Prime Focus Technologies Inc.

Standalone Financial Statement for the Year ended

March 31, 2018

Prime Focus Technologies Inc.
Standalone Balance Sheet as on 31.03.2018

in USD

Particulars	Notes	31.Mar.18	31.Mar.17
Assets			
1. Non-current assets			
(a) Property, plant and equipment	3	1,152,162	1,195,383
(b) Capital work-in-progress		-	-
(c) Goodwill	3	13,816,555	13,816,555
(d) Other intangible assets	3	4,050,545	5,006,669
(e) Intangible assets under development		1,631,102	-
(g) Financial assets		-	-
(h) Other non-current assets		-	-
(i) Deferred tax asset (net)		-	-
		20,650,364	**20,018,607**
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	4	6,323,341	2,021,229
(ii) Cash and cash equivalents	5	186,559	133,515
(iii) Others financial assets	6	7,828,293	823,354
(c) Other current assets	7	461,540	347,922
		14,799,733	**3,326,020**
Total assets		**35,450,097**	**23,344,627**
Equity and Liabilities			
Equity			
(a) Equity share capital	8	22	16
(b) Other equity	9	2,370,394	(5,892,619)
Equity attributable to equity holders of the Parent		**2,370,416**	**(5,892,603)**
Non-controlling interests		-	-
		2,370,416	**(5,892,603)**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	888,802	1,353,915
(ii) Others	11	255,751	2,565,358
(b) Deferred tax liability (net)		-	-
(c) Provisions		-	-
(d) Other non-current liabilities		-	-
		1,144,553	**3,919,273**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	23,175,631	5,485,414
(ii) Current maturities of long-term borrowings	13	2,764,072	2,741,001
(iii) Trade payables	14	475,820	9,468,213
(iv) Others	15	5,076,369	7,612,826
(b) Provisions	16	48,775	10,503
(c) Current tax liability		390,483	-
(d) Other current liabilities	17	3,978	-
		31,935,128	**25,317,957**
Total equity and liabilities		**35,450,097**	**23,344,627**

Accompanying notes to the consolidated financial statements
In terms of report attached

For CHOKSHI & Co LLP
Chartered Accountants
Firm Registration Number: 131228W/W100044

CHOKSHI AND CO LLP MUMBAI 400 020.

Kalpen Chokshi
Partner
Membership Number : 135047
Mumbai, dated: 30 MAY 2018

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director

PRIME FOCUS TECHNOLOGIES, INC.

Prime Focus Technologies Inc.
Standalone Statement of Profit and Loss Account for the year ended 31.03.2018 in USD

Sr No.	Particulars	Notes	Year ended March 2018	Year ended March 2017
1	**Income from operations**			
	Net sales / income from operations		12,479,585	7,545,254
	Other operating income		-	-
	Total income from operations		**12,479,585**	**7,545,254**
2	**Expenses**		-	-
	Employee benefits expense	18	1,840,065	2,215,851
	Technical service cost		733,089	1,529,916
	Depreciation and amortisation expense		1,624,946	1,111,522
	Other expenditure (net)	19	2,521,404	1,855,264
	Exchange loss (net)		20,232	(307)
	Total Expenses		**6,739,736**	**6,712,246**
			-	-
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**		**5,739,849**	**833,008**
4	Other income:			
	a) Exchange gain (net)		-	-
	b) Others (net)		131,100	-
5	**Profit from ordinary activities before finance costs and exceptional Items (3 + 4)**		**5,870,949**	**833,008**
6	Finance costs	20	761,988	628,571
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5 - 6)**		**5,108,961**	**204,438**
8	Exceptional items		-	-
9	**Profit / (Loss) from ordinary activities before tax (7 - 8)**		**5,108,961**	**204,438**
10	Tax expense		338,442	52,041
11	**Net Profit / (Loss) from ordinary activities for the period (9 - 10)**		**4,770,519**	**152,397**
12	Extraordinary items (net of tax expense USD Nil)		-	-
13	**Net (Loss) / Profit after tax and before minority (11 ± 12)**		**4,770,519**	**152,397**
14	Minority interest		-	-
15	**Net Profit / (Loss) for the period (11 - 12)**		**4,770,519**	**152,397**
A	Other comprehensive income (net of tax)		-	-
	Items that will be reclassified to the profit or loss		-	-
	Exchange difference in translating the financial statements		-	-
	Total comprehensive income (net of tax) (13 + 14)		-	-
	Earnings per equity share of face value of USD 0.01		2235	1600
	(a) Basic (in USD)		2134	95
	(b) Diluted (in USD)		2134	95

Accompanying notes to the consolidated financial statements
In terms of report attached

For CHOKSHI & Co LLP
Chartered Accountants
Firm Registration Number: 131228W/W100044

CHOKSHI AND CO. LLP MUMBAI 400 020.

Kalpen Chokshi
Partner
Membership Number : 135047
Mumbai, dated: 30 MAY 2018

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director

PRIME FOCUS TECHNOLOGIES INC.

Prime Focus Technologies Inc.

Standalone Cash Flow Statement for the year ended 31.03.2018

in USD

Particulars	For the year ended March 31 2018	2017
Cash flows from operating activities		
Net Profit (Loss) before taxation	5,108,961	204,438
Adjustments for:		
Depreciation and amortization expenses	1,624,946	1,111,522
Bad debts written off	-	-
Unrealized Forex Loss/(Gain)	20,232	(307)
Finance costs	761,988	628,571
Operating profits before working capital changes	**7,516,127**	**1,944,223**
Movements in working capital:		
(Increase)/ Decrease in Inventory	-	8,597
(Increase)/ Decrease in trade receivables	(4,302,112)	(1,255,929)
(Increase)/ Decrease in other financial assets	(3,408,371)	(776)
(Increase)/ Decrease in other non-current assets		-
(Increase)/ Decrease in other current assets	(113,618)	83,306
Increase/(Decrease) in trade payables	(9,012,625)	8,653,630
Increase/(Decrease) in non-current provisions	-	-
Increase/(Decrease) in current provisions	38,272	(74,173)
Increase/(Decrease) in current financial liabilities	388,543	2,372,212
Increase/(Decrease) in other current liabilities	394,461	-
Increase/(Decrease) in other Non current liabilities	-	(11,188,635)
Cash generated from operations	**(8,499,322)**	**542,455**
Direct taxes paid	(338,442)	-
Net cash generated from operating activities (A)	**(8,837,764)**	**542,455**
Cash flows from investing activities		
Purchase of fixed assets (Including capital advances)	(2,256,703)	(1,984,291)
Net cash (used in) investing activities (B)	**(2,256,703)**	**(1,984,291)**
Cash flows from financing activities		
Euity Share Capital & Share Premium	3,492,500	
Proceeds from long-term borrowings	-	-
Repayments of long-term borrowings	(5,676,649)	-
Proceeds from Short-term borrowings (net)	14,093,649	2,013,520
Interest paid	(761,988)	(628,571)
Net cash from financing activities (C)	**11,147,511**	**1,384,949**
Effect of exchange Foreign Currency Translation Reserve (D)	-	
Net increase in cash and cash equivalents (A+B+C+D)	53,044	(56,888)
Cash and cash equivalents- Opening balance	133,515	190,403
Cash and cash equivalents at end of year (Refer note 5)	**186,559**	**133,515**

Accompanying notes to the consolidated financial statements

In terms of report attached

For CHOKSHI & Co LLP

Chartered Accountants

Firm Registration Number: 131228W/W100044

CHOKSHI AND CO. LLP MUMBAI 400 020.

Kalpen Chokshi

Partner

Membership Number : 135047

Mumbai, dated: 30 MAY 2018

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan

Director

PRIME FOCUS TECHNOLOGIES, INC.

Prime Focus Technologies Inc.
Standalone Statement of Changes in Equity for the year ended 31.03.2018

A. Equity Share Capital

in USD

Balance as at March 31, 2017	16
Change in equity share capital during the year	6
Balance as at March 31, 2018	22

B. Other Equity

in USD

Particulars	Securities Premium	Retained Earnings	Total
Balance as at March 31, 2017	**1,499,985**	**(7,392,604)**	**(5,892,619)**
Changes during the year	3,492,494	4,770,519	8,263,013
Balance as at March 31, 2018	**4,992,479**	**(2,622,085)**	**2,370,394**

Accompanying notes to the Standalone financial statements
In terms of our report attached

For CHOKSHI & Co LLP
Chartered Accountants
Firm Registration Number: 131228W/W100044

CHOKSHI AND CO. LLP MUMBAI 400 020.

Kalpen Chokshi
Partner

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director

PRIME FOCUS TECHNOLOGIES, INC.

Place: Mumbai
Date: 30 MAY 2018

Prime Focus Technologies Inc.
Notes to Standalone financial statements for the year ended 31.03.2018

1 **Corporate Information**
Prime Focus Technologies Inc. ("the Holding Company") was incorporated on 21st February, 2013 in USA. Prime Focus Technologies Limited being the intermediate holding company and Prime Focus Limited being the ultimate holding company.

2 **Statement of significant accounting policies**

a. Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b. Basis of Preparation and presentation

These Standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013.
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.
Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c. Use of estimates

The preparation of Standalone financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the Standalone financial statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known/materialize.

d. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

e. Foreign currencies

The Company's Financial statements are presented in USD, which is also the companies functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expenses and cash flow items using the average exchange rate for the respective periods.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

• exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
• exchange differences on transactions entered into in order to hedge certain foreign currency risks.

f. Property, plant and equipment (PPE)

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

PRIME FOCUS TECHNOLOGIES, INC.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Cost of Leasehold improvements and Leasehold building is amortized over a period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

h. Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method (SLM) as per the useful lives of the assets
Cost of Leasehold improvements is amortized over a period of lease

i. Impairment

Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.
Rental income from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

PRIME FOCUS TECHNOLOGIES, INC. *

The Company as lessee

Assets held under finance lease are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs (see note 2.6 below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

k. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

Rendering of services

The Company provides a variety of digital technological solutions to the sports, film, broadcast, advertising and media industries.

Revenue from technical services is recognized on the basis of services rendered.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'other current liabilities'

l. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

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

m. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

PRIME FOCUS TECHNOLOGIES, INC. *

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

o. Retirement and other employee benefits

Defined Contribution Plan

Social Security and Medicare
The Company contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules.

Saving and investment plan u/s.401(k)
The Company has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue.

p. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

q. Financial Instruments

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

Initial recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Subsequent measurement

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Offsetting of financial instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.
Notes to Consolidated Financial Statements for the year ended 31.03.2018

3 Non Current Assets : (Current Year)

in USD

Asset Category	Gross Block					Depreciation				Net Block	
	As at 01.04.2017	Acquisition	Additions	Deductions	As at 31.03.2018	As at 01.04.2017	For the Period	Deductions	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
Property, Plant and Equipment											
Leasehold Improvements	1,430,192	-	-	-	1,430,192	870,303	184,198	-	1,054,501	375,690	559,888
Computer Hardware	1,997,833	-	581,778	-	2,579,611	1,570,163	391,480	-	1,961,643	617,968	427,670
Furniture and fixtures	371,806	-	-	-	371,806	325,183	8,928	-	334,111	37,695	46,623
Office equipment	7,779,291	-	-	-	7,779,291	7,618,089	40,393	-	7,658,482	120,809	161,202
TOTAL	11,579,121	-	581,778	-	12,160,899	10,383,738	624,999	-	11,008,737	1,152,162	1,195,383
Goodwill	13,816,555	-	-	-	13,816,555	-	-	-	-	13,816,555	13,816,555
Other Intangible Assets											
Softwares	6,184,978	-	43,823	-	6,228,801	1,178,309	999,948	-	2,178,257	4,050,545	5,006,669
TOTAL	6,184,978	-	43,823	-	6,228,801	1,178,309	999,948	-	2,178,257	4,050,545	5,006,669

3 (a) Deemed cost for Property, Plant and Equipment and Intangible Assets :
The Company has elected to use fair value as deemed cost for tangible and intangible assets as at the transition date in accordance with stipulations of Ind AS 101.

Non Current Assets : (Previous Year)

in USD

Asset category	Gross Block					Depreciation				Net Block	
	As at 01.04.2016	Acquisition	Additions	Deductions	As at 31.03.2017	As at 01.04.2016	For the Period	Deductions	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Property, plant and equipment											
Leasehold Improvements	1,287,101	-	143,091	-	1,430,192	686,238	184,065	-	870,303	559,889	600,863
Computer Hardware	1,860,943	-	136,890	-	1,997,833	1,133,573	436,590	-	1,570,163	427,670	727,370
Furniture and fixtures	371,806	-	-	-	371,806	316,251	8,932	-	325,183	46,623	55,555
Office equipment	7,644,869	-	134,422	-	7,779,291	7,435,460	182,629	-	7,618,089	161,202	209,409
TOTAL	11,164,719	-	414,403	-	11,579,121	9,571,522	812,216	-	10,383,738	1,195,383	1,593,197
Goodwill	13,816,555	-	-	-	13,816,555	-		-	-	13,816,555	13,816,555
Other intangible assets											
Softwares	1,885,515	-	4,299,463	-	6,184,978	879,003	299,306	-	1,178,309	5,006,669	1,006,512
TOTAL	1,885,515	-	4,299,463	-	6,184,978	879,003	299,306	-	1,178,309	5,006,669	1,006,512

3.1 Computer Hardware includes assets taken on Finance Lease. Gross Block includes $ 1,303,739 (Previous Year - $ 1,250,657), Depreciation during the year is $ 287,141. Accumulated depreciation is $ 937,913 (Previous Year - $ 918,793) and Net Block is $ 365,826 (Previous Year - $ 331,865)

PRIME FOCUS TECHNOLOGIES, INC.

Prime Focus Technologies Inc.

Notes to Standalone financial statements for the year ended 31.03.2018

in USD

		As at 31.03.2018	As at 31.03.2017
4	**Trade receivables**		
	(Unsecured and Considered Good)		
	Others	6,323,341	2,021,229
	Total	**6,323,341**	**2,021,229**
5	**Cash and cash equivalents**		
	Cash on hand	-	-
	Balances with banks on current account	186,559	133,515
	Total	**186,559**	**133,515**
6	**Others**		
	Loans to group company	4,352,627	756,059
	Deposits	44,666	66,710
	Unbilled Income	3,431,000	585
	Total	**7,828,293**	**823,354**
7	**Other current assets**		
	Prepaid expenses	370,094	334,669
	Others	91,446	13,252
	Total	**461,540**	**347,922**

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.
Notes to Standalone financial statements for the year ended 31.03.2018

8 Equity Share capital

in USD

	Number of Shares		Amount	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Authorised shares:				
Equity Shares of $ 0.01 Each	2,235	1,600	22	16
Issued, subscribed and paid-Up:				
Equity Shares of $ 0.01 Each	2,235	1,600	22	16
Total	2,235	1,600	22	16

Movement in equity share capital

	Number of Shares		Amount	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Equity Shares	2,235	1,600	22	16
Changes during the year	-	-	-	-
Equity Shares as at 31 March	2,235	1,600	22	16

Details of Shareholders holding more than 5% shares in the company

	As at March 31, 2018		As at March 31, 2017	
	No of shares	%	No of shares	%
Prime Focus Technologies Limited	2,235	100%	22	100%

9 :Other Equity

In USD

	As at March 31, 2018	As at March 31, 2017
Securities premium account		
Balance at the beginning of the year	1,499,985	1,499,985
Add : Premium on issue of equity shares during the year	3,492,494	-
Less : Expenses on issue of equity shares / debentures	-	-
Less : Premium on redemption of bonds/ debentures (net of t	-	-
	4,992,479	1,499,985
General reserve		
Balance at the beginning of the year	-	-
	-	-
Other comprehensive income		
Balance at the beginning of the year	-	-
Movement during the year	-	-
	-	-
	-	-
Surplus in the statement of profit and loss		
As per last balance sheet	(7,392,604)	(7,545,001)
Add: (Loss) / profit for the year	4,770,519	152,397
	(2,622,085)	(7,392,604)
	2,370,394	(5,892,619)

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.
Notes to Standalone financial statements for the year ended 31.03.2018

in USD

		As at 31.03.2018	As at 31.03.2017
10	**Non Current Liabilities**		
	Financial Liabilities		
	(i) Borrowings		
a)	(Secured)		
	Term loans		
	From a bank [Refer note 10.1]	2,969,846	3,500,000
	Other loan and advances		
b)	Finance lease obligation [Refer note 10.2]	683,028	594,916
		3,652,874	**4,094,916**
	Less: Current maturity [Refer note 13]	2,764,072	2,741,001
	Total	**888,802**	**1,353,915**
10.1	Term loans are secured by:		
a)	Exclusive first charge on all assets including current assets of the holding company, cash margin, escrow of receivables, pledge of shares of holding company and one of subsidiary company, pledge of certain shares of intermediate holding company and of ultimate holding company both backed by non disposal undertaking, corporate guarantee of intermediate holding company and personal guarantee of the promoter of ultimate holding company.		
b)	Term loan facility 1 of USD 2,000,000 is repayable in 4 yearly equal installments USD 1000,000 repaid till 30.09.2017, 3rd Installment is due on 30.09.3018 and facility 2 of USD 2,000,000 is on bullet payment basis.		
c)	Interest rate on term loans are based on 6 months libor plus 450 basis points.		
10.2	Lease obligations towards assets acquired under finance leases:		
	With in one year		
	Total minimum lease payments outstanding	291,899	262,163
	Future interest on outstanding lease payments	27,827	21,162
	Present value of minimum lease payments	264,072	241,001
	Later than one year and later than five years		
	Total minimum lease payments outstanding	463,623	368,508
	Future interest on outstanding lease payments	29,264	14,593
	Present value of minimum lease payments	434,359	353,915
	Finance lease obligations are secured by hypothecation of computer hardware taken on lease. Rate of interest ranges from 0% to 13.55% p.a. with maturity profile of 5 years.		
11	**Others**		
	Deferred lease rent payable	255,751	365,358
	Others*	-	2,200,000
	Total	**255,751**	**2,565,358**
	* represents payable to Sample Digital Holdings LLC in respect of acquisition of business.		

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.

Notes to Standalone financial statements for the year ended 31.03.2018

in USD

		As at 31.03.2018	As at 31.03.2017
	Current liabilities		
	Financial liabilities		
12	**Borrowings (Unsecured)**		
	Loan from related party [Refer note 26 & Note No.12.1]	23,175,631	5,485,414
	Total	**23,175,631**	**5,485,414**
12.1	Unsecured loan taken from related party is repayable on demand with rate of interest @ 5% p.a.		
13	**Current maturity of long-term borrowings:**		
	a) Loan from a related party	-	-
	b) Finance lease obligation [Refer note 10]	264,072	241,001
	c) Term Loan from Bank [Refer note 10]	2,500,000	2,500,000
	Total	**2,764,072**	**2,741,001**
14	**Trade payables**		
	Trade Payables	238,685	342,895
	Trade Payables to related party [Refer Note 26]	237,135	9,125,320
	Total	**475,820**	**9,468,215**
15	**Others**		
	Accrued salaries and benefits	146,749	102,401
	Other Payables	-	-
	Stautory Dues Payable	-	52,511
	Advance from Group Companies	-	-
	Current portion of deferred lease rent	109,608	109,608
	Current portion of deferred Revenue	-	-
	Interest accrued and due	541,863	-
	Interest accrued but not due	16,649	161,806
	Others*	4,261,500	7,186,500
	* Includes payable to Sample Digital Holdings LLC in respect of acquisition of business USD 1,811,500		
	Total	**5,076,369**	**7,612,826**
16	**Provisions**		
	Provision for Electricity Expenses	18,424	10,503
	Provision for Expenses	30,351	-
	Total	**48,775**	**10,503**
	Provisions (Movement)		
	Particulars	**As at 31.03.2018**	**As at 31.03.2017**
	Electricity Expenses		
	Opening Balance	10,503	-
	Additions during the year	18,424	10,503
	Utilization during the year	10,503	-
	Closing Balance - Electricity Expenses	**18,424**	**10,503**
	Other Expenses		
	Opening Balance	-	13,635
	Additions during the year	30,351	
	Utilization during the year	-	13,635
	Closing Balance - Other Expenses	**30,351**	-
	Closing Balance - Provision For Expenses	**48,775**	**10,503**
17	**Other current liabilities**		
	Stautory Dues Payable	3,978	-
	Total	**3,978**	-

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.

Notes to Standalone financial statements for the year ended 31.03.2018 — in USD

Note		For the period	
		FY 2017-18 USD	FY 2016-17 USD
18	**Employee benefits expense**		
	Salaries, bonus and allowances [Refe note no.24]	1,376,071	1,835,109
	Contribution to defined contribution plans, etc.	400,669	325,631
	Staff welfare expenses	63,325	55,112
	Total	**1,840,065**	**2,215,851**
19	**Other expenses**		
	Communication expenses	91,280	47,244
	Consumables and consumable stores	54,084	68,895
	Selling and marketing expenses	438,105	319,880
	Rent and equipment hire charges [Refer note 23]	887,532	882,514
	Electricity Charges	125,232	166,446
	Traveling and conveyance	209,073	116,245
	Insurance expenses	85,318	84,944
	Legal and professional fees	81,712	49,274
	Repairs and maintenance - Building	10,445	8,401
	Repairs and maintenance - equipment	47,332	125,334
	Printing and Stationery	-	2,667
	Rates and taxes	211,582	29,047
	House-keeping charges	22,207	23,510
	Miscellaneous expenses	257,503	115,729
	Total	**2,521,404**	**2,040,130**
20	**Finance costs**		
	Interest on term loan from banks	91,771	137,459
	Interest on working capital loans	119,381	115,466
	Interest on finance lease	68,666	41,471
	Interest on loan from holding company [Refer note no. 26]	349,059	216,765
	Interest on loan from fellow subsidiary [Refer note no. 26]	54,460	34,767
	Interest on others	17,401	27,670
	Financial Facility Processing Fees	27,370	-
	Bank charges	33,880	54,973
	Total	**761,988**	**628,571**

PRIME FOCUS TECHNOLOGIES, INC.

Prime Focus Technologies Inc.

Notes to Standalone financial statements for the year ended 31.03.2018

in USD

Note		For the year ended FY 2017-18 USD	FY 2016-17 USD
21	**Commitments**		
	Ultimate and intermediate holding company has given non disposal undertaking of certain percentage of its holding in the holding company for availing the term loan facilities by the Company to one of the lender.		
22	**Earning per Common stock (EPS)**		
	EPS is calculated by dividing the profit/ (loss) attributable to the common stock holders by the weighted average number of common stock outstanding during the year, as under:		
a)	Net profit / (loss) for the year attributable to common stock shareholders for basic EPS	4,770,519	152,397
b)	Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)	2,235	1,600
c)	Basic EPS	2,134	95
d)	Nominal Value Per Share	0.01	0.01
	Note: There are no dilutive potential equity shares. Hence diluted EPS is equal to basic EPS		
23	**Leases**		
	The Company has taken certain assets (Premises and Furniture and Fixtures) on cancellable operating lease for the period of 12 to 127 months. Lease payments recognized in the Statement of Profit and Loss for the year in respect thereof aggregate	887,532	882,514
24	**Intangible asset under development**		
	During the year, the Company has capitalized the following expenses of revenue nature to the cost of intangible asset under development (Software) Consequently, expenses disclosed under the respective heads are net of the amounts capitalized by the Company		
	Opening balance	-	2,729,574
	Add: Expenses incurred during the year:		
	Employee benefit expenses	1,448,450	1,301,028
	Software testing and design charges	182,652	189,360
	Less : Assets under development Capitalised During the Year	-	(4,219,962)
	Closing balance	**1,631,102**	-
25	**Segment information**		
	The Company is engaged in the business of providing digital technological solutions, Media ERP, Digital Content processing clients in North America. Accordingly, there is a single business and geographical segment.		

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.
Notes to consolidated financial statements for the year ended 31.03.2018

in USD

Note			For the period	
			FY 2017-18 USD	FY 2016-17 USD
26	**Related party disclosure:**			
(i)	**List of related parties with whom transactions have taken place during the year:**			
	Prime Focus Limited- Ultimate Holding Company (control exists)			
	Prime Focus Technologies Private Limited- Intermediate Holding Company (control exists)			
	Prime Focus North America Inc. - Fellow subsidiary			
	Prime Focus World NV - Fellow subsidiary			
	Prime Focus Technologies UK Limited- Fellow subsidiary			
	Short term loan taken - Fellow sbsidiary			
	Prime Focus Creative Services Canada Inc.- Fellow subsidiary			
	Prime Focus International Services UK Limited - Fellow subsidiary			
	Reliance Lowry Digital Imaging Services, Inc. - Fellow subsidiary			
	DAX PFT, LLC -Subsidiary			
	DAX Cloud, ULC -Subsidiary			
	Naresh Malhotra- Key Management Personnel of Ultimate Holding Company			
(ii)	**Particulars of related party transactions:**			
	Ultimate Holding Company-Prime Focus Limited			
	Management recharge		-	-
	Balance outstanding at the year end- credit (net)	Cr.	118,724	118,724
	Intermediate Holding Company			
	Prime Focus Technologies Limited			
	Technical services charges		378,506	653,532
	Technical services charges Repayment		(406,335)	
	Equity Shares		3,492,500	
	Short term loan taken		9,000,000	1,750,000
	Repayment of short term loan		-	839,968
	Purchase of assets		-	-
	Reimbursement of expenses (net)		77,056	29,794
	Interest on loan		349,059	218,882
	Corporate guarantee given to banks for credit facilities taken (Guarantees given jointly with Ultimate Holding Company)		3,500,000	3,500,000
	Balance outstanding at the year end- credit (net)	Cr.	14,229,240	4,830,953
	Subsidiary Company			
a)	DAX PFT, LLC			
	Loans and Advances Received		1,712,027	8,621,519
	Expenses Recharge given		3,945,817	
	Balance outstanding at the year end- credit (net)		8,855,005	11,088,794
b)	DAX Cloud, ULC			
	Reimbursement of expenses (net)			(1,187,860)
	Managemenr Fees Recharge		131,100	
	Advances Received (net)		29,421	486,759
	Balance outstanding at the year end- credit (net)		(254,633)	(152,954)
	Fellow Subsidiary Companies			
a)	Prime Focus North America Inc.			
	Repayment of term loan		6,470,968	1,070,763
	Interest on loans			
	Short term loan taken		5,928,354	
	Reimbursement of expenses (net)		545,844	346,690
	Balance outstanding at the year end- credit (net)	Cr.	117,030	113,800
b)	Prime Focus Technologies UK Limited			
	Short term loan taken		136,063	1,521,609
	Repayment of short term loan		(724,133)	547,490
	Interest on loans		54,460	25,959
	Recovery of expenses (net)		(7,530)	1,692
	Balance outstanding at the year end- credit (net)	Cr.	518,321	1,059,461
c)	Prime Focus World NV			
	Short term loan taken		2,590,000	-
	Repayment of short term loan		2,700,000	-
	Balance outstanding at the year end- credit (net)	Dr.	(110,000)	-
d)	Prime Post (Europe) Limited			
	Technology Income - Trade Receivable		675,000	-
	Balance outstanding at the year end- credit (net)	Dr.	(675,000)	-
e)	Prime Focus International Services UK Limited			
	Advances Received / Given (net)			
	Balance outstanding at the year end- credit (net)	Cr.	35,000	35,000
f)	Prime Focus Creative Services Canada Inc.			
	Advances Received / Given (net)			
	Balance outstanding at the year end- credit (net)	Cr.	59,980	59,980
g)	Reliance Lowry Digital Imaging Services, Inc.			
	Advances Given		3,216,388	59,939
	Reimbursement of expenses (net)			
	Management Recharge			
	Balance outstanding at the year end- credit (net)	Cr.	3,966,664	750,276
	Key Management Personnel of Ultimate Holding Company - Naresh Malhotra			
	Personal guarantee given to banks for credit facilities taken		3,000,000	3,500,000
(iii)	There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from/ to related parties.			

PRIME FOCUS TECHNOLOGIES, INC. ★

in USD

27 **Financial Instruments**

(A) Fair Value Measurements

	As at		As at	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Carrying Value		Fair Value	
i Financial Assets:				
Measured at amortised cost				
Trade receivables	6,323,341	2,021,229	6,323,341	2,021,229
Cash and cash equivalents	186,559	133,515	186,559	133,515
Other financial assets	7,828,293	823,354	7,828,293	823,354
Total financial assets measured at amortised cost	**14,338,193**	**2,978,098**	**14,338,193**	**2,978,098**
ii Financial Liabilities:				
Measured at amortised cost				
Borrowings	25,939,703	8,226,414	25,939,703	8,226,414
Trade payables	475,820	9,468,213	475,820	9,468,213
Other financial liabilities	5,076,369	7,612,826	5,076,369	7,612,826
Total financial liabilities measured at amortised cost	**31,491,892**	**25,307,454**	**31,491,892**	**25,307,454**

The management assessed that the fair value of cash and cash equivalents, trade receivables, borrowings, trade payables & other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iii Fair value hierarchy

a. Level 1 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b. Level 2 – inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and

c. Level 3 - Level 3 inputs are unobservable inputs for the asset or liability.

D. Financial assets and liabilities measured at amortized cost for which fair values are disclosed.

Particulars	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2018			
Financial liabilities			
Borrowings	-	-	25,939,703
Total	-	-	25,939,703
As at March 31, 2017			
Financial liabilities			
Borrowings	-	-	8,226,414
Total	-	-	8,226,414

(B) Capital Risk Management

the Company objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

the Company's management sets the amounts of capital required in proportion to risk. the Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The holding company and ultimate holding company continues to provide support the Company whenever required. Further Ultimate holding company and intermediate holding company have given non disposal undertaking to one of the lender for availing the term loan facilities.

(C) Financial risk management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors manage and review the affairs of the Company by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimize potential adverse effects on its operational and financial performance.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

the Company has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organization's which the Company has worked with for a number of years. However, as the Company grows its customer base and works with more independent producers it will experience an increased credit risk environment. the Company is also exposed to credit risk in respect of its cash and seeks to minimize this risk by holding funds on deposit with major financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was USD 14,338,193 and USD 2,978,098 as at March 31 2018 and March 31, 2017 respectively, being the total of the carrying amount of the balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets.

ii) **Liquidity risk Management**

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the Company has sufficient cash at all times to meet liabilities as they fall due.

Working capital requirements are generally provided from operational cash flow or through the Company's Borrowings.

The following analysis sets out the maturities of financial assets and liabilities, including amounts maturing more than twelve months. For liability maturities more than 12 months, see also note 11 and 15.

Liquidity Risk

At 31 March 2018	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	6,906,741	-	-	**6,906,741**
Cash and cash equivalents	218,009	-	-	**218,009**
Other financial assets	7,573,660	-	-	**7,573,660**
	14,698,410	-	-	**14,698,410**
Current financial liabilities				
Borrowings	25,939,703	-	-	**25,939,703**
Trade payables	475,820	-	-	**475,820**
Other financial liabilities	5,076,369	-	-	**5,076,369**
	31,491,892	-	-	**31,491,892**

At 31 March 2017	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Current financial assets				
Trade receivables	2,021,229	-	-	**2,021,229**
Cash and cash equivalents	133,515	-	-	**133,515**
Other financial assets	823,354	-	-	**823,354**
	2,978,098	-	-	**2,978,098**
Current financial liabilities				
Borrowings	8,226,414	-	-	**8,226,414**
Trade payables	9,468,213	-	-	**9,468,213**
Other financial liabilities	7,612,826	-	-	**7,612,826**
	25,307,454	-	-	**25,307,454**

iii **Market risk**

The primary market risks to which the Company is exposed are foreign currency.

Foreign currency risk management

The Entity does not have operation other that United States of America, therefore its operations are not subject to risks arising from fluctuations in exchange rates.

Interest rate risk management

the Company is exposed to interest rate risk because the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates at the reporting date would have decreased equity and profit for the year/ period by USD 16,250 and USD 18,750 for March 2018 and March 2017 respectively and a 50 basis point decrease in floating interest rates at the reporting date would have increased equity and profit by the same amount respectively.

PRIME FOCUS TECHNOLOGIES, INC. ★

Prime Focus Technologies Inc.
Notes to standalone financial statements for the year ended 31.03.2018

Note

28 **Employee Stock Option Plan / Employee Stock Option Scheme**

Prime Focus Technologies Limited, the intermediate holding company has created an Employee Stock Option Scheme 2012 (ESOP- 2012) for the benefits of employees including of its subsidiary companies. Table of stock options with vesting option, vesting period, exercise price and exercise period:

Part A

Vesting		Exercise	
Option	Period	Period	Price (USD)
10,050	01.04.2016	Not more than 3 years from vesting	24.88
12,060	01.04.2016	Not more than 3 years from vesting	49.75
9,045	01.04.2017	Not more than 3 years from vesting	49.75
9,045	01.04.2018	Not more than 3 years from vesting	49.75
20,100	01.04.2017	Not more than 3 years from vesting	49.75
10,050	01.04.2017	Not more than 3 years from vesting	49.75
10,050	01.04.2017	Not more than 3 years from vesting	49.75

The aforesaid options will be vested to eligible employees on satisfaction of vesting conditions as defined under ESOP-2012.

Part B

Vesting		Exercise	
Option	Period	Shorter Period	Price (USD)
a) Up to maximum 20,100	within 45 days of 01.04.2016	Within 75 days of 01.04.2016	49.75
b) Additional 4,020 subject to maximum of 20,100	within 45 days of 01.04.2016	Within 75 days of 01.04.2016	49.75

The aforesaid options would have vested to eligible employees on achieving Earn-out Gross Product Revenue defined under ESOP-2012. As the required Earn-out Gross Product Revenue was not achieved the said Options stand lapsed.

The intermediate holding company has not recharged any expenses towards ESOP-2012 to the Group.

29 Prime Focus Technologies Inc. acquire DAX business of Sample Digital Holdings, LLC a California limited liability company on 04th April 2014. Since then there has been substantial growth in Revenue and Profitability of the Company. Therefore management is of opinion that their is no need to impairment in goodwill.

30 **Significant accounting judgements, estimates and assumptions**

The preparation of the Standalone financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

31 **First Time of Adoption of Indian Accounting Standard**

Exemption and exceptions availed :

(i) **Optional Exemptions :**

Ind AS 101 allows first time adopter certain exemptions from the retrospective application of certain requirement under Ind AS.

a **The Company has applied the following optional exemptions-:**

The Company has opted to recognize its property, plant and equipment based on the previous Standard carrying amount as at the date of transition.

(ii) **Exception:**

The following mandatory exception have been applied in accordance with Ind AS 101 in preparing the Financial Statements-:

a **Estimates :**

The estimates used by the Company to present the amount in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2016.

b **Classification and measurement of Financial instruments :**

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of fact and circumstances that exist at the date transition to Ind AS.

c **De-recognition of the Financial Assets and Financial Liabilities :**

The Company has elected to apply the de-recognition requirement for Financial Assets and Financial Liabilities in Ind AS prospectively for transition

32 Previous year's figures have been regrouped / reclassified wherever necesaary to corresponds with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan
Director

PRIME FOCUS TECHNOLOGIES, INC.