June 22, 2021

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

Security Code BSE – 532355 **ISIN NO.INE448B01029**

Dear Sir / Madam,

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

Pursuant to Regulation of 30, 33, and other applicable provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, we wish to inform you that, the Board of Directors of the Company at their meeting held on June 22,2021 have *inter-alia:*

1) Approved the audited financial results (Standalone & Consolidated) for the fourth (4) quarter and Financial year ended March 31, 2021 along with statement of assets and liability and auditors report for the year ended March ended March 31, 2021.

   In this regard, please find attached the copies of the following:

   I. Audited Financial Results (Standalone & Consolidated) for the fourth (4) quarter and year ended March 31, 2021
   II. Statement of Assets and Liabilities (Standalone & Consolidated) for the quarter ended March 31, 2021
   III. Independent Auditor's Report (Standalone & Consolidated) for the period ended March 31, 2021.
   IV. Statement on Impact of Audit Qualifications on Standalone & Consolidated Financial results for the financial year ended March 2021.

Kindly note the Board Meeting Commenced at **11.30 am** and ended at **17.45**

Yours Faithfully,
For Picturehouse Media Limited

Prasad Veera Potluri Digitally signed by Prasad Veera Potluri
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Prasad V. Potluri
Managing Director
Encl : As above

Picturehouse Media Limited

Registered Office: Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai-600031 Web: www.pvpcinema.com

CIN:L92191TN2000PLC044077

Statement of Consolidated Audited Financial Results for the Quarter and Year ended March 31, 2021 — Rs. In lakhs

	PARTICULARS	Consolidated				
		Quarter ended			Year ended	
		31.03.2021 Unaudited	31.12.2020 Unaudited	31.03.2020 Unaudited	31.03.2021 Audited	31.03.2020 Audited
1	**Income**					
	Revenue from operations	-	-	63.24	1.43	1,447.63
	Other Income	133.66	0.31	10.47	137.36	52.25
	Total Income (1)	**133.66**	**0.31**	**73.71**	**138.79**	**1,499.88**
2	**Expenses**					
	(a) Cost of film production expenses	3.03	-	2.64	3.03	987.04
	(b) Purchases of Stock-in-Trade	-	-	-	-	-
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	-	-	-	-
	(d) Employee benefit expenses	11.25	10.02	19.19	40.02	64.20
	(e) Finance Cost	290.82	1,053.55	1,200.31	3,305.33	3,931.09
	(f) Depreciation and amortization expenses	6.86	8.70	8.63	33.63	36.15
	(g) Others expenses	13.45	16.73	19.36	68.66	86.73
	(h) Provision for doubtful debts and advances	-	-	-	-	
	(i) Impairment of financial instruments	372.90	372.90	774.87	1,491.59	3,099.47
	Total Expenses (2)	**698.31**	**1,461.90**	**2,025.00**	**4,942.26**	**8,204.68**
3	**Profit/(Loss) before exceptional items and tax (1-2)**	**(564.65)**	**(1,461.59)**	**(1,951.29)**	**(4,803.47)**	**(6,704.80)**
4	Exceptional items	-	-	-	-	
5	**Profit/(Loss) before tax (3-4)**	**(564.65)**	**(1,461.59)**	**(1,951.29)**	**(4,803.47)**	**(6,704.80)**
6	**Tax expense**					
	a) Current Tax	-	-		-	
	b) Deferred Tax	-	-		-	
	c) Income tax for earlier years	-	-	0.40	-	0.40
7	**Net Profit/(Loss) for the period/year (5-6)**	**(564.65)**	**(1,461.59)**	**(1,951.69)**	**(4,803.47)**	**(6,705.20)**
8	Other Comprehensive Income					
	a) (i) Items that will not be reclassified subsequently to profit and loss					
	Remeasurement of defined benefit obligation	2.63	-	5.12	2.63	5.12
	Less : Income tax expense					
	Total Other Comprehensive Income (8)	**2.63**	**-**	**5.12**	**2.63**	**5.12**
9	**Total Comprehensive Income (7+8)**	**(562.02)**	**(1,461.59)**	**(1,946.57)**	**(4,800.84)**	**(6,700.08)**
10	Paid-up equity share capital (Face Value of Re. 10/- each)	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00
11	Other Equity				(25,778.29)	(20,977.45)
12	Earnings per share					
	(a) Basic (in Rs.)	(1.08)	(2.80)	(3.74)	(9.19)	(12.83)
	(b) Diluted (in Rs.)	(1.08)	(2.80)	(3.74)	(9.19)	(12.83)

See accompanying notes to financial results

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PICTUREHOUSE MEDIA LIMITED, CHENNAI

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

	Particulars	As at Mar 31, 2021 Audited	As at Mar 31, 2020 Audited
I	**ASSETS**		
(1)	**Non Current Assets**		
	(a) Property, Plant and Equipment	180.08	146.24
	(b) Financial Assets		
	(i) Investments	5.02	4.76
	(ii) Loans	10.23	11.32
	Total Financial Asset	**15.25**	**16.08**
	(c) Deferred tax assets (net)	-	-
	(d) Other non current assets	93.10	486.11
	Total Non Current Assets	**288.43**	**648.43**
(2)	**Current assets**		
	(a) Inventories	4,955.64	4,894.43
	(b) Financial Assets		
	(i) Trade receivables	8.52	21.10
	(ii) Cash and cash equivalents	16.10	3.93
	(iii) Loans	4,085.00	5,428.63
	(iv) Other financial assets	1,336.23	1,434.07
	Total Financial Asset	**5,445.85**	**6,887.73**
	(c) Other current assets	114.08	94.66
	Total Current Assets	**10,515.57**	**11,876.82**
(3)	**Non current assets classified as held for sale**	-	-
	Total Assets	**10,804.00**	**12,525.25**
II	**EQUITY AND LIABILITIES**		
A	**EQUITY**		
	(a) Equity Share Capital	5,225.00	5,225.00
	(b) Other Equity	(25,778.29)	(20,977.45)
	Total Equity	**(20,553.29)**	**(15,752.45)**
B	**LIABILITIES**		
(1)	**Non Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	7,138.11	8,022.01
	Total Financial Liabilities	**7,138.11**	**8,022.01**
	(b) Provisions	12.82	9.42
	(c) Deferred tax liabilities (Net)	-	-
	Total Non Current Liabilities	**7,150.93**	**8,031.43**
(2)	**Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	11,306.69	10,225.00
	(ii) Trade payables		
	Total outstanding dues to Micro, small and medium enterprises		
	Total Outstanding dues to creditors other than micro, small and medium enterprises	40.30	52.68
	(iii) Other financial liabilities	10,908.44	8,059.91
	Total Financial Liabilities	**22,255.43**	**18,337.59**
	(b) Provisions	812.97	757.88
	(c) Other Current Liabilities	1,137.96	1,150.80
	Total Current Liabilities	**24,206.36**	**20,246.27**
(3)	**Liabilities associated with non current assets held for sale**	-	-
	Total Equity and Liabilities	**10,804.00**	**12,525.25**

See accompanying notes to financial results

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PICTUREHOUSE MEDIA LIMITED, CHENNAI

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

(Rs. in Lakhs)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) before Tax		(4,803.47)	(6,704.80)
Adjustments for:			
Depreciation and Amortization		33.63	36.15
(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property (Net)		(2.67)	-
Fair Value of investments through Profit and Loss		(0.26)	(0.33)
Payable written up		(108.64)	76.75
Provision for expenses no longer required - written up		(18.86)	-
Unwinding of Interest income on rental deposits		(2.75)	-
Interest on Staff advance		(0.79)	-
Sundry creditors written up		(3.22)	-
Provision for Doubtful Advances and Debtors		-	19.05
Contingent provision on sub-standard assets		1,491.59	3,099.47
Provision for Employee Benefits		(6.82)	(0.11)
Interest Income		-	(206.47)
Interest Expenses		3,214.54	3,796.84
Cash Generated Before Working Capital Changes		**(207.72)**	**116.55**
Movement In Working Capital			
Increase / (Decrease) in Trade Payables		(9.12)	11.82
Increase / (Decrease) in Other Financial Liabilities		85.83	10.77
Increase / (Decrease) in Other Liabilities		71.56	168.53
(Increase) / Decrease in Trade Receivables		12.47	(21.10)
(Increase) / Decrease in Loans		114.50	626.19
(Increase) / Decrease in Inventories		(61.21)	171.82
(Increase) / Decrease in Other Financial Assets		99.72	65.73
(Increase) / Decrease in Other Assets		(4.61)	(26.29)
Cash Generated From Operations		**101.42**	**1,124.04**
Direct Taxes Refund		393.01	-
Direct Taxes Paid		-	(6.16)
Interest Expenses paid of financing activities		-	(14.53)
Net Cash Flow From / (Used in) Operating Activities	**(A)**	**494.43**	**1,103.35**
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES			
Purchase of PPE, Intangible Assets and Investment Property		-	(9.27)
Repayment/(Advances) made for Film Finance		(262.47)	-
Proceeds from Sale of PPE, Intangible Assets and Investment Property		2.84	20.00
Investments/advance in Subsidiaries		-	-
Interest Income Received		-	142.26
Net Cash Flow From / (Used in) Investing Activities	**(B)**	**(259.63)**	**152.99**
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES			
Proceeds from/(to) Short - Term Borrowings (Net)		(252.57)	175.00
Payment of lease liabilities (Inclusing interest thereon)		(22.90)	(26.48)
Proceeds from Long Term Borrowings		52.84	832.83
Repayment of Long Term Borrowings		-	(1,580.77)
Interest Paid		-	(661.38)
Net Cash Flow From / (Used in) Financing Activities	**(C)**	**(222.63)**	**(1,260.79)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	12.17	(4.45)
Cash and Cash Equivalents at the beginning of the year		3.93	8.38
Cash and Cash Equivalents at the end of the year		**16.10**	**3.93**
Components of Cash and Cash Equivalents			
Cash in Hand		0.60	0.03
Balances with Banks			
-In Current Accounts		15.50	3.90
Cash and cash Equivalent		**16.10**	**3.93**

The above statement is prepared under indirect method.

See accompanying notes to financial statements

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PICTUREHOUSE MEDIA LIMITED, CHENNAI
YEAR ENDED MARCH 31, 2021

NOTES TO CONSOLIDATED AUDITED FINANCIAL RESULTS

1. Advances made by the Group include advances made for film production (including interest accrued of Rs. 1,324.37 lakhs) is aggregating to Rs.3,895.29 lakhs. The Board of the holding company is confident of realising the value at which they are carried notwithstanding the long period of outstanding. The Board of the holding company does not foresee any erosion in carrying value. The auditors have, however, drawn qualified conclusion in this regard.

2. The current assets of the Group include Expenditure on films under production amounting to Rs. 4,955.64 lakhs mainly comprises of payments to artistes and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. Accordingly, the holding company is confident of realising the entire value of 'expenditure on films under production'. The management of the holding company does not foresee any erosion in carrying value. The auditors have drawn qualified conclusion in this regard.

3. PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.20,012.67 lakhs (including interest accrued) as per the books of accounts as on March 31, 2021.

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

Prasad Veera Potluri

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NOTES TO CONSOLIDATED AUDITED FINANCIAL RESULTS

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

PVPCL has not maintained minimum net owned funds as per RBI Regulations. Under these circumstances, regulatory authorities are bound to cancel its registration as non-banking finance company.

The Board of PVPCL is of the view that the going concern is not affected.

The statutory auditors of PVPCL have, however, furnished a qualified report.

4. PVP Capital Limited (PVPCL) has a loan book of Rs. 15381.04 lakhs given to various film producers. Due to significant delay in completing the films, the Company's customers did not service the interest and loan repayment. Consequently, the company has made a cumulative provision of Rs.13889.46 lakhs for the expected credit loss. PVPCL's Board is of the opinion that no adjustment to the carrying value is required as it is confident of recovery from the borrowers. The statutory auditors of PVPCL, however, has drawn a qualified conclusion in this regard.

5. As on March 31, 2021, the group has a negative net worth of Rs. 20,553.29 Lakhs. Even though the group is incurring continuous losses and negative networth, the group has succeeded to a larger extent, in reducing the operating cost. This is entirely aligned with the Group's long range plan, which encompasses a continued development of the Group's revenue generating activities in order to absorb the losses carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of repayment. There is no intention to

liquidate and the Company has got future projects to improve its Revenue. The Group has paid advance amounts to the artists and technicians for the future movies production which is displayed under Inventory. Further, the Group intents to strategically merge with its holding company which will create positive synergy in future. The consolidated financial results have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors that are given effect to. The statutory auditors of the holding company, however, have drawn qualified conclusion in this regard.

6. The Principal Commissioner of CGST and Central Excise has passed an order in 10/2016 (to specify the month) for the Financial Years 2011-12 to 2014-15 with regard to the Service Tax on the perpetual sale of various copyrights, demanding a sum of Rs.802.33 lakhs and penalty of Rs.802.43 lakhs. This is a Film Industry's issue and most of the producers have carried the matter to the Appellate authorities. Aggrieved by the order, the Group has disputed the demand with Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) (as it then was) by paying the required Deposit of Rs.60.18 lakhs, which is displayed under Non– Current Assets.

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

7. During the year ended March 31, 2021, Lease deed entered with the lessor at Hyderabad has expired for Picturehouse Media Limited, management has intention to renew the lease deed on the same terms and conditions of the previous Lease Deed with a term period of three years. Accordingly, the group has accounted Rs. 6.26 Lakhs as Finance Cost and Rs.19.47 Lakhs as Depreciation as per the Ind AS 116, "Leases". The lessor has orally concurred for the extension of the agreement.

8. The Bombay Stock Exchange imposed a penalty of Rs. 7.60 lakhs on October 31, 2018 for violation of Regulations 17(1), 19(1) and 19(2) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

   This was confirmed by honourable Securities Appellate Tribunal, Mumbai on 04.03.2020 and the order was served on 06.03.2020. The said transaction is accounted in the holding company in the current financial year. This is qualified by the statutory auditor of the holding company.

9. The parent company i.e. Picturehouse Media Limited, has furnished a financial guarantee of Rs. 10000 lakhs to a Bank in respect of loan availed by one of its wholly owned subsidiaries viz. PVP Capital Limited, Chennai.

   The ultimate parent company of the borrower has also furnished a guarantee of Rs. 10000 lakhs and also offered a landed property whose market value is approximately Rs. 18000 lakhs. The borrowings outstanding together with interest is Rs. 20012.67 lakhs. As the Banker's right to proceed against the reporting entity is only residuary, probable loss in respect of the guarantee furnished is not provided for. The auditors have drawn emphasis of this matter.

10. The Board of the parent company is of the considered view that production of movies and financing of movie production and Movie Financing is one single operation. Hence segment reporting as required under Ind AS 108 is not applicable.
11. The above audited consolidated financial results for the year ended March 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on June 22, 2021. These above results have been subjected to an audit by the statutory auditors of the company.
12. The statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('The Ind AS'), prescribed under section 133 of the Companies Act, 2013.
13. During the quarter ended March 31, 2021, interest payable to a lender by the holding company for preceding three quarters amounting to Rs. 649.27 lakhs has been written up, as the lender has waived the same.
14. The annual consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by the Statutory Auditors.
15. These results are also available at the website of the company www.pvpcinema.com and www.bseindia.com.

Picturehouse Media Limited

Registered Office: Door No. 2, 9th Floor, KRM Centre, Harrington Road, Chetpet, Chennai-600031 Web: www.pvpcinema.com

CIN:L92191TN2000PLC044077

Statement of Standalone Audited Financial Results for the Quarter and Year ended March 31, 2021 — Rs. In lakhs

	PARTICULARS	Standalone				
		Quarter ended			Year ended	
		31.03.2021 Unaudited	31.12.2020 Unaudited	31.03.2020 Unaudited	31.03.2021 Audited	31.03.2020 Audited
1	**Income**					
	Revenue from operations	-	-	63.24	1.43	1,447.63
	Other Income	133.66	0.31	10.47	137.36	53.75
	Total Income (1)	**133.66**	**0.31**	**73.71**	**138.79**	**1,501.38**
2	**Expenses**					
	(a) Cost of film production expenses	3.03	-	2.64	3.03	987.04
	(b) Purchases of Stock-in-Trade	-	-	-	-	-
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	-	-	-	-
	(d) Employee benefit expenses	9.82	7.10	14.39	31.54	55.31
	(e) Finance Cost	(557.78)	222.89	267.96	97.05	993.48
	(f) Depreciation and amortization expenses	6.70	8.57	8.49	33.05	35.89
	(g) Others expenses	11.20	14.26	18.05	59.38	81.85
	Total Expenses (2)	**(527.03)**	**252.82**	**311.53**	**224.05**	**2,153.57**
3	**Profit/(Loss) before exceptional items and tax (1-2)**	**660.69**	**(252.51)**	**(237.82)**	**(85.26)**	**(652.19)**
4	Exceptional items	-	-	-	-	
5	**Profit/(Loss) before tax (3-4)**	**660.69**	**(252.51)**	**(237.82)**	**(85.26)**	**(652.19)**
6	**Tax expense**					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
	c) Income tax for earlier years	-	-	0.40	-	0.40
7	**Net Profit/(Loss) for the period/year (5-6)**	**660.69**	**(252.51)**	**(238.22)**	**(85.26)**	**(652.59)**
8	Other Comprehensive Income					
	a) (i) Items that will not be reclassified subsequently to profit and loss					
	Remeasurement of defined benefit obligation	1.30	-	5.64	1.30	5.64
	Less : Income tax expense					
	Total Other Comprehensive Income (8)	**1.30**	**-**	**5.64**	**1.30**	**5.64**
9	**Total Comprehensive Income (7+8)**	**661.99**	**(252.51)**	**(232.58)**	**(83.96)**	**(646.95)**
10	Paid-up equity share capital (Face Value of Re. 10/- each)	5,225.00	5,225.00	5,225.00	5,225.00	5,225.00
11	Other Equity				(4,116.19)	(4,032.23)
12	Earnings per share					
	(a) Basic (in Rs.)	1.26	(0.48)	(0.45)	(0.16)	(1.25)
	(b) Diluted (in Rs.)	1.26	(0.48)	(0.45)	(0.16)	(1.25)

See accompanying notes to financial results

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PICTUREHOUSE MEDIA LIMITED, CHENNAI

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

	Particulars	As at Mar 31, 2021 Audited	As at Mar 31, 2020 Audited
I	**ASSETS**		
(1)	**Non Current Assets**		
	(a) Property, Plant and Equipment	75.68	41.26
	(b) Financial Assets		
	(i) Investments	2,526.76	2,526.50
	(ii) Loans	10.23	11.32
	Total Financial Asset	**2,536.99**	**2,537.82**
	(d) Deferred tax assets (net)	-	-
	(e) Other non current assets	93.10	486.11
	Total Non Current Assets	**2,705.77**	**3,065.19**
(2)	**Current assets**		
	(a) Inventories	4,955.64	4,894.43
	(b) Financial Assets		
	(i) Trade receivables	8.52	21.10
	(ii) Cash and cash equivalents	15.78	3.62
	(iii) Loans	2,593.42	2,445.45
	(iv) Other financial assets	1,336.23	1,434.07
	Total Financial Asset	**3,953.95**	**3,904.24**
	(c) Other current assets	114.08	94.66
	Total Current Assets	**9,023.67**	**8,893.33**
(3)	**Non current assets classified as held for sale**	-	-
	Total Assets	**11,729.44**	**11,958.52**
II	**EQUITY AND LIABILITIES**		
A	**EQUITY**		
	(a) Equity Share Capital	5,225.00	5,225.00
	(b) Other Equity	(4,116.19)	(4,032.23)
	Total Equity	**1,108.81**	**1,192.77**
B	**LIABILITIES**		
(1)	**Non Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	7,138.11	7,085.38
	Total Financial Liabilities	**7,138.11**	**7,085.38**
	(b) Provisions	12.82	8.20
	(c) Deferred tax liabilities (Net)	-	-
	Total Non Current Liabilities	**7,150.93**	**7,093.58**
(2)	**Current Liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	-	253.19
	(ii) Trade payables		
	Total outstanding dues to Micro, small and medium enterprises		
	Total Outstanding dues to creditors other than micro, small and medium enterprises	32.34	46.82
	(iii) Other financial liabilities	2,670.90	2,664.32
	Total Financial Liabilities	**2,703.24**	**2,964.33**
	(b) Other current liabilities	766.46	696.09
	(c) Provisions	-	11.75
	Total Current Liabilities	**3,469.70**	**3,672.17**
(3)	**Liabilities associated with non current assets held for sale**	-	-
	Total Equity and Liabilities	**11,729.44**	**11,958.52**

See accompanying notes to financial results

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PICTUREHOUSE MEDIA LIMITED, CHENNAI

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(Rs. in Lakhs)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) before Tax		**(85.26)**	**(652.19)**
Adjustments for:			
Depreciation and Amortization		33.05	35.89
(Profit) / Loss on Sale of PPE, Intangible Assets and Investment Property (Net)		(2.67)	-
Fair Value of investments through Profit and Loss		(0.26)	(0.33)
Payable written up		(108.64)	-
Provision for expenses no longer required - written up		(18.86)	-
Unwinding of Interest income on rental deposits		(2.75)	-
Interest on Staff advance		(0.79)	-
Sundry creditors written up		(3.22)	(3.80)
Provision for diminution in value of Investments		-	1.36
Provision for Doubtful Advances and Debtors		0.11	19.19
Provision for Employee Benefits		(5.83)	(0.25)
Interest Income		-	(206.47)
Interest Expenses		6.26	939.78
Cash Generated Before Working Capital Changes		**(188.86)**	**133.18**
Movement In Working Capital			
Increase / (Decrease) in Trade Payables		(11.26)	8.59
Increase / (Decrease) in Other Financial Liabilities		85.83	10.78
Increase / (Decrease) in Other Liabilities		70.37	159.12
(Increase) / Decrease in Trade Receivables		12.47	(21.10)
(Increase) / Decrease in Loans		114.50	1.19
(Increase) / Decrease in Inventories		(61.21)	171.82
(Increase) / Decrease in Other Financial Assets		99.72	65.71
(Increase) / Decrease in Other Assets		(19.42)	(26.29)
Cash Generated From Operations		**102.14**	**503.01**
Direct Taxes Refund		393.01	-
Direct Taxes Paid		-	(6.14)
Net Cash Flow From / (Used in) Operating Activities	**(A)**	**495.15**	**496.87**
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES			
Purchase of PPE, Intangible Assets and Investment Property		-	(0.35)
Repayment/(Advances) made for Film Production		(262.47)	625.01
Proceeds from Sale of PPE, Intangible Assets and Investment Property		2.84	-
Investments in /advance to subsidiary companies		-	(1.50)
Interest Income Received		-	142.26
Net Cash Flow From / (Used in) Investing Activities	**(B)**	**(259.63)**	**765.42**
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES			
Proceeds from/(to) Short - Term Borrowings (Net)		(253.19)	203.19
Payment of lease liabilities (Including interest thereon)		(22.90)	(26.48)
Proceeds from Long Term Borrowings		52.73	800.07
Repayment of Long Term Borrowings		-	(1,580.76)
Interest Paid		-	(661.38)
Net Cash Flow From / (Used in) Financing Activities	**(C)**	**(223.36)**	**(1,265.36)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	12.16	(3.07)
Cash and Cash Equivalents at the beginning of the year		3.62	6.69
Cash and Cash Equivalents at the end of the year		**15.78**	**3.62**
Components of Cash and Cash Equivalents			
Cash in Hand		0.60	0.03
Balances with Banks			
-In Current Accounts		15.18	3.59
Cash and cash Equivalent		**15.78**	**3.62**

The above statement is prepared under indirect method.

See accompanying notes to financial statements

Prasad Veera Potluri

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PICTUREHOUSE MEDIA LIMITED, CHENNAI
QUARTER AND YEAR ENDED MARCH 31, 2021

NOTES TO STANDALONE AUDITED FINANCIAL RESULTS

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

2. The above audited standalone financial results for the year ended March 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on June 22, 2021. These above results have been subjected to an audit by the statutory auditors of the company.

3. Advances made for film production (including interest accrued of Rs. 1,324.37 lakhs) is aggregating to Rs.3,895.29 lakhs. The Board is confident of realising the value at which they are carried notwithstanding the long period of outstanding. The Board does not foresee any erosion in carrying value. The auditors have, however, drawn qualified conclusion in this regard.

4. Expenditure on films under production amounting to Rs. 4,955.64 lakhs mainly comprises of payments to artistes and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. Accordingly, the company is confident of realising the entire value of 'expenditure on films under production'. The management does not foresee any erosion in carrying value. The auditors have, however, drawn qualified conclusion in this regard.

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NOTES TO STANDALONE AUDITED FINANCIAL RESULTS

5. PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank as filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT). The outstanding amount is Rs.20,012.67 lakhs (including interest accrued) as per the books of accounts as on March 31, 2021.

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

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

   Even statutory dues are not remitted into the Government.

   PVPCL has not maintained minimum net owned funds as per RBI Regulations. Under these circumstances, regulatory authorities are bound to cancel its registration as non-banking finance company.

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

6. As on March 31, 2021, the company has a net worth of Rs. 1,108.81 Lakhs. Eventhough, the company is incurring continuous losses, it has succeeded in reducing its operating cost. This is entirely aligned with the Company's long range plan, which encompasses a continued development of the Company's revenue generating activities in order to absorb the losses carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of

repayment. There is no intention to liquidate as the Company has got future to improve its revenue. The Company has paid advance amounts to the artistes and technicians for the future movies productions which are shown under Inventory. Further, the company intents to strategically merge with its holding company which will create positive synergy in future. The standalone financial results have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors. The statutory auditors, however, have drawn qualified conclusion in this regard.

7. The Principal Commissioner of CGST and Central Excise has passed an order in 10/2016 for the Financial Years 2011-12 to 2014-15 with regard to the Service Tax on the perpetual sale of various copyrights, demanding a sum of Rs.802.33 lakhs and penalty of Rs.802.43 lakhs. This is a Film Industry's issue and most of the producers have carried the matter to appellate authorities. Aggrieved by the order, the company has disputed the demand with Honourable Customs, Excise and Service Tax Appellate Tribunal (CESTAT) (as it was then) by paying the required Deposit of Rs.60.18 lakhs, which is displayed under non–current Assets.

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

8. During the quarter and year ended March 31, 2021, Lease deed entered with the lessor at Hyderabad has expired. The Board has intentions of renewing the lease on the same terms and conditions of the previous Lease Deed with a term period of three years. Accordingly, the company has accounted Rs. 6.26 Lakhs as Finance Cost and Rs.19.47 Lakhs as depreciation as per the Ind AS 116. The lessor has orally concurred for the extension of the agreement.

9. The Bombay Stock Exchange imposed a penalty of Rs. 7.60 lakhs on October 31, 2018 for violation of Regulations 17(1), 19(1) and 19(2) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

   This was confirmed by honourable Securities Appellate Tribunal, Mumbai on 04.03.2020 and the order was served on 06.03.2020. The said transaction is accounted in the current financial year. This is qualified by the statutory auditor of the company.

10. The reporting entity i.e. Picturehouse Media Limited, has furnished a financial guarantee of Rs. 10000 lakhs to a Bank in respect of loan availed by one of its wholly owned subsidiaries viz. PVP Capital Limited, Chennai.

    The ultimate company of the borrower has also furnished a guarantee of Rs. 10000 lakhs and also offered a landed property whose market value is approximately Rs. 18000 lakhs. The borrowings outstanding together with interest is Rs. 20012.67 lakhs. As the Banker's right to proceed against the reporting entity is only residuary, probable loss in respect of the guarantee furnished is not provided for. The auditor has drawn emphasis of this matter.

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

NOTES TO STANDALONE AUDITED FINANCIAL RESULTS

12. During the quarter ended March 31, 2021, interest payable to a lender for preceding three quarters amounting to Rs. 649.27 lakhs has been written up, as the lender has waived the same.

13. The annual standalone financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by the Statutory Auditors.

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

Prasad Veera Potluri

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Independent Auditor's Report on consolidated audited financial results of Picturehouse Media Limited, Chennai for the year ended March 31, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Picturehouse Media Limited, Chennai.

Report on the audit of the Consolidated Financial Results

Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results (including statement of assets and liabilities, statement of cash flow and notes thereon) of Picturehouse Media Limited, Chennai. ("Holding company") and its four subsidiaries (holding company and its subsidiaries together referred to as "the Group"), for the year ended March 31, 2021 ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements / financial information of subsidiaries, the Statement:

a. includes the results of the following entities:

Si. No	Name of the Entity	Relationship
1	PVP Capital Limited, Chennai	Wholly Owned Subsidiary
2	PVP Cinema Private Limited, Chennai	Wholly Owned Subsidiary

b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and

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c. *except for the possible effect of the matter described in Basis of Qualified Opinion paragraph below and inadequate disclosure of "Material uncertainty Related to Going Concern" referred to in the that paragraph*, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the consolidated net loss and other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Qualified Opinion

1. *Attention is invited to note no. 1 to the Statement, in relation to advances made for film production (including interest accrued of Rs. 1324.37 lakhs) amounting to Rs. 3632.79 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The holding company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2021. No evidence was adduced regarding the status of production of films. Nor was confirmation produced from the loan debtors. Consequently, we are unable to determine whether any impairment to the carrying amounts of advances were necessary and to this extent, loss for the year ended March 31, 2021 is understated.*

   In respect of an advance of Rs. 262.50 lakhs made to one party during the year, the holding company has not produced any documentary evidence including confirmation of balance. Hence, we are not in a position to certify the nature of transaction and related internal financial control.

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2. *Attention is invited to note no. 2 to the Statement, in relation to inventory i.e. films production expenses amounting to Rs. 4955.64 lakhs, mainly consists of advances granted to artists and co-producers. As the films have not commenced and / or completed, the advances made continued to be carried as inventory. However, the Board of the holding company states that it is evaluating options for maximum utilization of these payments.. In the absence of tangible evidence towards commencement and / or completion of production of films and also in the absence of confirmation of balances from the parties, we are unable to agree with the views of the Board. We are of the opinion that realisation of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.*
3. *Attention is invited to note nos. 5 and 6 to the consolidated financial results, in relation to preparation of consolidated financial results on "Going Concern Basis".*

   While the net worth has completely eroded and the Group not carrying major business activity and the Group incurring continuous losses from business operations, existence of adverse key financial ratios, non-payment of statutory dues and other related factors indicate that there exists material uncertainty that will cast significant doubt on the Group's ability to continue as a going concern. Therefore, we opine that Group may not be able to realize its assets and discharge its liabilities in the normal course of business. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the fair value of various assets and liabilities have not been re-determined, and we are therefore unable to express our view whether the preparation of consolidated financial results on a going concern assumption is appropriate or not.
4. *Penalty of Rs. 7.60 lakh levied by the Bombay Stock Exchange recorded in financial statement of 31.03.2021 vide note no. 8 on the holding company to the*

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consolidated financial results. The financial statements pertaining to the year ended March 31, 2020 ought to have been restated to comply with the Ind AS 8.

5. *The independent auditor of subsidiary company viz. PVP Capital Limited has drawn Qualified conclusion. The same is reproduced by us as under:*

   a. *Note No. 16.6 in the financial statements which indicates that the Company has not adhered to the repayment schedule for the principal and interest dues to the Bank, consequent to which the Bank has filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFESI Act, 2002). Further the Bank has taken over symbolic possession of the immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee. The outstanding amount is Rs. 20012.67 lakhs as per the books of account as at March 31, 2021.*

   Further the Company is currently pursuing the realization of dues to the Company and other than this the Company is not carrying any business activity. The regulatory authority may cancel the registration to carry the principal business activity as a Non-Banking Finance Company due to non-maintenance of minimum net owned fund of Rs. 2 crores as stated in the said note to the financial statement. The Company`s inability to meets its financial statements, non-payment of statutory dues and in absence of visual cash flows, doubts are cast on the ability of the Company to continue as a going

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concern to achieve its future business plans. Taking into consideration the pending legal outcomes of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it is appropriate to treat the Company as a going concern. However based on the management`s assertions the Company`s financial statements have been prepared on the basis of going concern and the impact, if any, if it were to be treated as a going concern, is not ascertainable at this stage.

b. *In relation to the loans for film production amounting to Rs. 153.81 crores, whose realisability is significantly dependent on timely completion of the production of the films and the commercial viability of the films under production etc. The Management has assessed the recoverability of the loan amount and accordingly made a provision of Rs. 138.89 crores as at 31st March, 2021. However, the Management is unable to provide the status of the production of the recoverability of the whole amount. films Hence we are unable to determine whether the said provision is adequate or not.*

6. *The independent auditor of subsidiary company viz. PVP Cinema Private Limited has drawn Qualified conclusion. The same is reproduced by us as under:*

   Interest on unpaid income tax for FY 2008-09 till date aggregating to Rs. 9.50 lakhs is not accounted. The accumulated loss is short by this amount.

7. *The independent auditor of one of the subsidiaries has drawn a qualified conclusion with respect to internal financial control over financial reporting. The same is reproduced as follows:*

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Independent Auditor's Report on consolidated audited financial results of Picturehouse Media Limited, Chennai for the year ended March 31, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

PVP Capital Limited, Chennai

a) *The Company needs to strength its documentation relating to loan disbursement. The Company should consider taking tangible immovable property as collateral security from the borrowers. Any life risk to the borrower would put the Company into a great risk of default from the borrower.*

b) *The Company has only 2 employees during the year and all the operations are being carried out by them in conjunction with the employees of the Holding Company. Hence there is no internal control framework in place in the Company.*

c) *The Company has been defaulting in its commitments to bankers, on corporate tax payments, being sluggish on collecting receivables thus signaling a tough liquidity crunch.*

d) *The Company has filed just two legal suits for recovery of its advances given. Considering the duration for which the advances given are due, the Company should be steadfast to file more suits for recovery.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *"Auditor's Responsibilities for the Audit of the Consolidated Financial Results"* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the

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provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

The parent company i.e. Picturehouse Media Limited, has furnished a financial guarantee of Rs. 10000 lakhs to a Bank in respect of loan availed by one of its wholly owned subsidiaries viz. PVP Capital Limited, Chennai.

The ultimate parent company of the borrower has also furnished a guarantee of Rs. 10000 lakhs and also offered a landed property whose market value is approximately Rs. 18000 lakhs. The borrowings outstanding together with interest is Rs. 20012.67 lakhs. As the Banker's right to proceed against the reporting entity is only residuary, probable loss in respect of the guarantee furnished is not provided for.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive loss and other financial information of the Group in accordance with the recognition and measurement principles laid down under Section 133 of the Act read with relevant rules issued thereunder and other

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accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for

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the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent Auditor's Report on consolidated audited financial results of Picturehouse Media Limited, Chennai for the year ended March 31, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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CHENNAI
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CHARTERED ACCOUNTANTS

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We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

1. The consolidated Financial Results include the audited Financial Results of two subsidiaries, whose Financial Results reflect Group's share of total assets of Rs. 2483.87 lakhs as at March 31, 2021, Group's share of nil revenue, Group's share of total net loss after tax of Rs. 2112.33 lakhs and Rs. 5605.89 lakhs and Group's share of total comprehensive loss of Rs. 2111.60 lakhs and Rs. 5604.56 lakhs for the quarter and year ended March 31, 2021 respectively and nil net cash flow for the year ended March 31, 2021 as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
2. Corresponding figures for the quarter ended and year ended March 31, 2020, included in the Statement are based on review / audit report by our predecessor, who have expressed modified opinion vide their report dated July 31, 2020. We

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600 018.
CHARTERED ACCOUNTANTS

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have accepted those figures and reports, by verifying relevant records of the company for the purpose of our opinion on this Statement.

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

3. The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

SUNDARAM & SRINIVASAN New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

C. Venkata Subramanian
22/06/2021

Place: Chennai
Date : June 22, 2021

Venkatasubramanian.S
Partner
Membership number : 219238
ICAI UDIN: 21219238AAAADZ4880

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Independent Auditor's Report on standalone audited financial results of Picturehouse Media Limited, Chennai for the year ended March 31, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors,

Picturehouse Media Limited, Chennai.

Report on the audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying annual standalone financial results (including statement of assets and liabilities, statement of cash flow and notes thereon) of Picturehouse Media Limited, Chennai (the company) for the year ended March 31, 2021 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us the Statement:

i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

ii. *except for the possible effect of the matter described in Basis of Qualified Opinion paragraph below and inadequate disclosure of "Material uncertainty Related to Going Concern" referred to in the that paragraph*, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally

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accepted in India of the net loss and other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Qualified Opinion

1. *Attention is invited to note no. 3 to the Statement, in relation to advances made for film production (including interest accrued of Rs. 1324.37 lakhs) amounting to Rs. 3632.79 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2021. No evidence was adduced regarding the status of production of films. Nor was confirmation produced from the loan debtors. Consequently, we are unable to determine whether any impairment to the carrying amounts of advances were necessary and to this extent, loss for the year ended March 31, 2021 is understated.*

   In respect of an advance of Rs. 262.50 lakhs made to one party during the year, the company has not produced any documentary evidence including confirmation of balance. Hence, we are not in a position to certify the nature of transaction and related internal financial control.

2. *Attention is invited to note no. 4 to the Statement, in relation to inventory i.e. films production expenses amounting to, mainly consists of advances granted to artists and co-producers. As the films have not commenced and / or completed,*

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the advances made continued to be carried as inventory. However, the Board states that it is evaluating options for maximum utilization of these payments. In the absence of documentary evidence towards commencement and/or completion of production of films and also in the absence of confirmation of balances from the parties, we are unable to agree with the views of the Board. We are of the opinion that realisation of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.

3. *Investment in wholly owned subsidiary viz. PVP Capital Limited, Chennai (PVPCL) (note no. 5 to the Statement)*

   The subsidiary's networth stands at Rs. 19132.25 lakhs (negative) as at 31.03.2021. The possibility of liberal cash flow is dim. The company has also defaulted in repayment of loans from banks. Even statutory dues are not remitted into the Government. PVPCL has not maintained minimum net owned funds as per RBI Regulations. Under these circumstances, regulatory authorities may cancel its registration as non-banking finance company. However, the Board of the Picturehouse Media Limited considers there is no need to provide for impairment in investment made. We do not agree with that view. But it is difficult to assess correctly the extent of erosion and the loss arising therefrom.

4. *Attention is invited to note nos. 6 & 7 to the Statement, in relation to preparation of financial results on "Going Concern Basis".*

   Without carrying any major business activity, incurring continuous losses from operations, adverse key financial ratios, non-payment of statutory dues, impact of our observations made in preceding paragraph, the impact of outbreak of Coronavirus (COVID -19) on the business operations of the company and other

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related factors indicate that there is an existence of material uncertainty that will cast significant doubt on the company's ability to continue as a going concern. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the terminal values of various assets and liabilities have not been re-determined. We are, however, unable to express our view whether the preparation of financial results on a going concern basis is correct or not.

5. *Penalty of Rs. 7.60 lakh levied by the Bombay Stock Exchange recorded in financial statement of 31.03.2021 vide note no. 9 to the standalone financial results. The financial statements pertaining to the year ended March 31, 2020 ought to have been restated to comply with the Ind AS 8.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

Emphasis of Matter

The reporting entity i.e. Picturehouse Media Limited, has furnished a financial guarantee of Rs. 10000 lakhs to a Bank in respect of loan availed by one of its wholly owned subsidiaries viz. PVP Capital Limited, Chennai.

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The ultimate company of the borrower has also furnished a guarantee of Rs. 10000 lakhs and also offered a landed property whose market value is approximately Rs. 18000 lakhs. The borrowings outstanding together with interest is Rs. 20012.67 lakhs. As the Banker's right to proceed against the reporting entity is only residuary, probable loss in respect of the guarantee furnished is not provided for.
Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the annual standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

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preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

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the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the annual standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

2. Corresponding figures for the quarter ended and year ended March 31, 2020, included in the Statement are based on review / audit report by our

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predecessor, who have expressed modified opinion vide their report dated July 31, 2020. We have accepted those figures and reports, by verifying relevant records of the company for the purpose of our opinion on this Statement.

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

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

S Venkata Subramanian
22/06/2021

SUNDARAM & SRINIVASAN
New No: 4,
Old No: 23,
CPR ROAD,
CHENNAI
600 018.
CHARTERED ACCOUNTANTS

Venkatasubramanian.S
Partner
Membership no.: 219238
ICAI UDIN: 21219238AAAAEA5908

Place: Chennai
Dated: June 22, 2021

ANNEXURE 1

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Consolidated Financial Results of Picturehouse Media Limited.

Statement on Impact of Audit Qualification on Annual Audited Consolidated Financial Results for the Financial Year ended 31st March 2021			
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]			
Sl No	**Particulars**	**Audited Figures (as reported before adjusting for qualifications) (Rs. in lakhs)**	**Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakhs)**
1	Turnover/Total Income	138.79	138.79
2	Total Expenditure	4,942.26	4,942.26
3	Net Profit/(Loss)	-4,803.47	-4,803.47
4	Earnings per share (in Rs.)	-9.19	-9.19
5	Total Assets	10,804.00	10,804.00
6	Total Liabilities	31,357.29	31,357.29
7	Net Worth	-20,553.29	-20,553.29
8	Any other financial item(s) (as felt appropriate by the management)	-	-

Audit Qualification:

S No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification	For Audit Qualification(s) where impact is quantified by the Auditor, Management Views	For Audit Qualification(s) where impact is not quantified by the Auditor		
					Managements estimation on impact of audit qualification	If management is unable to estimate the impact, reasons for the same	Auditors Comments
1	1. Attention is invited to note no. 1 to the Statement, in relation to advances made for film production (including interest accrued of Rs. 1324.37 lakhs) amounting to Rs. 3632.79 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The holding company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2021. No evidence was adduced regarding the status of production of films. Nor was confirmation produced from the loan debtors. Consequently, we are unable to determine whether any impairment to the carrying amounts of advances were necessary and to this extent, loss for the year ended March 31, 2021 is understated. In respect of an advance of Rs. 262.50 lakhs made to one party during the	Qualified	Third Time	-	NIL	Realisability is signficantly dependent on timely completion of production of films and the commercial viability of the films under production etc.Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value.The management is confident of realising the value at which they are carried notwithstanding the period outstanding.	No further comments
2	2. Attention is invited to note no. 2 to the Statement, in relation to inventory i.e. films production expenses amounting to Rs. 4995.64 lakhs, mainly consists of advances granted to artists and co-producers. As the films have not commenced and / or completed, the advances made continued to be carried as inventory. However, the Board of the holding company states that it is evaluating options for maximum utilization of these payments. In the absence of tangible evidence towards commencement and / or completion of production of films and also in the absence of confirmation of balances from the parties, we are unable to agree with the views of the Board. We are of the opinion that realisation of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.	Qualified	Third Time	-	NIL	The films under production expenses mainly comprising payments to artists and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. The management does not foresee any erosion in carrying value.	No further comments
3	The independent auditor of subsidiary company viz. PVP Capital Limited has drawn Qualified conclusion. The same is reproduced by us as under: a. Note No. 16.6 in the financial statements which indicates that the Company has not adhered to the repayment schedule for the principal and interest dues to the Bank, consequent to which the Bank has filed for recovery of its dues before the Debt Recovery Tribunal (DRT) and also initiated recovery proceedings under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFESI Act, 2002). Further the Bank has taken over symbolic possession of the immovable property and issued sale notice for e-auction of the property given by the ultimate holding company as corporate guarantee. The outstanding amount is Rs. 20012.67 lakhs as per the books of account as at March 31, 2021. Further the Company is currently pursuing the realization of dues to the Company and other than this the Company is not carrying any business activity. The regulatory authority may cancel the registration to carry the principal business activity as a Non-Banking Finance Company due to non-maintenance of minimum net owned fund of Rs. 2 crores as stated in the said note to the financial statement. The Company`s inability to meets its financial statements, non-payment of statutory dues and in absence of visual cash flows, doubts are cast on the ability of the Company to continue as a going concern to achieve its future business plans. Taking into consideration the pending legal outcomes of the legal proceedings as well as liquidity constraints, we are unable to express our view whether it is appropriate to treat the Company as a going concern. However based on the management`s assertions the Company`s financial statements have been prepared on the basis of going concern and the impact, if any, if it were to be treated as a going concern, is not ascertainable at this stage. b. In relation to the loans for film production amounting to Rs. 171.56 crores, whose realisability is significantly dependent on timely completion of the production of the films and the commercial viability of the films under production etc. The Management has assessed the recoverability of the loan amount and accordingly made a provision of Rs. 147.70 crores as at 31st March, 2021. However, the Management is unable to provide the status of the production of the recoverability of the whole amount. films Hence we are unable to determine whether the said provision is adequate or not.	Qualified	Third Time	-	NIL	PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.16,787.91 lakhs (including interest accrued) as per the books of accounts as on 31st March, 2020. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings have become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same. Further, PVPCL has received communication letter from the Reserve Bank of India (RBI) letter dated 20th November, 2019, stating that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed to furnish an action plan to achieve the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March, 2020, failing which RBI would be constrained to initiate strict action including the cancellation of Certificate of Registration. Management has evaluating the action plans to realize the dues to the company and settlement the existing vendors, further company can carry the movie financing business after taking necessary approvals from the RBI. Hence management is of the view that the financial statements shall continue to be prepared on the assumption that the company is a going concern.	No further comments

4	3. Attention is invited to note nos. 5 and 6 to the consolidated financial results, in relation to preparation of consolidated financial results on "Going Concern Basis". While the net worth has completely eroded and the Group not carrying major business activity and the Group incurring continuous losses from business operations, existence of adverse key financial ratios, non-payment of statutory dues and other related factors indicate that there exists material uncertainty that will cast significant doubt on the Group's ability to continue as a going concern. Therefore, we opine that Group may not be able to realize its assets and discharge its liabilities in the normal course of business. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the fair value of various assets and liabilities have not been re-determined, and we are therefore unable to express our view whether the preparation of consolidated financial results on a going concern assumption is appropriate or not.	Qualified	Third Time	-	NIL	As on 31st March, 2020 the company has a negative net worth of Rs.15,752.45 Lakhs. Eventhough the company is incurring continuous losses and negative networth, the group is succeeded in better EBITA Margins. This is entirely aligned with the Group's long range plan, which encompasses a continued development of the Group's revenue generating activities in order to absorb the losses carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of repayment. There is no intention to liquidate and the Company has got future projects to keep improving. The Group has paid advance amounts to the artistes and technicians for the future movies production which is shown under Inventory. Further, during the course of a period, the Group indents to strategically merge with its holding company which will create positive synergy in future. The consolidated financial statements have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors.	No further comments
5	4. Penalty of Rs. 7.60 lakh levied by the Bombay Stock Exchange recorded in financial statement of 31.03.2021 vide note no. 8 on the holding company to the consolidated financial results. The financial statements pertaining to the year ended March 31, 2020 ought to have been restated to comply with the Ind AS 8.	Qualified	First Time	-	NIL	it is a omission by oversight. Hence the same is rectified now	No further comments
6	The independent auditor of subsidiary company viz. PVP Cinema Private Limited has drawn Qualified conclusion. The same is reproduced by us as under: Interest on unpaid income tax for FY 2008-09 till date aggregating to Rs. 9.50 lakhs is not accounted. The accumulated loss is short by this amount.	Qualified	First Time			The company has to receive refund from the tax department and hence not provided interest on tax payable.	No further comments
7	The independent auditor of both the subsidiaries has drawn a qualified conclusion with respect to internal financial control over financial reporting. The same is reproduced as follows: PVP Capital Limited, Chennai a) The Company needs to strength its documentation relating to loan disbursement. The Company should consider taking tangible immovable property as collateral security from the borrowers. Any life risk to the borrower would put the Company into a great risk of default from the borrower. b) The Company has only 2 employees during the year and all the operations are being carried out by them in conjunction with the employees of the Holding Company. Hence there is no internal control framework in place in the Company. c) The Company has been defaulting in its commitments to bankers, on corporate tax payments, being sluggish on collecting receivables thus signaling a tough liquidity crunch. d) The Company has filed just two legal suits for recovery of its advances given. Considering the duration for which the advances given are due, the Company should be steadfast to file more suits for recovery.	Qualified	First Time			The management decided to strengthen the internal control frame work. As long as point 7a is considered, the management followed the best industry practice. The management is elibile for negative rights of movie funded by the company and hence not obtaining any addtional security. 7 b)Due to Covid Situtation, there were no production of movie which is the main object of the Company. Hence the company reduced the staff and using holding company employee with clear demarcation of duties. 7 c) Management is taking necessary stpes to recover the dues. 7 d) Management is filing necessary suites after exhausting all the other possibilities to recover the money.	No further comments

For **Picturehouse Media Limited**

For Sundaram & Srinivasan**.,**
Chartered Accountants
Firm Registration No.
004207S

Prasad Veera Potluri
Digitally signed by Prasad Veera Potluri
Date: 2021.06.22
16:41:35 +05'30'

Sd/-

AELOORI PRAVEEN KUMAR
Digitally signed by AELOORI PRAVEEN KUMAR
Date: 2021.06.22
16:41:59 +05'30'

Venkatasubramanian Sreenivasan
Digitally signed by Venkatasubramanian Sreenivasan
DN: c=IN, o=Personal, cn=Venkatasubramanian Sreenivasan, serialNumber=ea9ef68ae02a4e790a8d0cc013873f293ff03d9f792d4230627bb9b5fbf845b5, postalCode=600091, 2.5.4.20=95f06b67539d2805822203350182eaf91da6bc09e01bb49a0714ce9a610a7406, st=Tamil Nadu
Date: 2021.06.22 16:57:18 +05'30'

Prasad V. Potluri
Chairman & Managing Director
DIN: 00179175

N S Kumar
Audit Committee Chairperson

A. Praveen Kumar
Chief Financial Officer

Venkatasubramanian.S
Partner
Membership number : 219238

Place: Chennai
Date: 22-06-2021

ANNEXURE 1

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Standalone Financial Results of Picturehouse Media Limited.

Statement on Impact of Audit Qualification on Annual Audited Standalone Financial Results for the Financial Year ended 31st March 2021			
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]			
Sl No	**Particulars**	**Audited Figures** **(as reported before adjusting for qualifications)** **(Rs. In lakhs)**	**Adjusted Figures** **(audited figures after adjusting for qualifications)** **(Rs. In lakhs)**
1	Turnover/Total Income	138.79	138.79
2	Total Expenditure	224.05	224.05
3	Net Profit/(Loss)	-85.26	-85.26
4	Earnings per share (in Rs.)	-0.16	-0.16
5	Total Assets	11,729.44	11,729.44
6	Total Liabilities	10,620.63	10,620.63
7	Net Worth	1,108.81	1,108.81
8	Any other financial item(s) (as felt appropriate by the management)		

Audit Qualification:

S No	Details of Audit Qualification	Type of Qualification	Frequency of Qualification	For Audit Qualification(s) where impact is quantified by the Auditor, Management Views	For Audit Qualification(s) where impact is not quantified by the Auditor		
					Managements estimation on impact of audit qualification	If management is unable to estimate the impact, reasons for the same	Auditors Comments
1	1. Attention is invited to note no. 3 to the Statement, in relation to advances made for film production (including interest accrued of Rs. 1324.37 lakhs) amounting to Rs. 3632.79 lakhs, whose realisability is significantly dependent on timely completion of production of films and the commercial viability of the films under production etc. The company's Board is of the view that advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value. We are not provided with any documentary evidence as regards Board's assertion that the carrying amount of loans made have not suffered any erosion as on March 31, 2021. No evidence was adduced regarding the status of production of films. Nor was confirmation produced from the loan debtors. Consequently, we are unable to determine whether any impairment to the carrying amounts of advances were necessary and to this extent, loss for the year ended March 31, 2021 is understated. In respect of an advance of Rs. 262.50 lakhs made to one party during the year, the company has not produced any documentary evidence including confirmation of balance. Hence, we are not in a position to certify the	Qualified	Third Time	-	NIL	Realisability is signficantly dependent on timely completion of production of films and the commercial viability of the films under production etc.Management is of the view that loans and advances can be realised at the time of release of the movies and accordingly, the company is confident of realizing the entire amount of loans with interest and does not foresee any erosion in carrying value.The management is confident of realising the value at which they are carried notwithstanding the period outstanding.	No further comments
2	2. Attention is invited to note no. 4 to the Statement, in relation to inventory i.e. films production expenses amounting to, mainly consists of advances granted to artists and co-producers. As the films have not commenced and / or completed, the advances made continued to be carried as inventory. However, the Board states that it is evaluating options for maximum utilization of these payments. In the absence of documentary evidence towards commencement and/or completion of production of films and also in the absence of confirmation of balances from the parties, we are unable to agree with the views of the Board. We are of the opinion that realisation of inventories is doubtful but we are also unable to decide the quantum of loss that may arise on account of write down of inventory.	Qualified	Third Time	-	NIL	The films under production expenses mainly comprising payments to artists and co-producers the company is evaluating options for optimal utilization of these payments in production and release of films. The management does not foresee any erosion in carrying value.	No further comments

3	Investment in wholly owned subsidiary viz. PVP Capital Limited, Chennai (PVPCL) (note no. 5 to the Statement) The subsidiary's networth stands at Rs. 19132.25 lakhs (negative) as at 31.03.2021. The possibility of liberal cash flow is dim. The company has also defaulted in repayment of loans from banks. Even statutory dues are not remitted into the Government. PVPCL has not maintained minimum net owned funds as per RBI Regulations. Under these circumstances, regulatory authorities may cancel its registration as non-banking finance company. However, the Board of the Picturehouse Media Limited considers there is no need to provide for impairment in investment made. We do not agree with that view. But it is difficult to assess correctly the extent of erosion and the loss arising therefrom.	Qualified	Third Time	-	NIL	PVP Capital Limited ('PVPCL') a Wholly Owned Subsidiary Company, has not adhered to repayment schedule of principal and interest due to a bank consequent to which the bank has filed a case for recovery of the dues before the Debt Recovery Tribunal (DRT) amounting to Rs.16,787.91 lakhs (including interest accrued) as per the books of accounts as on 31st March, 2020. The bank has taken symbolic possession of secured, immovable property of the Group Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and issued an e-auction sale notice. There were no bidders for the aforesaid sale notice and consequently the e-auction sale proceedings has become infructuous. Further, PVPCL has applied for One Time Settlement to the bank and confident to settle the same. Further, The company has received communication letter from the Reserve Bank of India (RBI) letter dated 20th November, 2019, stating that the company has not maintained the mandatory amount of Net Owned Fund of Rs.200 Lakhs. Further, RBI has instructed to furnish an action plan to achieve the mandatory amount of Net Owned Fund of Rs.200 Lakhs on or before 31st March, 2020, failing which RBI would be constrained to initiate strict action including the cancellation of Certificate of Registration. Management asserts that no adjustment to the carrying value on investments of Rs.2,521.74 lakhs is required as it is confident, that, by considering the aspects like recovery from the borrowers and other resources to bring in additional cash flows will meet its obligations. The Auditors have drawn qualified opinion in this regard.	No further comments
4	Attention is invited to note nos. 6 & 7 to the Statement, in relation to preparation of financial results on "Going Concern Basis". Without carrying any major business activity, incurring continuous losses from operations, adverse key financial ratios, non-payment of statutory dues, impact of our observations made in preceding paragraph, the impact of outbreak of Coronavirus (COVID -19) on the business operations of the company and other related factors indicate that there is an existence of material uncertainty that will cast significant doubt on the company's ability to continue as a going concern. Notwithstanding this, the financial results have been prepared as that of going concern and consequently the terminal values of various assets and liabilities have not been re-determined. We are, however, unable to express our view whether the preparation of financial results on a going concern basis is correct or not.	Qualified	Third Time		NIL	As on 31st March, 2020, the company has a net worth of Rs.1,192.77 Lakhs. Eventhough, the company is incurring continuous losses, it succeeded in better EBITA Margins. This is entirely aligned with the Company's long range plan, which encompasses a continued development of the Company's revenue generating activities in order to absorb the losses carried forward and generate profit over a period of time. Further, the lenders have extended their confidence by advancing finance and extending the time period of repayment. There is no intention to liquidate and the Company has got future projects to keep improving. The Company has paid advance amounts to the artistes and technicians for the future movies productions which are shown under Inventory. Further, during the course of a period, the company indents to strategically merge with its holding company which will create positive synergy in future. The financial statements have been prepared on a going concern basis based on cumulative input of the available movie projects in pipe line and risk mitigating factors.	No further comments
4	5. Penalty of Rs. 7.60 lakh levied by the Bombay Stock Exchange recorded in financial statement of 31.03.2021 vide note no. 9 to the standalone financial results. The financial statements pertaining to the year ended March 31, 2020 ought to have been restated to comply with the Ind AS 8.	Qualified	First Time		NIL	it is a omission by oversight. Hence the same is rectified now	No further comments

For **Picturehouse Media Limited**

Prasad Veera Potluri
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Date: 2021.06.22 16:34:20 +05'30'

Prasad V. Potluri
Chairman & Managing Director
DIN: 00179175

Sd/-
N S Kumar
Audit Committee Chairperson

AELOORI PRAVEEN KUMAR
Digitally signed by AELOORI PRAVEEN KUMAR
Date: 2021.06.22 16:32:57 +05'30'

A. Praveen Kumar
Chief Financial Officer

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

Venkatasubramanian Sreenivasan
Digitally signed by Venkatasubramanian Sreenivasan
DN: c=IN, o=Personal, cn=Venkatasubramanian Sreenivasan, serialNumber=ea9ef68ae02a4e790a8d0cc013873f293ff03d9f792d4230627bb9b5fbf845b5, postalCode=600091, 2.5.4.20=95f06b67539d2805822203350182eaf91da6bc09e01bb49a0714ce9a610a7406, st=Tamil Nadu
Date: 2021.06.22 16:56:31 +05'30'

Venkatasubramanian.S
Partner
Membership no.: 219238

Place: Chennai
Date: 22-06-2021