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November 14, 2012

To,
The National Stock Exchange of India Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Fax: 26598237 / 26598238/66418124/26598100

Ref: Company Symbol - PFOCUS

Sub: Limited Review Report for the quarter and half year ended September 30, 2012

Pursuant to the provision of Clause 41 of the Listing Agreement, we hereby submit the Limited Review Report for the quarter and half year ended September 30, 2012 obtained from M/s. MZSK & Associates, Statutory Auditors of the Company.

Kindly acknowledge and take the same on your records.

Thanking you,

Yours faithfully,

For Prime Focus Limited


Navin Agarwal
Company Secretary



Encl: as above

Limited Review Report

To
The Board of Directors of
Prime Focus Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Prime Focus Limited for the half year ended September 30, 2012, except for disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Company has not revalued the Foreign Currency Convertible Bonds ('FCCB') of USD 55 million at the exchange rate prevailing as at September 30, 2012, June 30, 2012, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009 which in our opinion is not in accordance with the Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates". Accordingly, the Company has not accounted for Rs 724.80 million of foreign exchange difference (including loss of Rs 636.19 million for the period before March 31, 2012 and loss of Rs 88.61 million for the half year ended September 30, 2012) and not provided for the premium payable on redemption of these FCCB. Had the Company revalued the bonds as at September 30, 2012, the balance in statement of profit and loss account as at September 30, 2012 would have been lower by Rs 724.80 million. Further, had the Company provided for the premium on redemption, the securities premium as at September 30, 2012 would have been lower by Rs 1,023.93 million. Consequent to the above, the FCCB balance at September 30, 2012 would have been higher by Rs 1,748.73 million and the reserves as at that date would have been lower by Rs 1,748.73 million. This had caused the previous auditors to qualify their audit opinion on the financial statements for the year ended March 31, 2012 also.
4. Based on our review conducted as above, and except for our observation in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement for debt securities including the manner in which it is to be disclosed, or that it contains any material misstatement.

For MZSK & Associates

Chartered Accountants

Firm Registration No: 105047W

Abuali Darukhanawala

Partner (M. No. 108053)

Mumbai: November 14, 2012

