortised Cost	Financial Assets/ liabilities at fair value through profit and loss	Financial Assets/ liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	197	-	-	197	197
Loans	525	-	-	525	525
Trade receivables	10,208	-	-	10,208	10,208
Cash and cash equivalent	2,475	-	-	2,475	2,475
Other bank balances	515	-	-	515	515
Other financial assets	21,542	-	-	21,542	21,542
Total	35,462	-	-	35,462	35,462
Liabilities:					
Borrowings	73,012	-	-	73,012	73,012
Trade payables	19,762	-	-	19,762	19,762
Other payables	20,077	-	-	20,077	20,077
Total	1,12,851	-	-	1,12,851	1,12,851

Notes

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The carrying value & fair value of financial instruments by categories as of March 31, 2016 were as follows:

(Rs. In lakhs)					
Particulars	Amortised Cost	Financial Assets/ liabilities at fair value through profit and loss	Financial Assets/ liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	185	-	-	185	185
Loans	1,522	-	-	1,522	1,522
Trade receivables	9,008	-	-	9,008	9,008
Cash and cash equivalent	1,863	24,274	-	26,137	26,137
Other bank balances	576	-	-	576	576
Other financial assets	21,904	-	-	21,904	21,904
Total	35,058	24,274	-	59,332	59,332
Liabilities:					
Borrowings	57,182	-	-	57,182	57,182
Trade payables	17,158	-	-	17,158	17,158
Other payables	13,789	-	-	13,789	13,789
Total	88,129	-	-	88,129	88,129

The carrying value & fair value of financial instruments by categories as of April 01, 2015 were as follows:

(Rs. In lakhs)					
Particulars	Amortised Cost	Financial Assets/liabilities at fair value through profit and loss	Financial Assets/liabilities at fair value through OCI	Carrying value	Fair value
Assets:					
Investments	186	-	-	186	186
Loans	1,144	-	-	1,144	1,144
Trade receivables	7,670	-	-	7,670	7,670
Cash and cash equivalent	2,134	-	-	2,134	2,134
Other bank balances	439	-	-	439	439
Other financial assets	14,041	-	-	14,041	14,041
Total	25,614	-	-	25,614	25,614
Liabilities:					
Borrowings	66,467	-	-	66,467	66,467
Trade payables	13,749	-	-	13,749	13,749
Other payables	11,405	-	-	11,405	11,405
Total	91,621	-	-	91,621	91,621

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- Long-term fixed-rate and variable-rate receivables/deposit are evaluated by the PVR Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables/deposits.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes

to the Consolidated financial statements for the year ended March 31, 2017

41. BUSINESS COMBINATIONS

(i) Amalgamation of Bijli Holdings Private Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on September 15, 2016, between PVR Limited (the Parent Company) and Bijli Holdings Private Limited (BHPL), BHPL was merged with the Parent Company from the appointed date i.e January 01, 2016.

BHPL was forming part of the promoter group of the Parent Company, which was holding 10,031,805 equity shares in the Company constituting 21.55% of the Parent Company's paid-up equity share capital. Consequent upon amalgamation of BHPL with the Parent Company, individual promoters of the Parent Company, directly hold shares in the Parent Company in the same proportion as they held through the erstwhile BHPL. The amalgamation has resulted in simplification of the shareholding structure and reduction of shareholding tiers as well as demonstrates the promoter's direct commitment to and engagement to the Parent Company.

Pursuant to the above, BHPL stands merged with the Parent Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of BHPL.

Assets acquired and liabilities assumed

		(Rs. In lakhs)
Particulars		Amount
Assets		
Loans and advances		0.96
Cash and bank balances		77.38
Total	A	78.34
Liabilities		
Trade Payables		21.02
Other current liabilities		0.53
Total	B	21.55
Capital reserve (Balancing figure)	A-B	56.79

Pursuant to the approved scheme, 10,031,805 fully paid up equity shares of the face value of Rs. 10 each credited as fully paid up in the share capital of the Parent Company to the members of BHPL in the ratio of their equity shareholding in BHPL. There was no change in the promoter shareholding of the Parent Company, pursuant to this scheme. The promoter continues to hold the same percentage of shares in the Parent Company, pre and immediately post the amalgamation of BHPL.

Had the above merger would have been accounted for, following Ind AS 103 'Business Combination' there would not be having any difference in above transaction.

(ii) Amalgamation of Lettuce Entertain you Limited, PVR Leisure Limited with PVR Limited

Pursuant to the scheme of amalgamation, approved by Hon'ble High Court of Delhi on January 04, 2017, between PVR Limited (the Parent Company) and PVR Leisure Limited (PVR Leisure) and Lettuce Entertain you Limited (Lettuce), later Companies were amalgamated with the Company from the appointed date i.e. April 01, 2015. Lettuce and PVR Leisure are individually referred to as "Amalgamating Company" and collectively referred to as "Amalgamating Companies" and the Parent Company is referred to as "Amalgamated Company" for the purpose of this clause.

Amalgamating Companies are subsidiaries of the Parent Company and are engaged in similar/related businesses. Through consolidation, the synergies that exist among the entities in terms of similar business processes and resources can be put to the best advantage of the stakeholders.

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Pursuant to the above, Amalgamating Companies stands merged with the Parent Company following "Purchase Method" of accounting as per the Accounting standard 14 "Accounting for Amalgamation", issued by the Institute of Chartered Accountants of India, basis approved scheme by Hon'ble High Court of Delhi.

Upon the scheme becoming effective, the authorised share capital of the Parent Company shall automatically stand enhanced by the authorised share capital of Amalgamating Companies.

Assets acquired and liabilities assumed

(Rs. In lakhs)		
Particulars	PVR Leisure Limited	Lettuce Entertain you Limited
Assets		
Cash and cash equivalents	20.93	29.76
Fixed Assets	-	496.32
Inventories	-	56.45
Investment - PVR BluO Entertainment Limited	4,340.00	-
Deferred Tax Assets	-	498.44
Trade receivables	-	2.57
Loans and advances	2,458.58	48.40
Other current assets	29.87	-
Total	6,849.38	1,131.94
Liabilities		
Provisions	0.43	2.25
Trade payables	1.54	151.23
Other current liabilities	0.14	48.95
Borrowings	-	950
Total	2.11	1,152.42
Net Assets over (liabilities)	6,847.27	(20.49)
Add: Net Liability of Lettuce Entertain you Limited	(20.49)	20.49
Net value of assets taken over	6,826.78	-
Value of Investment of PVR Leisure in PVR Limited	6,281.62	
Capital reserve (Balancing Figure)	545.16	

Pursuant to the approved scheme, entire paid-up equity and non-cumulative convertible preference share capital of PVR Leisure as held by the Parent Company directly, and the entire paid-up equity share capital of Lettuce held by the Parent Company through PVR Leisure, upon the scheme becoming effective shall stand cancelled on the effective date and no shares of the Parent Company shall be issued or allotted in consideration for amalgamation.

Had the Parent Company was required to follow the Ind AS 103, "Business Combination" the entities under common control should have used "Pooling of Interest method", according to which, recognized capital reserve would had been Rs.468 lakhs as against Rs. 545 lakhs recognized in books as per the approved order of Hon'ble High Court.

(iii) Acquisition of Cinema exhibition undertaking of DLF Utilities Limited

The Parent Company during the year, acquired part of the Cinema exhibition undertaking of DLF Utilities Limited (operated under the brand name of "DT Cinemas") on a slump sale basis. Last year, in connection with this, Company had deposited Rs. 5,000 lakhs in an Escrow account. The sale and transfer of the said Cinema exhibition undertaking, as a going concern had been completed on May 31, 2016 and the same has been accounted as per Ind AS 103, "Business combination".

(Rs. In lakhs)	
Particulars	Amount
Total Consideration payable for taking the part of the film exhibition business of DLF Utilities	43,250
Fair value of assets acquired (The Parent Company had appointed an Independent valuer to value the assets acquired from DLF Utilities Limited)	9,038
Other net liability related to film exhibition business acquired by the Company	(388)
Balancing figure recognized as Goodwill	34,600

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Out of the total consideration payable to DLF Utilities Limited as mentioned above, Rs. 10,000 lakhs are payable on obtaining two separate regulatory approvals, Rs. 5,000 lakhs payable on obtaining each approval. The management at the time of acquisition has assessed that it shall obtain all the approvals shortly and thus no adjustment in this regard are made. The Parent Company during the year has received one such approval and has paid Rs. 5,000 lakhs accordingly and is confident of receiving the other approval.

42. During the year on August 09, 2016, Company has incorporated a new subsidiary "P V R Lanka Limited" in Democratic Socialist Republic of Sri Lanka. Subsequent to the year end on May 18, 2017, the Parent Company has invested a sum of USD 59,993, to subscribe 91,249 number of shares of LKR 100 each.

43. The Board of Directors has recommended final dividend of 20% (Rs. 2 per fully paid up equity share of Rs 10 each) for the year ended March 31, 2017, subject to the approval of shareholders at the ensuing Annual General meeting of the Company.

44. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The PVR Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance PVR Group's operations and to provide guarantees to support its operations. PVR Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

PVR Group is exposed to Market risk, credit risk, Legal, taxation and Accounting risk and liquidity risk. PVR Group's Treasury teams overseas the management of these risks supported by senior management.

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. PVR Group's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

PVR Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest Rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Parent Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase effect		Decrease effect	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rs. In lakhs)			
Effect of Increase/ decrease in floating Interest rate by 100 basis points (1%) for term loans	246	305	(246)	(305)

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates.

The Majority of PVR Group's revenue and expenses are in Indian Rupees, with the remainder denominated in US Dollars. Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

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(b) Legal, taxation and Accounting risk:

Change to any of the applicable laws, rules, regulations related to PVR Group's Business could have a material impact on its financial results. Compliance with any proposed changes could also result in significant cost of PVR Group. Failure to fully comply with various laws, rules and regulations may expose PVR Group to proceedings which may materially affect its performance.

PVR Group is presently involved into various judicial, administrative, regulatory and litigation proceedings concerning matters arising in the ordinary course of business operations including but not limited to landlord-tenant disputes and tax disputes (including entertainment tax subsidy and other direct and indirect tax matters like Service tax, Sales tax etc.), employment disputes and other contractual disputes. Many of these proceedings seek an indeterminate amount of damages. In Situations where management believes that a loss arising from a proceeding is probable and can reasonably be estimated, PVR Group records the amount of the probable loss. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary.

To mitigate these risks, PVR Group employs in-house counsel and uses third party tax and legal experts to assist in structuring significant transactions and contracts. PVR Group also has systems and controls that ensure the timely delivery of financial information in order to meet contractual and regulatory requirements and has implemented disclosure controls and Internal controls over financial reporting which are tested for effectiveness on an ongoing basis.

(c) Credit Risk

Credit risk is the risk of financial loss to PVR Group if a customer fails to meet its contractual obligation. Management believes the credit risk on cash and cash equivalents is low because the counterparties are banks with high credit ratings.

Trade receivables are amount billed to customers for the sale of goods and services, and represent the maximum exposure to credit risk of those financial assets, exclusive of the allowance for doubtful debts. Normal credit terms for amounts due from customers is within 0 - 90 days which is in line with Industry practice.

PVR Group does not require collateral or other security from customers; however, credit evaluations are performed prior to the initial granting of credit when warranted and periodically thereafter. Based on policy, the Company records a reserve for estimated uncollectible amounts, which management believes reduce credit risk. Management assesses the adequacy of reserve quarterly, taking into account historical experience, current collection trend, the age of the receivables and, when warranted and available, the financial condition of specific counterparties.

Due to diversified client base, management believes PVR Group does not have a significant concentration of credit risk.

Trade Receivables after adjusting provision (basis past experience and trends) are as follows:

Particulars	March 31, 2017	(Rs. In lakhs)	
		March 31, 2016	April 01, 2015
Trade Receivables	10,208	9,008	7,670

(d) Liquidity risk

Liquidity risk is the risk that PVR Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Company monitors its risk of a shortage of funds using a liquidity planning tool.

PVR Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, finance leases and advance payment terms.

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to the Consolidated financial statements for the year ended March 31, 2017

Year ended March 31, 2017

(Rs. In lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	1,588	12,574	7,372	59,351	1,374	82,259
Trade and Other Payable	-	25,686	5,069	138	-	30,893

Year ended March 31, 2016

(Rs. In lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	-	2,064	6,756	47,310	10,099	66,229
Trade and Other Payables	-	21,852	69	206	-	22,127

Year ended March 31, 2015

(Rs. In lakhs)						
Particulars	On demand	Less than 3 months	3 to 12 Months	1 to 5 years	More than 5 years	Total
Borrowings including bank OD, commercial paper excluding transaction cost	3,199	1,915	6,040	45,047	18,500	74,701
Trade and Other Payables	-	17,199	-	-	-	17,199

The PVR Group has also significant contractual obligations in the form of operating lease (Refer note no. 32) and capital and other commitments (Refer note No.33).

45. CAPITAL MANAGEMENT

For the purpose of the PVR Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The PVR Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the PVR Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The PVR Group monitors capital using a gearing ratio.

(Rs. In lakhs)			
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Long term debt	69,450	66,002	71,223
Payable for purchase of Property, plant and equipment	10,435	4,409	2,890
Total	79,885	70,411	74,113
Total Equity	1,00,551	92,132	47,312
Less: Minority	4,051	4,010	3,832
Equity	96,501	88,122	43,480
Gearing ratio	83%	80%	170%

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- 46.** During the year, the PVR Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBN's and other notes as per the notification is given below:

			(Rs. In lakhs)
Particulars	SBN's (Rs.)*	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on November 08, 2016	423	8	431
(+) Permitted receipts	-	7,035	7,035
(+) Amount withdrawal from bank	-	2	2
(-) Permitted payments	-	(206)	(206)
(-) Amount deposited in Banks	(423)	(6,451)	(6,874)
Closing cash in hand as on December 30, 2016	-	388	388

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 08, 2016.

47. EXPENSES CAPITALIZED DURING THE YEAR

The Group has incurred following expenses as pre-operative expenses through Capital work-in-progress

			(Rs. In lakhs)
Particulars	March 31, 2017	March 31, 2016	
Salaries, allowances and bonus	1,244	1,268	
Contribution to provident and other funds	51	46	
Rent	81	249	
Electricity and water charges	17	18	
Repairs and maintenance	40	52	
Rates and taxes	340	80	
Travelling and conveyance	87	75	
Legal and Professional expenses	849	431	
Insurance	27	33	
Communication cost	5	7	
Security service charges	213	182	
Finance cost	256	214	
Other miscellaneous expenses	64	26	
Total	3,274	2,681	

48.1 INCOME TAX EXPENSE

			(Rs. In lakhs)
Particulars	March 31, 2017	March 31, 2016	
(a) Income tax expense reported in the statement of profit or loss comprises:			
Current income tax:			
Current tax (MAT payable)	3,292	3,110	
Less: MAT credit entitlement	1,336	1,575	
Current income tax charge	1,956	1,535	
Income tax for earlier years	38	-	
MAT credit (entitlement)/reversal for earlier years	(172)	(117)	
Total current tax	1,822	1,418	
Deferred tax:			
Relating to origination and reversal of temporary differences	3,878	3,250	
Income tax expense reported in the statement of profit or loss	5,700	4,668	
Effective Income tax rate	37.31%	32.24%	

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to the Consolidated financial statements for the year ended March 31, 2017

Particulars	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
(b) Statement of Other Comprehensive Income		
Net loss/ (gain) on remeasurements of defined benefit plans	81	(8)
(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:		
Accounting profit before tax	15,279	14,479
Statutory income tax rate	34.61%	34.61%
Computed tax expense	5,288	5,011
Adjustments in respect of current income tax of previous years	(134)	(117)
Non-deductible expenses for tax purposes	546	(226)
Income tax charged to statement of profit & loss	5,700	4,668

48.2 TAX MOVEMENT

Particulars	(Rs. In lakhs)		
	March 31, 2017	March 31, 2016	April 01, 2015
(a) MAT credit entitlement			
Opening Balance	6,733	5,041	4,959
Add: MAT credit entitlement/(reversal) for earlier years	172	177	82
Add: MAT credit entitlement for current year	1,336	1,575	-
Closing Balance	8,241	6,733	5,041
(b) Deferred Tax Asset / (Liability)			
Opening Balance	(400)	2,788	-
Less: Impact of differences in W.D.V. block under Income Tax and Books of Accounts	(3,391)	1,022	(2,814)
Add: Effect of carry forward of losses and unabsorbed depreciation	(283)	(4,298)	4,618
Add: Tax income / (expenses) on other timing differences	68	728	984
Closing balance	(4,006)	(400)	2,788

49. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Government of India has promulgated an Act namely The Micro, Small and Medium Enterprise Development Act, 2006 which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Parent Company and its subsidiaries have sent the confirmation letters to its suppliers at the year end, to identify the supplier registered with the act. As per the information available with the Parent Company and its subsidiaries, none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure done.

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to the Consolidated financial statements for the year ended March 31, 2017

50. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, care for destitute women and rehabilitation of under privileged person, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Parent Company as per the Act.

During the year, the Parent Company has spent Rs. 185 lakhs, through its foundation PVR Nest & others. PVR Nest focuses on providing education, healthcare, nutrition and rehabilitation to children.

Particulars	(Rs. In lakhs)	
	March 31, 2017	March 31, 2016
Gross amount required to be spent by the Parent company during the year	165	88
Amount spent during the year	185	138

51. DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE :

Particulars of un-hedged foreign currency exposure as at the balance sheet date:

		(Rs. In lakhs)		
Particulars	Currency	March 31, 2017	March 31, 2016	April 01, 2015
Cash in Hand	Thai Bhat	0.31	0.31	0.33
	Hongkong Dollar	0.06	0.06	0.04
	Sterling Pound		0.08	0.08
	Singapore Dollar	0.39	0.41	0.19
	USD	1.27	1.00	1.20
	Euro	1.91	1.62	0.31
	UK Pound	0.90	-	-
	Korian Won	0	-	-
	Dirham	0.74	0.72	0.72
Total		5.58	4.20	2.87
Payables for purchase of fixed asset	US Dollar	277.53	464.14	-

52. Effective September 06, 2013 there has been a temporary cessation in operations in one of the operational bowling game centre in PVR bluO Entertainment Limited, a subsidiary Company at Vasant Kunj, New Delhi on account of certain irregularities observed in the Mall by National Green Tribunal (NGT).

Subsequent to the year end, management of the subsidiary company was informed by the mall developer of such clearance by NGT and the subsidiary company has entered into process of renegotiating the existing lease agreement with the Mall Developer.

53. (i) Expenditure in foreign currency

		(Rs. In lakhs)	
Particulars		March 31, 2017	March 31, 2016
Travelling		111	155
Professional fees		631	282
Others		246	156
Total		988	977

Notes

to the Consolidated financial statements for the year ended March 31, 2017

(ii) Income in foreign currency

(Rs. In lakhs)		
Particulars	March 31, 2017	March 31, 2016
Advertisement Income	149	-
Income from sale of tickets and food and beverages	391	229
Total	540	486

(iii) CIF value of imports

(Rs. In lakhs)		
Particulars	March 31, 2017	March 31, 2016
Capital Goods	2,950	982
Store and spares	1,252	1,163
Total	4,202	2,145

54. OTHERS

The figures in the financial statements and notes thereto have been rounded off to nearest rupees in lakhs, and where one lakh is equal to one hundred thousand.

As per report of even date
For **S.R. BATLIBOI & CO. LLP**
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

For and on behalf of the board of Directors of PVR Limited

Ajay Bijli
Chairman cum Managing Director
DIN: 00531142
Place: New York

Amit Burman
Director
DIN: 00042050

Sanjeev Kumar
Joint Managing Director
DIN: 00208173

per **Vikas Mehra**
Partner
Membership Number: 094421
Place: Gurugram
Date: May 30, 2017

Pankaj Dhawan
Company Secretary
ICSI M.No.: F3170

Nitin Sood
Chief Financial Officer

Summarised Financial Statements of Subsidiaries

FY 2016-17		(Rs. In lakhs)		
Sl. No.	Particulars	Details		
1	Name of the Subsidiary	PVR Pictures Ltd.	Zea Maize Private Limited	PVR bluO Entertainment Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2016 To March 31, 2017	April 01, 2016 To March 31, 2017	April 01, 2016 To March 31, 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share Capital	1,680	4	3,652
5	Reserves & surplus	1,839	508	4,403
6	Total assets	7,908	738	9,039
7	Total liabilities	4,388	226	984
8	Investments	-	-	-
9	Turnover	8,944	481	5,657
10	Profit before taxation	500	(194)	168
11	Provision for taxation	222	-	55
12	Profit after taxation	279	(194)	113
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	70%	51%

Multiplexes with World-class facilities

WHERE CINEMA AND LUXURY COMES TOGETHER





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