

MANAGEMENT DISCUSSION & ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Reports for the year ended March 31, 2017 as under:

- **Industry Structure and Developments:**

The Company is a public limited company incorporated and domiciled in India and has its registered office in Chennai. The Company has its primary listings on BSE Limited in India..

These financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied, except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

- **Opportunities and Threats**

To successfully tap these opportunities with the given constraints, we are exploring different business models to meet customer expectations and demand cost effectively. There is an opportunity created by years of hard-work and dedication, and the focus now is to convert this opportunity into growth for the Company. With the changing political and economic scenario, India's medium to long-term economic outlook remains positive and supports forecasts of increasing technology penetration. Strategically, our focus is on the Lending market and the Transaction Banking space and consequent specialization enables us to monetize our IPR.

The company has been able to regain the confidence of the investors with better corporate governance and improved operations and looks forward for viable business opportunities in the field of animation and trading activities.

- **Business operations:**

The Company is engaged in the business of Animation and trading activities. During the year under review, the industry faced various challenges due to global and economic slowdown and increasing rates of interest rates. But looking at the huge potential in India for animation, the company is hopeful of continuing its trend of generating business.

The company has been now focusing on the animation projects in and around the city of Mumbai.

- **Out Look**

The future is bright and we believe that with our vision for growth, we have the potential to achieve growth with our specialized software solutions. We have strong branding and an established customer base and need to market and sell more effectively to increase shareholder value.

- **Human relations**

Our professionals are our most important assets. We believe that the quality and level of service that our professionals deliver are among the highest in the global technology services industry. Human resources have always been most valuable assets for Pine Animation Ltd. Relationships between employees and management are of substantial value in any workplace. Human relations are the process of training employees, addressing their needs, fostering a workplace culture and resolving conflicts between different employees or between employees and management.

- **Forward Looking and Cautionary Statements:**

Information technology is one of the most dynamic, fast-changing and fiercely competitive industries in the world, characterized by relentless cycles of innovation and commoditization. The Indian IT industry has been primarily identified with software services, while the software products segment has mostly remained in the background. More recently the world is observing a change in this segment growth. Emerging technologies present a range of exciting new opportunities for IT firms in India. This affirms our faith that a new generation of Indian software products will have a sizeable impact on improving productivity and the way businesses are run.

Registered Office:
TF4, 4th Floor, The Habeeba Arcade No.01,
Arumuga, Naicken Street, Opp. SBI Street,
Anna Salai, Chennai-600002.
Date:-05th September 2017

**By Order of the Board of Directors
For Pine Animation Limited**
Sd/-
Mr. Shyam Sundar Parasramka
(Director)
(Din:-00511476)