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## Focus 2015 - 2016

**Our strategy at PVP Ventures Limited for the next few years is targetted growth. With a sharp focus on three sectors we see exciting opportunities in- Real Estate, Retail and Media and Entertainment, we foresee an exponential growth.**

### Real Estate Retail Space Media

**A country's economic performance has a rippling effect on the performance on the Real Estate market place.**

This has a direct impact on the residential property segment. More prosperity resonates higher financial confidence among home buyers, and this leads to a greater demand for homes. However, over the last two years, India has been battling various economic issues such as rising fiscal deficits, a falling rupee and increasing food inflation which have adversely hit the performance of the real estate sector across the country. The incentives announced for the housing sector in the Union Budget and all the subsequent decisions taken by the new government seems to be reflecting their intention towards getting the economy back on the growth path. Sentiments of home buyers too, seem to have changed for the better, as the gap between demand and supply has been narrowing gradually over the last year, and this would give a fillip to the company's real estate business to forge ahead on the back of a strong recovery in sales volume.

**The Indian retail industry has presently emerged as one of the most dynamic and fast paced industries with several players entering the market.**

It accounts for over 10 per cent of the country's gross domestic product (GDP) and around eight per cent of the employment in India, making India the fifth largest global destination in the world for retail today.

Several corporates have planned to exploit the opportunities in the Indian retail space, which has lined up with a capital expenditure of over Rs 1.8 trillion (US\$ 28.94 billion) for the next three years for its retail ventures apart from others.

PVP Ventures plans to foray into retail consumer services. The plans, outlook with detailed implemented schedule will be unveiled in the next financial year. The goal is to tap the huge business growth available in this retail segment.

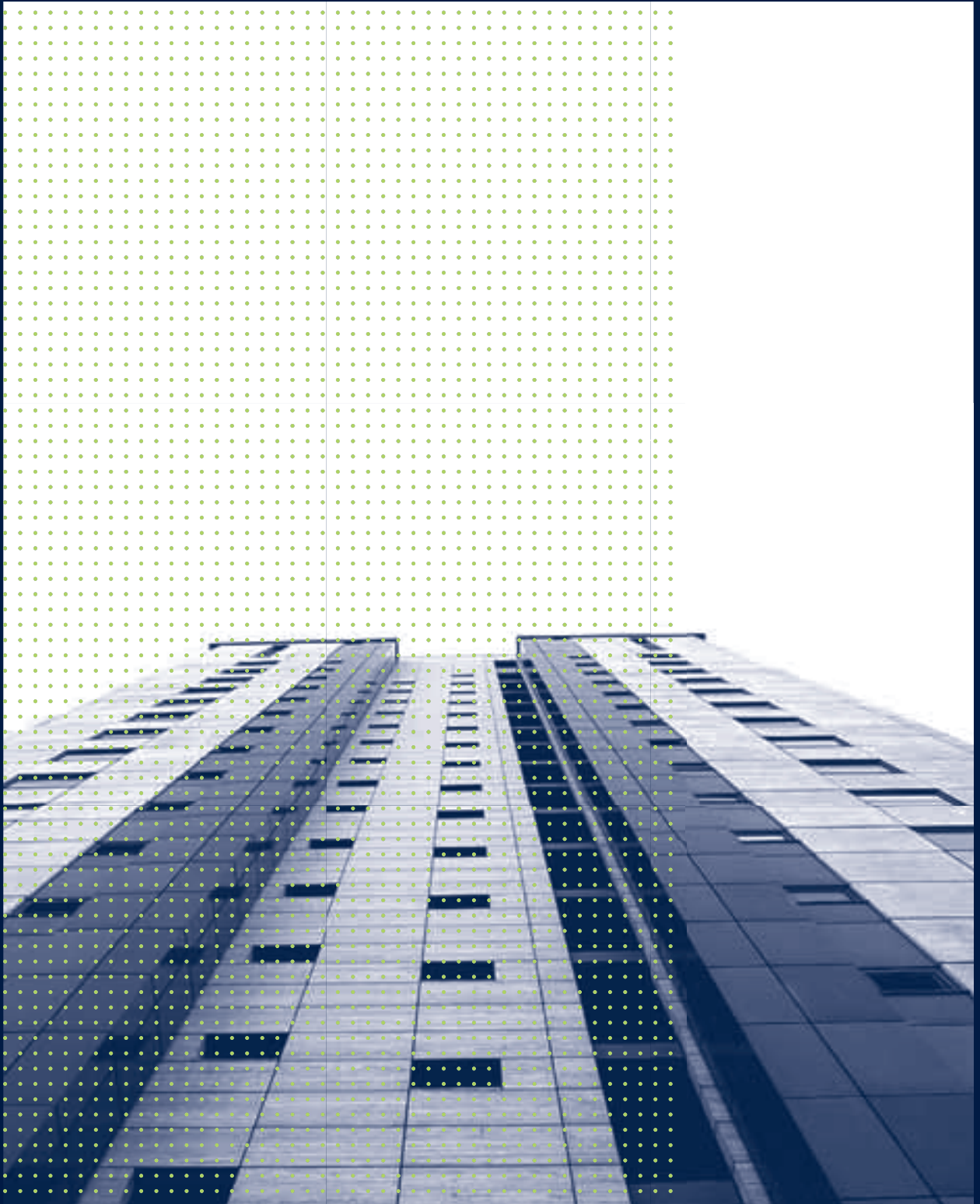
The year 2014-15 has been a progressive year for the Media and Entertainment industry in India in many ways. With the current government's optimistic outlook, business sentiment has been turned positive and strengthened by a number of growth promoting policy initiatives taken by the Government in the recent months. Consumption and entertainment have become staple diet for resident Indians and the Indian diaspora around the world.

**The entertainment industry is clocking robust numbers with an increasing foot print on the global landscape.**

A benign global economic environment and stable government policy initiatives prompted the Economic Survey to suggest that India has reached a sweet spot and could finally be launched on a double-digit medium-term growth trajectory. With the revision in growth forecast by International Monetary Fund, it is expected that the growth rate will surpass China's in 2016. PVP Ventures will therefore seize the emerging business opportunities available in this sector which would aid in creation of the value for the Company.









**Gross Turnover [Rupees in Crore]**

2011- 12		3.40
2012- 13		59.86
2013- 14		76.59
2014- 15		66.73

**Operating Profit [Rupees in Crore]**

2011- 12		(0.85)
2012- 13		47.07
2013- 14		45.57
2014- 15		2.16

**Post-Tax Profit [Rupees in Crore]**

2011- 12		0.59
2012- 13		35.67
2013- 14		2.81
2014- 15		(25.41)

**Earnings per Share [In Rupees]**

2011- 12		0.02
2012- 13		1.46
2013- 14		0.12
2014- 15		(1.04)

**Book Value per Share [In Rupees]**

2011- 12		17.10
2012- 13		17.94
2013- 14		17.50
2014- 15		15.50



*“We believe that our ability to blend socio-economic agenda into developmental strategies in real estate will have a material impact on our business success.”*

Dear Shareholders,

The recently announced progressive budgetary measures of setting up of Infrastructural Investment Trusts (INVITs) and Real Estate Investments (REITs) are expected to ease the liquidity crunch faced by real estate sector during the past few years. Coupled with the raise in tax exemption limits (thus motivating home buyers) and reforms initiated in the form of Real Estate Regulatory (RER) Bill and new Land Acquisition Act in the offing, the real estate demand is expected to embark on the path to recovery.

Building real estate that has a positive social, economic and environmental impact is important for sustainability. And that is exactly what we do. We believe that our ability to blend socio-economic agenda into developmental strategies in real estate will

a material impact on our business success. We are not just any real estate company. We are today into Media and Entertainment industry and soon foraying into Retail Space. We are aware of the needs of not just today but also of tomorrow. And we have built an institution that has a strong social linkage.

If we recollect the past, the Real Estate industry suffered multiple problems in recent times, notably, delay in approvals, ever increasing raw material cost, high cost of funds etc. Further, slowdown in real estate sales driven by low market sentiments and liquidity crunch was triggered by slow uptick of sales volume. Factors like rising interest rates by banks, high inflation and the weak rupee, among others, contributed towards building a negative sentiment among home buyers resulting in a substantial drop in investor interest. Notwithstanding this tough environment, which severely impacted most real estate Companies, we have been able to register reasonable sales volumes, albeit lower than previous year.

During the financial year under review, the Company registered a total revenue of Rs. 5380.61 Lakhs on Standalone basis as compared to the previous year's total revenue of Rs. 6412.12 Lakhs. Further, total revenue on consolidated basis is Rs. 6672.68 Lakhs as compared to the previous year's total revenue of Rs. 7658.86 lakhs. The Standalone PAT (Profit after Tax) stood at Rs.1.60 crores as against Rs. 8.02 crores in the year 2014 and the Consolidated PAT stood at (Rs.33.29 crore) as against Rs. 2.80 crores in the previous year. The decline in the total Revenue and net profit is attributable to the slow down persisting in the real estate market for the last couple of years. However, the company is optimistic that the sales at North Town project will register growth in the ensuing years.

We have gone through some of the most turbulent times in the last few years. As we move to a new chapter in our development path with diversified business verticals viz. Media and Entertainment and Retail consumer services segment apart from Real Estate, we are sure that we will emerge out as a more focused organization with a clear strategic path, and look forward to reporting strong performance going forward.

Sincerely yours,

**Prasad V. Potluri**  
Chairman and Managing Director



## **Built on Strong Foundations**

### **APPRECIATION**

The base selling price of the North Town project witnessed a sharp capital appreciation from `3,000 psf in 2009 to `6,300 psf in 2015, validating robust customer demand leading to attractive project economics.

### **CAPABILITIES**

The Company is run by a team of professionally-qualified and experienced individuals with a cumulative 15 years of experience in the Real Estate sector.

### **LAND BANK**

The Company owns a substantial land bank spread across Chennai (70 acres) and Hyderabad (107 acres). This land bank is largely contiguous and strategically located.

### **LAND BANK MONETISATION**

More than 30% of the Company's land bank is under development, representing its ability to progressively monetize assets. The Company is waiting for the opportune time to launch projects across the rest of its land bank.

### **PRIDE-ENHANCING PROJECT**

The Company is engaged in the development of Chennai's largest residential township project (North Town) spread across 70 acres with almost 6,700 units in the heart of the city.

### **CONTROLS**

The Company invested in an appropriate internal control system for business processes pertaining to the efficiency of operations, financial reporting and statutory compliance.

Its internal auditors conducted quarterly audits encompassing processes including statutory compliances, payroll, purchase, fixed assets, among others and in doing so, ensured an adherence with policies and systems while mitigating operational and other risks.

## Risk Management

### **SLOWDOWN RISKS**

The fortunes of the Indian real estate industry are closely related with economic growth. The current slowdown might have a long-term impact on the sector.

**Mitigation** The fundamental rationale for the real estate and property development sector is rooted in the fact that it provides shelter and also enables an individual to own a productive asset. With India already running short of housing by 18-20 million units, the sector holds attractive long-term potential.

### **PERCEPTION RISKS**

The Company has only one project under development.

**Mitigation** PVP Ventures is engaged in Central Chennai's largest residential township project spread across 70 acres, comprising 10 phases of about 6,700 apartments and located proximate to most major city landmarks. The sheer size and scale of the project warrants that the Company focuses on a single project at this point of time. In addition, the Company is also the owner of a 107-acre land parcel in Hyderabad, which it expects to monetise over the coming years. The company is also diversifying into Media and Entertainment and Retail Space as it perceives as new growth areas.

### **JOINT DEVELOPMENT AGREEMENT RISKS**

The collaboration between PVP Ventures and the other two developers might be unfairly balanced.

**Mitigation** The Joint Development Agreement (JDA) protects the interest of all concerned parties, with PVP Ventures bringing its land as equity and the others bearing the development, construction, marketing and selling costs.

### **FUNDING RISKS**

The real estate business is capital intensive and the Developer may not be able to mobilise adequate funds for completion of the project phases as per the timelines.

**Mitigation** PVP Ventures is protected by the JDA, which governs the other development partners to bear the construction and marketing costs, thereby minimising the need for large-scale funds mobilisation by the Company. Moreover, free cash flows will be progressively accrued through phase-wise project completion and sales will enable the Company for onward deployment of funds.

### **LEGAL RISKS**

The Company's land bank may be exposed to prospective litigation.

**Mitigation** The Company's land bank possesses clear titles with proper documentation and records, minimising the possibility of prospective litigation. The Company also enjoys the services of legal experts and other consultants, enabling it to remain proactive while responding to legal risks.



**BOARD OF DIRECTORS**

**Mr. R. Nagarajan** -Director  
**Mr. N. S. Kumar** -Director  
**Mr. Prasad V. Potluri**  
 Chairman and Managing Director  
**Mrs. P. Sai Padma** -Director

**BOARD COMMITTEES**Audit and CSR Committee

**Mr. R. Nagarajan** -Chairman  
**Mr. N. S. Kumar**  
**Mr. Prasad V. Potluri**

Stakeholders Relationship Committee

**Mr. R. Nagarajan** -Chairman  
**Mr. N. S. Kumar**  
**Mr. Prasad V. Potluri**

Nomination and Remuneration Committee

**Mr. N. S. Kumar** -Chairman  
**Mr. R. Nagarajan**  
**Mrs. P. Sai Padma**

Key Managerial Personnel

**Mr. Prasad V. Potluri**  
 Chairman and Managing Director  
**Mr. V.R. Arasu**  
 Associate Director - Business Development  
**Mr. S. Kannan**  
 Chief Financial Officer  
**Mr. Piyush Dwivedi**  
 VP - Corporate Finance and Strategy  
**Mr. GSV. Ranga**  
 Head - Legal and Company Secretary  
**Mr. PV Krishna Kishore Babu**  
 GM - Legal

**STATUTORY AUDITORS**

M/s CNGSN & Associates, LLP  
 Chartered Accountants  
 No. 2, Vijayaraghava Road, T Nagar  
 Chennai 600 017

**REGISTERED OFFICE**

KRM Center, 9<sup>th</sup> Floor, Door No. 2  
 Harrington Road, Chetpet  
 Chennai 600 013

**T** +91 44 3028 5570  
**F** +91 44 3028 5571  
**E** investorrelations@pvpglobal.com

**CORPORATE OFFICE**

4<sup>th</sup> Floor, Punnaiah Plaza  
 Plot No. 83 and 84, Road No. 2  
 Banjara Hills. Hyderabad 500 034

**T** +91 40 6730 9999  
**F** +91 40 6730 9988  
**E** investorrelations@pvpglobal.com

**STOCK EXCHANGES**Where company securities are listed

The BSE Ltd.  
 The National Stock Exchange of India Ltd.  
 The London Stock Exchange Ltd. [GDRs]

**BANKERS**

Kotak Mahindra Bank Ltd.  
 Canara Bank

**REGISTRAR AND SHARE TRANSFER AGENTS**

Karvy Computershare Private Ltd.  
 C/O Karvy Selenium, Tower B  
 Plot No. 31 and 32, Financial District  
 Nanakramguda, Serilingampally Mandal  
 Hyderabad 500 032

**T** +91 40 6716 1591  
**E** einward.ris@karvy.com





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- » Notice
  - » Director's Report
  - » Management's Discussion and Analysis
  - » Report on Corporate Governance

**notice**

**Notice** is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of PVP Ventures Limited will be held on Tuesday, September 29, 2015 at 10.00 am at Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai 600 026, Tamil Nadu to transact the following:

### ORDINARY BUSINESS

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1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended March 31, 2015 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint M/s. CNGSN & Associates LLP, Chartered Accountants, Chennai (FRN: 004915S) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be decided by the Board of Directors.

### SPECIAL BUSINESS

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#### 3. Appointment of Mrs. P. Sai Padma as Director liable to retire by rotation

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 152 and other applicable provisions if any of the Companies Act, 2013, Mrs. P. Sai Padma, who was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on March 28, 2015 and who holds office till the conclusion of the AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. P. Sai Padma as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### 4. Corporate Guarantee and/or Collateral Security extended and to be extended to M/s. Picturehouse Media Limited

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Clause 49 (VII) of the Listing Agreement and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, the corporate guarantee and collateral security aggregating to Rs. 30,00,00,000/- extended by the company to Picturehouse Media Limited ('PHML') an associate company, for the loans or financial assistance availed by PHML from banks or financial institutions be and hereby ratified and approved.

## 5. Corporate Guarantee or Collateral Security to Subsidiary Companies

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Clause 49(VII) of the Listing Agreement and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, the consent of the Members be and is hereby accorded to extend guarantee(s) and /or security to the subsidiary/(ies), existing and future, for the loans or financial assistance availed by such subsidiary/(ies) from banks or financial institutions such that the aggregate amounts shall not exceed the maximum limits for which approval of Members was already obtained pursuant to the provisions of Section 186 of the Companies Act, 2013.

By order of the Board of Directors  
for PVP VENTURES LIMITED

**Place** Chennai  
**Date** August 14, 2015

Sd/-  
G S V Ranga  
Head - Legal and Company Secretary

## NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('THE MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ONLY ON A POLL ON HIS/HER/ITS BEHALF AND THE PROXY, HOWEVER, NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than 48 hours before commencement of the meeting. A Proxy form for the AGM is enclosed to this Annual Report.**
3. Corporate members intending to send their Authorized Representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their Representative to attend and vote on their behalf.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
5. In case of joint holders, the first joint holder will be entitled to vote in the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 25, 2015 to September 29, 2015 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to Section 101 of Companies Act, 2013 read with the relevant Rules, the Company is allowed to serve documents like notices, annual reports, etc., in electronic form to its Members. Accordingly, the said documents of the Company for the financial year ended March 31, 2015 are being sent in electronic form to those Members who have registered their e-mail addresses with their DPs. However, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his DP ID and Client ID or the Folio number, as the case may be, to [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com) for receipt of hard copy. This would enable the Company to update its database by incorporating/updating the designated e-mail addresses in its records. The Members may also note that the said Reports are also being uploaded on the website of the Company at [www.pvpglobal.com](http://www.pvpglobal.com).
8. Members are requested to quote their Registered Folio Number, Client ID, Number of shares in all correspondences with the Company/RTA and notify the Company's RTA, or the Depository Participants, the change of registered address, if any.

- 9.** Non-Resident Indian Members are requested to inform the Company's RTA immediately of their:
  - a.** Change in their Residential status on return to India for permanent settlement.
  - b.** Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
- 10.** The Company has designated an exclusive email ID viz. [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com) which would enable the investors/shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives.
- 11.** Queries concerning Annual Accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answers may be made readily available at the meeting.
- 12.** The Annual Report of the Company for the year 2014-15 circulated to the Members of the Company is available on the Company's website, viz. [www.pvpglobal.com](http://www.pvpglobal.com)
- 13.** The Company pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, is extending e-voting facility for its Members to enable them to cast their vote electronically. Further, the facility for voting, through ballot paper, will also be made available at the AGM. However, the Members attending the AGM who cannot cast their votes by remote e-voting, can also exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. In this regard, the Company has appointed M/s. D. Hanumanta Raju & Co, Practicing Company Secretaries, Hyderabad, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to oversee the electronic voting process in a fair and transparent manner.
- 14.** The e-voting facility will be available at the link <http://evoting.karvy.com> during the voting period.
- 15.** The login ID and password for e-voting along with process, manner and instructions is being sent to the members along with email/physical copy of the Notice.
- 16.** Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of cut-off date i.e., September 22, 2015 may obtain the login ID and password by sending a request



at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for e-voting, then you can use your existing User ID and password for casting your vote.

17. Members are requested to note that the e-voting will open on September 26, 2015 at 9.00 a.m. and shall remain open for 3 days i.e. up to September 28, 2015 and it shall not be allowed beyond 5 p.m. on September 28, 2015.
18. The procedure and instructions for e-voting are as follows:
  - a. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
  - b. Enter the login credentials (i.e. user-id and password) provided to you as mentioned at point no. 15 supra.
  - c. In the event of any difficulty, Please contact toll free [No. 1-800-34-54-001](tel:1-800-34-54-001) for any further clarifications.
  - d. After entering these details, then click on **LOGIN**.
  - e. Members holding shares in Demat/Physical form will then reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password shall be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this same password can be used by the Demat holders for voting in respect of other companies also, provided that the other Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. Then, System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - f. You need to login again with the new credentials.
  - g. On successful login, system will prompt to select the **Event** i.e. **Company Name**.
  - h. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and you have already casted your vote in respect of any company, then your exiting login id and password are to be used.
  - i. On the voting page, you will see Resolution Description and against the same, you will find the option **FOR/AGAINST/ABSTAIN** for voting. Enter the number of shares (which represents number of votes) under **FOR/AGAINST/ABSTAIN**.

- j.** After selecting the resolution, if you have decided to vote on, then click on **Submit**. A confirmation box will be displayed. If you wish to confirm your vote, then click on **Ok**, and in case, if you wish to modify your vote, then click on **Cancel** and accordingly modify your vote according to your choice.
- k.** Once you **Confirm** your vote on the resolution, then you will not be allowed to modify your vote in any manner.
- l.** Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [evotingpvp@pvpglobal.com](mailto:evotingpvp@pvpglobal.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the common naming format titled **Corporate Name\_ Event No.**
- m.** Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No. 3**

The Board of Directors, at its Meeting held on March 28, 2015 appointed Mrs. P. Sai Padma as an Additional Director with effect from March 28, 2015 pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company. The said appointment was being made for complying the provisions Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. P. Sai Padma will hold office up to the date of ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. P. Sai Padma for the office of Director, liable to retire by rotation under Section 152 of the Companies Act, 2013.

As required under the provisions of the Companies Act, 2013, the Company has received from Mrs. P. Sai Padma (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) Intimation in DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013.

The resolution seeks the approval of Members for the appointment of Mrs. P. Sai Padma as Director liable to retire by rotation pursuant to Section 152 of the Companies Act, 2013.

No director except Mr. Prasad V. Potluri and Mrs. P. Sai Padma, Key Managerial Personnel or their relatives, are interested in the resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

A brief profile of Mrs. P. Sai Padma is given below:

<b>NAME OF DIRECTOR</b>	<b>P. SAI PADMA</b>
<b>DIN</b>	<b>01683528</b>
<b>Date of Birth</b>	<b>07-07-1973</b>
<b>Date of Appointment to the Board</b>	<b>28-03-2015</b>
<b>Qualifications</b>	<b>MBA</b>
<b>Profile of the Director</b>	<b>Over 14 years of experience in IT and Retail Industry and over 4 years of experience in development and management of retail shopping mall.</b>
<b>Directorships held in other Public Companies</b>	<b>M/s. Picturehouse Media Limited M/s. Crable Mercantile Limited</b>
<b>List of the Committees of other Companies in which Chairmanship/ Membership is held</b>	<b>Member of Nomination and Remuneration Committee of Picturehouse Media Limited</b>
<b>Chairman/Member of the Committees of the Company</b>	<b>Member of Nomination and Remuneration Committee</b>
<b>Number of Shares held in the Company</b>	<b>15,00,000</b>
<b>Relationship with other Directors of the Company</b>	<b>Sister of Mr. Prasad V. Potluri, Chairman and Managing Director</b>

#### **Item No. 4**

Picturehouse Media Limited, an Associate Company is engaged in the business of Movie Production and Financing, Media and Entertainment sector. For the purpose of meeting its working capital requirements, Picturehouse Media Limited has availed loans from Banks and Financial Institutions aggregating to Rs 30 Crores for which the Company has extended corporate guarantee and collateral security. Picturehouse Media Limited being a related party within the meaning of Section 2 (76) of the Companies Act, 2013 has entered into a transaction which in excess of 10% of the consolidated turnover of the Company, it is proposed to obtain the approval of Members pursuant to Clause 49(VII) of the Listing Agreement.

Picturehouse Media Limited is a Related Party to the Company. Mr. Prasad V. Potluri, the Chairman & Managing Director and Mrs. Sai Padma Potluri, Director are also Directors on the Board of PHML. Mrs. Sai Padma Potluri is relative of Mr. Prasad V. Potluri.

As per the provisions of the relevant statutes, extending corporate guarantee and Collateral security to Picturehouse Media Limited exceeding 10% of the consolidated turnover of the Company requires approval of the shareholders. Hence, the Board of Directors commends the Resolution for your approval.

No other Director or Key Managerial Personnel, except Mr. Prasad V. Potluri and Mrs. Sai Padma Potluri, is interested or concerned with the resolution.

#### **Item No. 5**

The subsidiary companies of the Company would be requiring funds from time to time to meet its working capital requirements and diversification and expansion of their business operations. For this purpose, they may seek financial assistance from Banks and Financial Institutions for which the company may have to extend corporate guarantees and/or security depending upon the terms and conditions of the lenders. This resolution enables the company to extend the guarantees and or/security to the subsidiaries on need basis such that the aggregate amounts shall not exceed the maximum limits for which approval of Members was already obtained pursuant to the provisions of Section 186 of the Companies Act, 2013.

Subsidiary companies are deemed to be related parties under provisions of the Companies Act 2013. As per the provisions of the relevant statutes, extending corporate guarantee and Collateral security to Subsidiary Company/ies exceeding 10% of the consolidated turnover of the Company requires approval of the shareholders. Hence, the Board of Directors commends the Resolution for your approval.

The Directors and Key Managerial Personnel are deemed to be concerned or interested to the extent of their interest in the respective subsidiary company.

By order of the Board of Directors  
for PVP VENTURES LIMITED

**Place** Chennai  
**Date** August 14, 2015

Sd/-  
G S V Ranga  
Head - Legal and Company Secretary

**Route map to the venue of the AGM:**

Hotel Green Park, 'Vauhini Hall'  
No. 183, NSK Salai, Arcot Road  
Vadapalani, Chennai 600 026





# **director's report**

To the Members,

We are pleased to present the report on the business and operations of your Company for the year ended March 31, 2015.

## Financial Results

[Rupees In Lakh]

PARTICULARS	STANDALONE		CONSOLIDATED	
	2014-2015	2013-2014	2014-2015	2013-2014
<b>Total Income</b>	5380.61	6412.12	6672.68	7658.86
<b>Operational, Administration And Other Expenses</b>	3312.02	3066.80	215.72	3101.45
<b>Profit/(Loss) Before Depreciation Interest And Tax</b>	2068.59	3345.32	2960.25	4557.41
<b>Depreciation</b>	60.26	20.52	60.26	20.52
<b>Interest and Finance Charges</b>	1964.55	1939.91	2181.86	2027.36
<b>Profit / (Loss) Before Exceptional Items</b>	43.78	1384.88	(2026.39)	2509.5
<b>Exceptional Items</b>	49.86	42.86	1039.36	1687.87
<b>Profit / (Loss) Before Tax</b>	(6.08)	1342.03	(3065.75)	821.66
<b>Tax Expense</b>	166.62	539.82	(263.32)	540.91
<b>Profit/ (Loss) after Tax</b>	160.53	802.21	(3329.07)	280.75
<b>Profit/ (Loss) after Transfer to Minority Interest</b>	-	-	(2540.86)	280.63

## Review of Operations

During the financial year under review, the Company registered a total revenue of Rs. 5380.61 Lakhs on Standalone basis as compared to the previous year's total revenue of Rs. 6412.12 Lakhs. Further, total revenue on Consolidated basis is Rs. 6672.68 Lakhs as compared to the previous year's total revenue of Rs. 7658.86 lakhs.

The Standalone PAT (Profit after Tax) stood at Rs.1.60 crores as against Rs. 8.02 crores in 2014 and the Consolidated PAT stood at Rs.(33.29) crore as against Rs. 2.80 crores in the previous year.

The decline in the total revenue and net profit is attributable to the slow down persisting in the real estate market for the last couple of years and the company is optimistic that the sales at North Town project will register growth in the ensuing quarters.



## **Dividend**

In view of the inadequacy of the profits and in order to conserve the resources of the Company, for future Business operations, the Board of Directors did not recommend any dividend for the financial year ended March 31, 2015.

## **Transfer To Reserves**

In view of the aforesaid reason, the Board of Directors did not propose to transfer any amount to reserves for the period under review.

## **Capital Structure**

During the year, there is no change in the capital structure of the Company.

## **Particulars of Loans, Guarantees and Investments**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

## **Public Deposits**

The Company has not accepted/renewed any fixed deposits during the year under review.

## **Insurance**

All the properties of your Company have been adequately insured.

## **Related Party Transactions**

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, your company has formulated a Policy on Related Party

Transactions which is also available on the Company's website at <http://www.pvpglobal.com/pdf/RPTPolicy-PVPL.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the Related Parties.

The Policy specifically deals with the review and approval of Material Related Party Transactions keeping in view the potential or actual conflicts of interest that may arise because of entering into these transactions. In accordance with the policy all related party transactions are to be placed before Audit Committee for review and approval. Prior omnibus approval will be obtained for related party transactions on quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length.

During the year under review, no Related Party Transactions or Material Related Party Transactions i.e., transactions, exceeding 10% of the annual consolidated turnover as per the latest audited financial statements, were noticed during the period under review. Accordingly, the disclosure of Related Party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable for the year ended March 31, 2015.

## **Material changes and commitments affecting financial position between the end of financial year and date of report**

On June 3, 2015, the Company and PVP Global Ventures Private Limited

challenged the impugned order of SEBI imposing a penalty of Rs. 15 lakhs and Rs.15.15 crores respectively with the Appellate authority i.e. SEBI Appellate Tribunal (SAT). The penalty, if upheld by SAT, will affect the financial positions of the respective companies.

### Subsidiary Companies

The Company along with its subsidiaries is operating in the verticals of Urban Infrastructure, Media and Entertainment, Sports and related activities and Banking retail. During the year under review 3 new companies were incorporated as subsidiaries to PVP Ventures Ltd viz., Blasters Sports Ventures Private Limited, Safetrunk Services Private Limited and PVP Island Private Limited.

As on March 31, 2015, the Company has 5 wholly-owned subsidiaries viz., PVP Corporate Parks Private Limited, PVP Global Ventures Private Limited, PVP Media Ventures Private Limited, Safetrunk Services Private Limited, PVP Island Private Limited, besides 2 subsidiaries viz., New Cyberabad City Projects Private Limited, Blasters Sports Ventures Private Limited and 1 step-down subsidiary viz., Adobe Realtors Private Limited, which is a wholly-owned subsidiary of PVP Global Ventures Private Limited. Further, as on March 31, 2015, the company has 1 (one) Associate Company, that is, M/S. Picturehouse Media Ltd. However, as on the date of the report, the company along with its subsidiaries, viz., PVP Global Ventures Pvt. Ltd, PVP Media Ventures Pvt. Ltd. holds 51.46% equity shareholding of M/S. Picturehouse Media Ltd.

The consolidated financial statements of the Company including its subsidiaries have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as **Annexure - 1** to the Board's Report. As required under Section 136 of the Companies Act, 2013 the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website [www.pvpglobal.com](http://www.pvpglobal.com).

These documents will also be available for inspection during the business hours at the Registered office of the Company and any member who wish to get copies of such financial statements, may write to the Company for such requirement.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

### Corporate Governance

The Company is committed to maintain the prescribed standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the mandatory stipulations prescribed. The

Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

## **Board of Directors**

During the year under review, the Board has appointed Mrs. P. Sai Padma as an Additional Director in compliance of Section 149 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 (II) (A) (1) of the Listing Agreement with effect from March 28, 2015 to hold office up to the date of ensuing Annual General Meeting. Being eligible, Mrs. P. Sai Padma offered herself to be appointed as Director liable to retire by rotation.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of 5 consecutive years, and they will be eligible for re-appointment for another term of 5 years upon passing of a special resolution by the Company. The Independent Directors are not liable to retire by rotation. As required, the Independent Directors have confirmed by virtue of certificate stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

The details of training and familiarization programs and Annual Board Evaluation process for directors have been provided under the Corporate Governance Report. The policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and also remuneration for Key Managerial

Personnel and other employees and Board evaluation process also forms part of Corporate Governance Report at **Annexure 2**.

None of the directors are due for re-appointment during the year under review.

## **Number of Meetings of the Board**

The Board met 7 (Seven) times during the financial year, and the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was well within the period prescribed under the provisions of the Companies Act, 2013.

## **Directors' Responsibility Statement**

The financial statements of the Company are prepared as per applicable Accounting Standards as prescribed under Section 133 read with Rule 7 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013 and other applicable provisions if any of the said act. There are no material departures from prescribed accounting standards.

### **The Directors confirm that:**

1. In preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed;
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of

affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors have prepared the annual accounts on a going concern basis;
5. The directors have laid down internal financial controls, which are adequate and are operating effectively; and
6. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate to operate the company effectively.

### Statutory Auditors

M/s. CNGSN & Associates LLP (FRN: 004915S), the statutory auditors, holds office up to the conclusion of this Annual General Meeting (AGM). The Company has received consent from M/s. CNGSN & Associates LLP, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and stated that they are not disqualified from being appointed as the Statutory Auditors of the Company.

The Board of Directors therefore recommends reappointment of M/s.

CNGSN & Associates LLP as the Statutory Auditors of the Company for the year 2015-16. Necessary resolution for their reappointment is incorporated in the Notice calling for the AGM.

### Auditors' Report

The Auditors' Report for the financial year 2014-15 is an "Un-qualified" report and the said Report together with the Audited Accounts for the financial year ended March 31, 2015 read with the Notes on Accounts are self-explanatory and therefore do not call for any further comments.

### Secretarial Auditor

M/s. D. Hanumanta Raju & Co., Company Secretaries was appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for financial year 2014-15 forms part of the Annual Report as **Annexure 3** of the Board's Report.

As regards the observations in the report are concerned, the former observation relates to procedural delay and the latter observation merely states the manner by which the Company has complied with the provisions of the Companies Act 2013.

### Stock Exchange Listing

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited and the GDRs are listed on London Stock Exchange. The Company confirms that it has paid the Annual Listing Fees due to the Stock Exchange for the year 2015-16. Since

the GDR are not being frequently traded on the London Stock Exchange, the Company proposes to delist the GDRs from LSE subject to statutory requirements.

### **Chairman and Managing Director Certification**

As required under the SEBI Guidelines, the Chairman and Managing Director and the Chief Financial Officer Certification is attached to this Report.

### **Significant Material Orders**

During the year under review Securities and Exchange Board of India ('SEBI') vide Adjudication Orders nos. ASK/AO-174/2014-15 and ASK/AO-175/2014-15, dated March 27, 2015 has imposed penalty of Rs. 15,00,000/- each against the Company and Mr. Prasad V. Potluri, Chairman and Managing Director for alleged non-disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992.

Further, SEBI vide Adjudication Order nos. ASK/AO-172/2014-15 and ASK/AO-173/2014-15 and dated March 27, 2015 has imposed penalty of Rs.15,15,00,000/- each against PVP Global Ventures Private Limited ('wholly owned subsidiary') and Mr. Prasad V. Potluri (Promoter-Director of PVP Global Ventures Private Limited) for alleged violations of the Insider Trading Regulations.

The Company challenged the said impugned orders before the Securities

Appellate Tribunal ('SAT') and had filed the appeals in SAT during June 2015.

### **Extract of Annual Return**

In accordance with Section 134 (3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure 4** of the Board's Report.

### **Internal Financial Control**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### **Corporate Social Responsibility**

As per the Companies Act, 2013 all Companies having net worth of Rs. 500 crore or more, turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising 3 or more directors, and at least one of whom should be an independent director. As per the provisions, such company shall spend 2% of the average net profits of the company's, immediately preceding the three financial years.

CSR Committee of the Company comprises of Mr. R Nagarajan, Mr. N S Kumar and Mr. Prasad V. Potluri and the Committee is responsible for formulating and monitoring the CSR

Policy of the Company. The CSR Policy of the Company as approved by the Board of Directors of the Company forms part of this report at **Annexure 5**.

During the financial year ended March 31, 2015, the Company is required to spend Rs. 32,74,342 i.e., being 2% of the average net profits of the company's immediately preceding three financial years towards CSR activities. The Management proposes to spend the required amount on Education related activities during the financial year 2015-16. However, as on the date of report, the Company has spent Rs. 32.75 lacs towards CSR Activities in the Education sector i.e. in Siddhartha Academy of General and Technical Education ('SAGTE').

***Siddhartha Academy, the brainchild of a host of philanthropists with a pragmatic perception and holistic vision for a better tomorrow, was established in the year 1975 recognizing the need for imparting quality education complemented by skill based learning processes. A galaxy of stalwarts from different walks of life numbering about 250 founded this educational empire which contributes to fulfilling the academic aspirations of thousands of children and youth of the region.***

### **Particulars of employees**

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014 is appended as **Annexure 6** to the Board's Report.

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of Rs.60 lacs or more, or employed for part of financial year and in receipt of Rs.5 lac or more per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure 6** to the Board's Report.



## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/Outgo

Particulars regarding technology absorption, conservation of energy and foreign exchange earnings and outgo required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 to the extent applicable are as under:

<b>A</b>	<b>CONSERVATION OF ENERGY</b> The operations of the Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy.		
<b>B</b>	<b>TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION</b> The Company continues to use the latest technologies for improving the quality of its operations.		
<b>C</b>	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO:</b>		
[Rs. In Lakh]			
	<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>1.</b>	<b>Foreign Exchange Earnings</b>	<b>Nil</b>	<b>Nil</b>
<b>2.</b>	<b>Foreign Exchange Outgo:</b>		
(i.)	Travel related Expenses	0.86	1.16
(ii.)	Professional Fees	1044.68	66.06
(iii.)	London Stock Exchange Fee	15.51	11.71
(iv.)	Interest	1926.91	1926.91
	<b>Total</b>	<b>2987.96</b>	<b>2005.84</b>

## Acknowledgements

Your Directors wish to express their appreciation for the support and co-operation extended by the bankers, joint development partners, financial institutions, shareholders, government agencies and other business associates. Your Directors wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

For and on behalf of the Board of Directors

**Place** Chennai  
**Date** August 14, 2015

Sd/-  
Prasad V. Potluri  
Chairman and Managing Director



# **management discussion and analysis**



## **Industry Structure and Development**

India has always been a resilient market with great fundamentals for real estate and springing back positively. By virtue of the strong and increasing demand due to our large population base, this sector has grown continually and is expected to stay steady for long. They are under a strong influence of crisis factors from the financial sector which are integrated in the real estate market system. Property markets in India respond differently to a crisis situation. Even when the world economy was reeling from the aftershock of the huge recession that hit hard even some of the largest and leading economy, the Indian real estate market remained immune to the downturn in spite of non-linear relationships between prices and hedonic variables. The real estate sector witnessed and is still getting investment from a large number of investors of both India and abroad. It has been a golden harvest even in this turbulent financial market. For most investors, real estate has been a refuge from the burn most bear due to the downturn in almost every other sector.

India today is a fast growing economy and almost 50% of the population comprises of the young, dynamic generation. As they establish themselves in the society, their requirements also increase. The high income younger generation today is their primary target. Thus, demand for real estate is also on the rise. While the rise can be seen in all the parts of India, but the major towns and metro cities are most in demand. Land is now a scarce commodity and investing in a prime location is an opportunity not to be passed up.

The key factor that affects the value of real estate is the overall health of the economy. This is generally measured by economic indicators such as the GDP, employment data, manufacturing activity, the prices of goods, etc. Broadly speaking Real Estate Sector contributes approximately 6% to India's GDP growth. Real estate contribution to India's gross domestic product (GDP) is estimated to increase to about 13 per cent by 2028, on the back of increasing industrial activity, improving income level and urbanization.

According to the National Housing Bank (NHB) Residex Index, residential property prices show an upward trend in the second half of 2014. First half had seen property prices dip, as the weak rupee and high inflation had a negative impact on spending. The year 2014 has also seen delays in approvals, project clearances and targets, apart from debt commitment on property and government spending less in this area and a huge delay in finishing projects. Needless to mention that 2015 will largely be about recovery. The RBI will most likely cut interest rates and this will see more spending in the residential real estate segment. The Ministry of Statistics Program and Implementation and PwC Analysis predict a growth of 8 to 9 per cent. Added to this, the introduction of REITs, improved market sentiment and more efforts by the government to reduce project loopholes and bottlenecks in transactions will go a long way in clearing the way for positive trends in 2015.

## **Foray Into Sports**

Based on our belief that sports is an

integral part of India story, we are very happy to inform that after winning the inaugural edition of Indian Badminton League in 2013 with our team Hyderabad Hotshots, we were runners up in the inaugural edition of Indian Super League (ISL) in December 2014 with our club Kerala Blasters FC. This will certainly compliment us as a corporate in the landscape of Sports activities apart from Cricket. Non-cricket sports in India usually have a long gestation period before they start generating returns, however we feel that in the long run the fundamentals of ISL look robust and strong.

### **Opportunities and Threats**

The major demand drivers for India's real estate market have been sustained economic growth, large scale urbanisation, expansion in India's services industry, increased disposable income levels of the middle class consumers, tax savings on home Loan products as well as real estate being considered a conventional class of investment asset. This has been further supplemented with easier and flexible financing options from increasing number of private players in this field.

With the Indian economy reviving post the general elections of May 2014, the real estate sector is warming up to the possibility of a new investment cycle. On the other hand, barring the US, the global economy continues to remain vulnerable to uncertainties, and this makes India's position more lucrative. The ruling government's action in addressing concerns of stakeholders through reforms (in the Land Acquisition Act, the

Real Estate Regulatory bill, relaxation of FDI rules, etc.) is helping sentiments in the realty space.

The residential segment which contributes about 80 percent to the real estate sector is expected to grow significantly over the next few decades. Especially with the RBI cutting repo rates three times in 2015 encourages the potential buyers to invest more in residential segment. It is estimated that India Cities need to develop at least two million houses annually for growing population. The actual number could be much higher as it does not include push in demand from re-development and shrinking size of households. Further, there was a housing shortage of about 18.7 million. Thus India needs to develop almost 45-50 million housing units by 2028. (KPMG in India Analysis)

India has huge potential to attract large foreign investments into real estate. With real estate reaching a point of saturation in developed countries and the demand and prices falling, global real estate players are looking at emerging economies such as India for tapping opportunities in real estate. Indian real estate will stay attractive due to its strong economic fundamentals and demographic factors. Moreover, there is a high level of global uncertainty looming over the developed and developing nations of the world. While developed economies are still struggling to regain their growth momentum, developing countries including India and China are expected to grow at a reasonably high rate. Investments in Indian real estate will fetch higher returns for investors as compared to other global markets. In

the coming years, the opportunities in the real estate sector will attract more global players to India and hence will help the industry to mature, become more transparent, improve management and adopt advanced construction techniques.

The Indian Real Estate industry has been on a roller coaster ride since 2005. Consequent to the government's policy to allow Foreign Direct Investment (FDI) in this sector, there was a boom in investment and developmental activities. The sector not only witnessed the entry of many new domestic realty players but also the arrival of many foreign real estate investment companies including private equity funds, pension funds and development companies entered the sector lured by the high returns on investments. The real estate sector has been riding through many highs and lows since then. The industry achieved new heights during 2007 and early 2008, characterised by a growth in demand, substantial development and increased foreign investments. However, since then, the effects of the global economic slowdown were evident here too, and the industry took a 'U' turn. FDI inflow into real estate dropped significantly and what had emerged as one of the most promising markets for foreign investments experienced a downturn.

## Financial Performance [CONSOLIDATED BASIS]

- 1. Capital Structure** There is no change in the capital structure during the period under report.
- 2. Reserves and Surplus** The decrease in Reserves and Surplus has been contributed by the significant increase in cost of sales coupled with reduction in revenue and amortization of goodwill during the year.
- 3. Borrowings** The decrease in Long Term Borrowings is due to repayment of borrowings from other body corporate.
- 4. Non- Current Investments** Investments done in various companies both listed and unlisted considering the business objectives and long term revenue generations from those investments.
- 5. Long Term and Short Term Loans and Advances** This indicates various other advances given by the Company in its regular course of business operations.
- 6. Revenue from Operations** The consolidated revenue decreased to Rs.53.36 crores from Rs.63.47 crores during the previous year.
- 7. Cost of Sales** This indicates to expenditure incurred by the Company towards its sports operations.
- 8. Employee Benefit Expenses** The minimal increase in employee benefit expenses is due to increase in provision made for retirement benefits and other perquisites extended to employees.
- 9. Other Expenditure** The decrease in the other expenditure was mainly due reduction of administrative expenditures.
- 10. Exceptional Items** The decrease in exceptional items was due to write back of provisions which are no longer required.

**11. Net Profit** The consolidated net loss for the year was Rs. 25.41 crores as against a net profit of Rs.2.81 crores during the previous year. Increase of loss mainly contributed by the activities of sports.

## Outlook

The real estate market in India is yet in a nascent stage and the scope is simply unlimited. It does not resemble a bubble that will burst. The Industry is on more strong footing than it has been for quite some time. An unhindered growth for the next twenty years is almost sure. Emergence of nuclear families and growing urbanisation have given rise to several townships.

The Indian real estate sector has traditionally been an unorganised sector but it is slowly evolving into a more organised one. The sector is embracing professional standards and transparency with open arms. Especially with the introduction of Real Estate Investment Trust (REIT) which will be instrumental in bringing in more transparency as well as accountability in the sector.

Market sentiment relating to real estate moved from subdued in the first half of 2014 to a phase where global investors were seen firming up plans to inject funds into India. Fund raising activities picked up, and this momentum is likely to continue in 2015. The market has begun showing signs of transition from one-way investments towards an increase in investor-developer partnerships. Joint venture and club funding is gaining preference in India, and investors are likely to look beyond the top three destinations - Mumbai, Bangalore

and NCR and move down south towards Chennai and Hyderabad for development opportunities. As a result, we will see Grade-A commercial and residential properties in tier-II and tier-III cities benefiting. Attractively-priced and well-located residential projects will continue to lure investments in 2015.

The reduction in repo rate by RBI will help gain momentum in real estate industry. It would have a direct effect in reduction of home loans by banks thereby encouraging credible buyers to invest in real estate property.

## Risks and Concerns

Market instability and uncertainty may create a slight flutter in this industry. The Current economic outlook, though not dire, seems bleak and can hamper the industry growth. Soaring numbers of corruption allegation cases across various State Governments and government officials shows India in poor light and can create a cascading effect in attracting further investments. Further, Continuous change in policies will tend to affect investment as well. Moreover, restrictive laws governing Foreign Direct Investment into real estate make it difficult for foreign investors to look at India.

High inflation rate has been pushing construction costs up and this, combined with the high cost of capital will lead to steep pricing. Frivolous litigations and unclear land titles has plagued this industry. Lack of transparency has hampered further investments in this field with investors focusing on other secure markets.

The Real Estate demand otherwise continues to remain subdued, reeling under the pressure of weak consumer sentiment, low affordability levels and general economic uncertainty. This in-turn has resulted in a significant increase in unsold inventory across markets. Given the high unsold inventory levels, the focus of developers shifted to offloading existing stock as opposed to launch of new projects, which in turn has resulted in a decline in new launches across micro markets. The delays in execution, on account of factors like shortage of labour and material as well as paucity of funds has adversely impacted the cash inflows for the developers since customers advances are linked to the construction progress achieved. The liquidity position of developers is further aggravated by the increasing difficulty in accessing bank funding and high interest rates.

### **Internal Control System and their adequacy**

The internal audit and other internal checks implemented in the Company are adequate and commensurate with the size and nature of operations providing sufficient assurance and safe guarding all assets, authorizing transactions and its recording and timely reporting.

### **Human Resources and Industrial Relations**

Industrial relations are harmonious. The company recognizes the importance and contribution of the human resources for its growth and development.

### **Cautionary Statements**

*Statements in this Management Discussion and Analysis may contain forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. These statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Important developments that could affect the company's operations include a downtrend in media and entertainment sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigations, exchange rate fluctuations, interest and other costs. The term "Real Estate" wherever used by the Company includes Development of Real Estate Projects.*

# report on corporate governance



PVP Ventures Limited believes in the system of accountability, transparency and business ethics as prescribed in Clause 49 of the Listing Agreement with the stock exchanges.

PVP Ventures Limited believes in the following three tier Corporate Governance Structure:

1. Members appoint the Board of Directors ('Board') and authorize to conduct business with objectivity and ensure accountability;
2. Board leads the strategic management of the Company on behalf of the Shareholders and in the best interests of all the Stakeholders, exercises supervision through direction and control and constitutes various Committees to handle specific areas of responsibilities; and
3. The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company are bring managed according to the strategies and targets set by the Board.

The above principles have been the guiding force for whatever your Company does and shall continue to be so in the years to come. The Company is committed to adopting to the best practices in Corporate Governance and Disclosure.

## **Board Composition**

### **A. Composition and Category of Directors**

The Board consists of four Directors comprising 1 (one) Executive Director, 2 (two) Independent Directors and 1 (one) Non-Executive Director, as on March 31, 2015. The composition of the Board represents the finest blend of professionals from various backgrounds which enables the Board to discharge its responsibilities more efficiently and provide effective leadership by taking the Company's business to achieve greater heights.

The details of each Member of the Board along with number of Directorship(s)/ Committee Membership(s) held by Directors in companies other than PVP Ventures Limited, along with age of the Director, date of appointment to the Board of PVP Ventures Limited and Director Identification Number (DIN) are provided below for the period ended March 31, 2015:

NAME OF THE DIRECTOR	AGE IN YEARS	DESIGNATION/ POSITION	DATE OF APPOINTMENT	DIN	DIRECTORSHIPS IN INDIAN PUBLIC COMPANIES	POSITION ON COMMITTEES OF THE BOARD OF INDIAN COMPANIES	
						AS CHAIRMAN	AS MEMBER
Mr. N S Kumar	67	Non-Executive and Independent Director	19/03/2001	00552519	4	2	5
Mr. R. Nagarajan	76	Non- Executive and Independent Director	19/03/2001	00443963	4	5	2
Mrs. P. Sai Padma	42	Non-Executive Director	28/03/2015	01683528	3	Nil	2
Mr. Prasad V. Potluri	44	Chairman and Managing Director	04/12/2007	00179175	2	Nil	4

## Notes

1. Mr. Prasad V. Potluri and Mrs. P. Sai Padma are related to each other.
2. Directorship in companies include Listed and Unlisted Companies including PVP Ventures Limited and its Subsidiaries.
3. As required by Clause 49 of the Listing Agreement, the disclosure includes Membership/Chairpersonship of the Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration in India Public Companies (Listed and Unlisted).

## Directors Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Chairman and Managing Director and Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The Management provides such information and training either at the Meeting of Board of Directors or otherwise.

The induction process is designed to:

- a. build an understanding of the organization, its business and the markets and regulatory environment in which it operates;
- b. provide an appreciation of the role and responsibilities of the Director
- c. fully equip Directors to perform their role on the Board effectively; and
- d. develop understanding of the Company's people and its Key stakeholder relationships.



Upon appointment, the Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings.

The details of Director's induction and familiarization are available on the Company's website at [www.pvpglobal.com](http://www.pvpglobal.com).

### **Attendance of the Directors at the Board Meetings and the 23rd Annual General Meeting**

The calendar of Board Meetings is decided in consultation with the Board and the schedule of such meetings is communicated to all Directors well in advance. Generally, the Board Meetings are held in Chennai where the Registered Office of your Company is situated. The agenda for the Board Meeting is generally circulated few days prior to the date of the Meeting and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions on behalf of the esteemed Shareholders.

In case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law.

Your Board met Seven (7) times during the financial year 2014 -15 i.e., on April 11, 2014, May 28, 2014, August 08, 2014, September 04, 2014, November 10, 2014, February 13, 2015 and March 28, 2015.

The necessary quorum was present for all the Board Meetings and the 23rd Annual General Meeting. The maximum interval between any two Board Meetings was well within the maximum allowed gap of four months. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and sub-Committees of the Board.

The attendance of the Directors at the Meeting of Board of Directors held during financial year 2014-15 is as follows:

SL NO	NAME OF THE DIRECTOR	NO. OF MEETINGS	
		HELD	ATTENDED
1	Mr. Prasad V. Potluri	7	6
2	Mr. R Nagarajan	7	7
3	Mr. N S Kumar	7	7
4	Mrs. P. Sai Padma*	7	1

*\*Mrs. P. Sai Padma was appointed as Non-executive Woman Director at the Meeting of Board of Directors held on March 28, 2015.*

Except Mrs. P. Sai Padma, none of the other Directors holds any shares in the Company.

A code of conduct as applicable to the Directors and the designated senior management of the Company had been approved by the Board and adhered by them. A declaration to this effect from the Chairman and Managing Director of the Company is provided in this Annual Report at **Annexure 7**.

### **Meeting of Independent Directors**

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least 1 meeting in a year, without the attendance of non-independent directors and members of the management. All the independent directors of the Company shall strive to be present at such meetings. The Meeting shall review the performance of non-independent directors and Board as a whole, review the performance of the chairperson of the company, taking into account the views of executive directors and non-executive director and assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have held a meeting on February 13, 2015, in this regard and discussed, among other matters, the performance of the Company and risks faced by it, flow of information to the Board, competition, strategy, leadership strengths, weaknesses, governance, compliance, board movements, HR matters and performance of Chairman.

## **B. Committees of the Board**

### **1. Audit and Corporate Social Responsibility Committee**

The Audit Committee is constituted in accordance with Clause 49 of the Listing Agreement. Further, pursuant Section 135 of the Companies Act, 2013, the Company is required to constitute Corporate Social Responsibility Committee. As the expenditure towards CSR activities has to be reviewed by the Audit Committee and the constitution of the committees are similar, it was decided at the Meeting of Board of Directors held on February 13, 2015 to rechristen the nomenclature of Audit Committee as 'Audit and CSR Committee' with additional terms of reference.

The Audit Committee reports to the Board and is primarily responsible for:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Reviewing and examination with management the quarterly financial results before submission to the Board;

- c. Reviewing and examination with management the annual financial statements before submission to the Board and auditor's report thereon.
- d. Review management discussion and analysis of financial condition and results of operations
- e. Scrutiny of inter-corporate loans and investments made by the Company
- f. Reviewing with management the annual financial statements as well as investments made by the material unlisted Indian subsidiary
- g. Reviewing, approving and subsequently modifying any Related Party Transactions in accordance with Related party transactions policy of the Company
- h. Approving the appointment of Chief Financial Officer after assessing the qualification, experience and background of the candidate
- i. Recommending the appointment, remuneration and terms of appointment of statutory auditors of the Company and approval of payment for any other services
- j. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process.
- k. Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- l. Reviewing with management, statutory auditors and internal auditor, the adequacy of internal control systems
- m. Recommending, appointment, remuneration and terms of appointment of Internal Auditor of the Company
- n. Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues
- o. Evaluating internal financial controls and risk management systems.
- p. Reviewing the functioning of the Whistle blowing mechanism.

In addition to the above the committee is also responsible for:

- a. Formulate and recommend to the Board, a CSR Policy
- b. Recommend the amount of expenditure to be incurred on the CSR Activities
- c. Monitor the implementation of the CSR Policy and expenditure incurred on the CSR activities.

The Audit Committee has three Directors, as per the details given below. All Members are financially literate and have the required accounting and financial management expertise. The Chairman of the Audit Committee, Mr. R. Nagarajan, is an Independent Director and he was present at the last Annual General Meeting to answer the Shareholders' queries. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

During May 2014, the Board approved and adopted the Whistleblower Policy. The Company had established a mechanism for Directors and employees to report con-

cerns about unethical behavior, actual or suspected fraud. It also provides for adequate safeguards against the victimization of Directors and employees who avails the mechanism, and allows direct access to the Chairman of the Audit Committee in exceptional cases. The Whistleblower policy is available on the Company's website i.e., <http://www.pvpglobal.com/pdf/WhistleBlowerPolicy-PVPL.pdf> and forms part of this report as **Annexure 8**.

The Audit Committee met four times during the financial year 2014-15 on May 28, 2014, August 08, 2014, November 10, 2014 and February 13, 2015 and not more than four months had elapsed between two Audit Committee Meetings. The necessary quorum was present for all the Audit Committee Meetings.

### **Details of Composition and Attendance of the Audit Committee Meetings**

NAME OF THE DIRECTOR	CATEGORY	POSITION	NUMBER OF AUDIT COMMITTEE MEETINGS	
			HELD	ATTENDED
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman	4	4
Mr. N S Kumar	Non-Executive and Independent Director	Member	4	4
Mr. Prasad V. Potluri	Chairman and Managing Director	Member	4	4

## **2. Stakeholders' Relationship Committee**

The Stakeholder Relationship Committee is responsible for:

- a. Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.
- b. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

The Company Secretary of the Company acts as the Secretary to the Stakeholders' Relationship Committee.

Your Company has a designated e-mail ID i.e., [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com) exclusively for the purpose of registering complaints and grievances of Shareholders.

Your Company has also displayed the said email ID and other relevant details prominently under the investors section in its website, [www.pvpglobal.com](http://www.pvpglobal.com) for creating investor awareness.

Your Company maintains a functional website i.e., [www.pvpglobal.com](http://www.pvpglobal.com) containing necessary information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling

investor grievances and details of agreements entered into with the media companies and/or their associates, etc.. The contents of the said website are updated regularly as per Clause 54 of the Listing Agreement.

The Committee met 4 times on May 28, 2014, August 08, 2014, November 10, 2014 and February 13, 2015 during the financial year 2014-15.

### **Details of Composition and Attendance of the Stakeholders' Relationship Committee**

NAME OF THE DIRECTOR	CATEGORY	POSITION	NUMBER OF AUDIT COMMITTEE MEETINGS	
			HELD	ATTENDED
Mr. R. Nagarajan	Non-Executive and Independent Director	Chairman	4	4
Mr. N S Kumar	Non-Executive and Independent Director	Member	4	4
Mr. Prasad V. Potluri	Chairman and Managing Director	Member	4	4

### **Investor Grievance Redressal**

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

TYPE OF COMPLAINTS	NO. OF COMPLAINTS		
	RECEIVED	RESOLVED	CLOSING
Non-receipt of Annual Reports	Nil	N.A.	N.A.
Share Transfer Related	Nil	N.A.	N.A.

### **3. Nomination and Remuneration Committee**

The Nomination and Remuneration committee comprises of Mr. N S Kumar as the Chairman, Mr. R Nagarajan and Mrs. P. Sai Padma as Members of the Committee. During the year Mr. Prasad V. Potluri stepped down as a member of the Committee with effect from March 28, 2015 to the make the composition of the committee consistent with the requirements of revised Clause 49 of the Listing Agreement. In terms of Section 178(1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination and Remuneration committee should comprise of at least 3 Directors, all of whom should be Non-executive Directors. At least half of the Committee members should be independent with an Independent Director acting as the Chairman of the Committee.

The role of Nomination and Remuneration Committee is as follows:

- a. Determine/recommend the criteria for appointment of Executive, Non-executive and Independent Directors to the Board

- b. Determine/recommend the criteria for qualifications, positive attributes and independence of Director
- c. Review and determine all elements of remuneration package of the executive directors i.e., salary, benefits, bonuses, stock options, pension etc.
- d. Formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole

During the year under review, no Meeting of Nomination and Remuneration Committee was held.

### Remuneration paid to the Non-executive Directors during the year 2014-15

The Company has not paid any remuneration to its non-executive directors, except the sitting fees paid for attending the meetings of the Board and the Committees. The Company does not have any employee stock option scheme in force.

### Details of sitting fees paid to the Directors are as follows:

NAME OF THE DIRECTOR	AMOUNT [IN RUPEES]
Mr. Prasad V. Potluri	Nil
Mr. R. Nagarajan	Rs.187,416
Mr. N. S. Kumar	Rs.187,416
Mrs. P. Sai Padma	Nil

### Details of equity shares of the Company held by Directors as on March 31, 2015

NAME OF THE DIRECTOR	NO. OF SHARES @ RS. 10 EACH
Mr. Prasad V. Potluri	Nil
Mr. R. Nagarajan	Nil
Mr. N. S. Kumar	Nil
Mrs. P. Sai Padma	15,00,000 Equity shares

### Information Pursuant To Clause 32 Of The Listing Agreement

### Loans and Advances in the nature of loans to Subsidiaries/Associates

NAME OF THE COMPANY	BALANCE AS AT MARCH 31, 2015	MAXIMUM OUTSTANDING DURING THE YEAR
<b>SUBSIDIARY(IES)</b>		
PVP Media Ventures Ltd.	164,600.00	169,800.00
PVP Island Pvt. Ltd.	306,320.00	306,320.00
New Cyberabad City Projects Pvt. Ltd.	2,181,851,346.34	2,181,851,346.34
Safetrunk Services Pvt. Ltd.	3,593,463.00	3,593,463.00
PVP Global Ventures Pvt. Ltd.	3,646,802,584.12	4,056,187,307.12

## **D. Shareholder Information**

### **General Body Meetings**

#### **a. Annual General Meetings**

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

<b>YEAR</b>	<b>VENUE</b>	<b>DATE AND TIME</b>	<b>SPECIAL RESOLUTIONS PASSED</b>
2011-12	Kamaraj Arangam, No. 492, (Old No. 574-A) Anna Salai, Teynampet. Chennai - 600 006	September 26, 2012 10.00 am	Nil
2012-13	Kamaraj Arangam, No. 492, (Old No. 574-A) Anna Salai, Teynampet. Chennai - 600 006	September 26, 2013 10.00 am	1. Commencement of new Business covered under Other objects clause of Memorandum of Association 2. Variation in terms of appointment of Mr. Prasad V. Potluri as Chairman and Managing Director of the Company
2013-14	The Kings Hall The Pleasant Days Resort Chennai-Bangalore Highway Palanjur, Sembarambakkam, Chennai - 60 0123	September 26, 2014 10.00 am	1. Appointment of Mr. R Nagarajan as Independent Director under the Companies Act, 2013 for a period of 5 years. 2. Appointment of Mr. N S Kumar as Independent Director under the Companies Act, 2013 for a period of 5 years 3. To alter the Articles of Association of the Company

#### **b. Extraordinary General Meetings**

No Extraordinary General Meeting held during the year.

#### **c. Postal Ballot**

During the year under, following Special Resolutions were passed through a Postal Ballot:

1. To authorize the Board to borrow up to Rs.3000 crore
2. To authorize the Board to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking of the Company both present and future; and
3. To authorize the Board to make loans or give guarantee/provide securities and/or invest in securities up to Rs.3000 crores

The Board had appointed Mr. D. Hanumanta Raju, Partner of D. Hanumanta Raju and Co., Practicing Company Secretaries, Hyderabad, as the scrutinizer to conduct the Postal Ballot process. The results of the postal ballot were declared on October 14, 2014. Details of the voting pattern were as under:

DESCRIPTION OF THE RESOLUTION	NO. OF TOTAL VALID POSTAL BALLOT FORMS/ E-VOTES RECEIVED	VOTES CAST (NO. OF SHARES)	
		FOR	AGAINST
To authorize the Board to borrow up to Rs.3000 crore	71	142801688	20771
To authorize the Board to sell, lease, mortgage or otherwise dispose of the whole or substantially the whole of the undertaking of the Company both present and future	69	142800638	21820
To authorize the Board to make loans or give guarantee/provide securities and/or invest in securities up to Rs.3000 crores	68	142797988	24470

Accordingly the said Resolutions were approved by the shareholders, with requisite majority.

#### E. Disclosures

1. There were NO Material Related Party Transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives etc. during the year that may have potential conflict with the interests of the Company at large. All related party transactions are intended to further the business interests of the Company. The Policy on Related Party Transactions as approved and adopted by the Board of Directors is displayed on the website of the Company at [www.pvpglobal.com/html/other-statutory-information.html](http://www.pvpglobal.com/html/other-statutory-information.html)

2. During the year under review Securities & Exchange Board of India ('SEBI') vide Adjudication Orders nos. ASK/AO-174/2014-15 and ASK/AO-175/2014-15 and dated March 27, 2015 has imposed penalty of Rs.15,00,000/- each against the Company and Mr. Prasad V. Potluri, Chairman and Managing Director for alleged non-disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992.

Further, SEBI vide Adjudication Order nos. ASK/AO-172/2014-15 and ASK/AO-173/2014-15 and dated March 27, 2015 has imposed penalty of Rs.15,15,00,000/- each against PVP Global Ventures Private Limited ('wholly owned subsidiary') and Mr. Prasad V. Potluri (Promoter-Director of PVP Global Ventures Private Limited) for the alleged Insider Trading Violations during the period 2009-10.

The Company challenged the said impugned orders before the Securities Appellate Tribunal ('SAT') during June 2015.

3. Further to the Disclosure made at point no (iii) in the previous year Annual Report i.e.,2013-14, at page no. 46, it is submitted that the provisional attachment order issued by the Enforcement Directorate, Hyderabad Zonal Office ('ED'), was confirmed by the Adjudicating authority, at New Delhi on May 20, 2015. Consequently, the ED has attached 28 acres of land held by Adobe Real-



tors Private Limited, at Survey No. 609, Nadargul Village, Saroor Nagar Revenue Mandal, Ranga Reddy Dist., Telangana and taken possession of the property on August 4, 2015. Adobe Realtors Private Limited has challenged the attachment order before the Appellate Tribunal on July 3, 2015 and the matter is pending before it.

4. The Whistle blower policy as approved and adopted by the Board of Directors provides adequate safeguards against victimization of employees and provides access to the Audit Committee.
5. Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company has also fulfilled the following non mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreement:
  - a. The Company has moved towards the regime of Unqualified Financial Statements;
  - b. The Internal Auditor of the Company directly reports to the Audit Committee
6. The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there are no statutory audit qualifications on the financial statements for the year ended March 31, 2015. Further, in the preparation of financial statements, a treatment difference from that prescribed in the said Accounting Standards has not been followed by the Company.
7. In terms of Clause 49(VIII)(IX) of the Listing Agreement, the Chairman and Managing Director and the Chief Financial Officer submitted a certificate to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The said certificate forms part of this Annual Report and placed at **Annexure 9**.
8. The Company at its Meeting of Board of Directors held on May 29, 2015 has approved and adopted the Fair Practices Code and Internal Code of Conduct for employees and connected person in accordance with the revised SEBI (Prohibition of Insider Trading) Regulations, 2015. The Fair Practices code is displayed on company's website i.e., <http://www.pvpglobal.com/pdf/PVPCode.pdf>
9. The Board regularly discusses the significant business risks identified by the Management and the mitigation process being taken up.
10. The Company did not raise any funds during the year under preferential issue mode/rights issue/public issue.

## Means of Communication

The Company announced the quarterly/half-yearly/annual results within the prescribed period and published the same in newspapers such as Business Standard (in English) and in Makkal Kural (in Tamil). The results are also made available on the website of the Company [www.pvpglobal.com](http://www.pvpglobal.com). The website also displays vital information relating to the Company and its performance and such other statutory information such as shareholding pattern, annual reports, policies/code of conduct and such other like.

## General Shareholders Information

<b>1.</b>	<b>Annual General Meeting</b> will be held on Tuesday, the September 29, 2015 at 10.00 am. at Hotel Green Park, Vauhini Hall, No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai 600 026, Tamil Nadu																																																																					
<b>2.</b>	<b>Financial Year</b> of the Company is 1st April to 31 March.																																																																					
<b>3.</b>	<b>Financial Reporting:</b> For the quarter ending June 30, 2015, September 30, 2015, December 31, 2015 will be within forty five days from the closure of the quarter and For the quarter and year ending March 31, 2015 within 60 days from the closure of the quarter.																																																																					
<b>4.</b>	<b>Dates of Book Closure</b> will be from September 25, 2015 to September 29, 2015 (both days inclusive).																																																																					
<b>5.</b>	<b>Company's shares</b> are listed on the BSE Limited and the National Stock Exchange of India Limited and the GDRs are listed on the London Stock Exchange																																																																					
<b>6.</b>	<b>Stock Code</b> of the Company's scrip is 517556																																																																					
<b>7.</b>	<b>ISIN</b> Code is INE362A01016																																																																					
<b>8.</b>	<p><b>High and Low Market Price</b> during each month in the accounting year was as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">MONTH</th> <th colspan="2">BSE</th> <th colspan="2">NSE</th> </tr> <tr> <th>HIGH PRICE</th> <th>LOW PRICE</th> <th>HIGH PRICE</th> <th>LOW PRICE</th> </tr> </thead> <tbody> <tr> <td>Apr-14</td> <td>9.93</td> <td>4.91</td> <td>9.95</td> <td>4.80</td> </tr> <tr> <td>May-14</td> <td>10.30</td> <td>6.80</td> <td>10.10</td> <td>6.75</td> </tr> <tr> <td>Jun-14</td> <td>11.50</td> <td>8.20</td> <td>11.55</td> <td>8.25</td> </tr> <tr> <td>Jul-14</td> <td>10.30</td> <td>7.41</td> <td>9.95</td> <td>7.40</td> </tr> <tr> <td>Aug-14</td> <td>7.93</td> <td>5.86</td> <td>8.05</td> <td>5.60</td> </tr> <tr> <td>Sep-14</td> <td>11.59</td> <td>6.91</td> <td>11.65</td> <td>6.60</td> </tr> <tr> <td>Oct-14</td> <td>11.20</td> <td>8.60</td> <td>11.20</td> <td>8.35</td> </tr> <tr> <td>Nov-14</td> <td>10.25</td> <td>7.50</td> <td>10.15</td> <td>7.40</td> </tr> <tr> <td>Dec-14</td> <td>9.10</td> <td>6.82</td> <td>8.50</td> <td>6.55</td> </tr> <tr> <td>Jan-15</td> <td>8.59</td> <td>7.00</td> <td>8.90</td> <td>7.10</td> </tr> <tr> <td>Feb-15</td> <td>7.88</td> <td>6.46</td> <td>7.90</td> <td>6.45</td> </tr> <tr> <td>Mar-15</td> <td>7.40</td> <td>4.90</td> <td>7.30</td> <td>4.80</td> </tr> </tbody> </table>	MONTH	BSE		NSE		HIGH PRICE	LOW PRICE	HIGH PRICE	LOW PRICE	Apr-14	9.93	4.91	9.95	4.80	May-14	10.30	6.80	10.10	6.75	Jun-14	11.50	8.20	11.55	8.25	Jul-14	10.30	7.41	9.95	7.40	Aug-14	7.93	5.86	8.05	5.60	Sep-14	11.59	6.91	11.65	6.60	Oct-14	11.20	8.60	11.20	8.35	Nov-14	10.25	7.50	10.15	7.40	Dec-14	9.10	6.82	8.50	6.55	Jan-15	8.59	7.00	8.90	7.10	Feb-15	7.88	6.46	7.90	6.45	Mar-15	7.40	4.90	7.30	4.80
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<b>9.</b>	<b>Registrar and Share Transfer Agents</b> of the Company is Karvy Computershare Private Limited C/o Karvy Selenium Tower B, Plot Nos. 31 and 32, Financial District, Nanakramguda, Serlingampally Mandal, Hyderabad 500 032, Telangana; T: +91 040 - 6716 1591 E: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>																								
<b>10.</b>	<b>Share Transfer System:</b> The Registrar and Share Transfer Agents, Karvy Computershare Private Limited, handle share transfers under the overall supervision of the Stakeholders' Relationship Committee.																								
<b>11.</b>	Categories of Shareholders as on 31st March, 2015 was as follows: <table border="1"> <thead> <tr> <th>CATEGORY</th> <th>NO. OF SHARES</th> <th>% TO SHARE CAPITAL</th> </tr> </thead> <tbody> <tr> <td>Promoters</td> <td>14,09,90,766</td> <td>57.53</td> </tr> <tr> <td>FIs and Financial Institutions/Banks</td> <td>13,65,732</td> <td>0.56</td> </tr> <tr> <td>Private Corporate Bodies</td> <td>1,25,31,281</td> <td>5.11</td> </tr> <tr> <td>Indian Public</td> <td>6,06,85,939</td> <td>24.76</td> </tr> <tr> <td>NRIs / HUFs/Clearing Members/Others</td> <td>2,93,86,765</td> <td>12.00</td> </tr> <tr> <td>Custodians of GDRs</td> <td>92,218</td> <td>0.04</td> </tr> <tr> <td><b>GRAND TOTAL</b></td> <td><b>24,50,52,701</b></td> <td><b>100.00</b></td> </tr> </tbody> </table>	CATEGORY	NO. OF SHARES	% TO SHARE CAPITAL	Promoters	14,09,90,766	57.53	FIs and Financial Institutions/Banks	13,65,732	0.56	Private Corporate Bodies	1,25,31,281	5.11	Indian Public	6,06,85,939	24.76	NRIs / HUFs/Clearing Members/Others	2,93,86,765	12.00	Custodians of GDRs	92,218	0.04	<b>GRAND TOTAL</b>	<b>24,50,52,701</b>	<b>100.00</b>
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Custodians of GDRs	92,218	0.04																							
<b>GRAND TOTAL</b>	<b>24,50,52,701</b>	<b>100.00</b>																							
<b>12.</b>	<b>Dematerialization of Shares and Liquidity:</b> To facilitate trading in dematerialized form, the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are actively traded on the Bombay Stock Exchange Limited. As on 31st March, 2015, 99.88% shares were held in dematerialized form.																								
<b>13.</b>	<b>Compliance Officer:</b> Mr. G S V Ranga, Head - Legal and Company Secretary; T: +91-40-6730 9999; F No: +90-40-6730 9988 E: <a href="mailto:investorrelations@pvpglobal.com">investorrelations@pvpglobal.com</a>																								
<b>14.</b>	<b>Address for Correspondence:</b> PVP Ventures Limited, 4th Floor, Punnaiah Plaza, Plot No.83 and 84, Road No.2, Banjara Hills, Hyderabad - 500034. T: +91-40-6730 9999; F No: +91-40-6730 9988. E: <a href="mailto:investorrelations@pvpglobal.com">investorrelations@pvpglobal.com</a>																								
<b>15.</b>	<b>Investor Relations:</b> The Company generally replies to all the queries of the investors within a week of their receipt.																								
<b>16.</b>	<b>Nomination Facility:</b> Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to contact the Company's Share Transfer Agents: <b>Karvy Computershare Private Limited</b> , C/o Karvy Selenium Tower B, Plot Nos. 31 and 32, Financial District, Nanakramguda, Serlingampally Mandal, Hyderabad - 500032, Telangana; T: +91 040 - 6716 1591 4 E: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>																								

### Distribution of Shareholding as at March 31, 2015

SL. NO.	CATEGORY (SHARES)	NO. OF HOLDERS	% TO HOLDERS	NO. OF SHARES	% TO EQUITY
<b>1.</b>	1 - 5000	28659	94.41	16384955	6.69
<b>2.</b>	5001 - 10000	809	2.66	6289916	2.57
<b>3.</b>	10001 - 20000	407	1.34	5859591	2.39
<b>4.</b>	20001 - 30000	155	0.51	3953302	1.61
<b>5.</b>	30001 - 40000	63	0.21	2181363	0.89

<b>6.</b>	40001 - 50000	49	0.16	2272334	0.93
<b>7.</b>	50001 - 100000	125	0.41	8801842	3.59
<b>8.</b>	100001 and above	90	0.30	199309398	81.33
	<b>TOTAL</b>	<b>30357</b>	<b>100</b>	<b>245052701</b>	<b>100.00</b>

### Corporate Governance Certificate

A Certificate obtained from a firm of Practising Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 forms part of this Annual Report and appended as **Annexure 10**.

### Annexure - 1

Statement containing the salient features of the financial statements of subsidiaries/associate companies/joint ventures

NAME*	REPORTING PERIOD	REPORTING CURRENCY	SHARE CAPITAL	RESERVES AND SURPLUS	TOTAL ASSETS	TOTAL LIABILITIES	INVESTMENTS	TURNOVER	PROFIT / (LOSS) BEFORE TAXATION	PROVISION FOR TAXATION	PROFIT / (LOSS) AFTER TAXATION	PD**	% ***
PCPPL	31.03.2015	INR	5,000,000	167,614,169	172,675,349	61,180	-	-	(129,004)	-	(129,004)	-	100%
PMVPL	31.03.2015	INR	190,000	(280,276,487)	120,239,349	400,325,836	120,165,720	-	(280,255,220)	-	(280,255,220)	-	100%
PGVPL	31.03.2015	INR	56,028,690	(700,475,526)	3,278,005,673	3,922,452,509	1,565,257,032	118758315	11,539,152	42,993,708	(31,454,556)	-	100%
PIPL	31.03.2015	INR	100,000	(349,244)	68,312	317,556	-	-	(349,244)	-	(349,244)	-	100%
NCCPPL	31.03.2015	INR	124,70,000	335,353,190	2,529,848,695	2,182,025,505	-	-	285,557,359	-	285,557,359	-	81%
SSPL	31.03.2015	INR	100,000	(27,874)	3,676,825	3,604,699	-	-	(27,874)	-	(27,874)	-	100%
BSVPL	31.03.2015	INR	1,000,000	(332,733,280)	1,000,000	332,733,280	-	-	(332,733,280)	-	(332,733,280)	-	60%
PML	31.03.2015	INR	522,500,000	103,782,095	1,422,976,135	796,694,040	256,718,500	197,539,308	(57,323,462)	(231,865)	(57,091,597)	-	35.96%
* NAME OF THE SUBSIDIARY													
PVP CORPORATE PARKS PRIVATE LIMITED (PCPPL) PVP MEDIA VENTURES PRIVATE LIMITED (PMVPL) PVP GLOBAL VENTURES PRIVATE LIMITED (PGVPL) PVP ISLAND PRIVATE LIMITED (PIPL) NEW CYBERABAD CITY PROJECTS PVT LTD (NCCPPL) SAFETRUNK SERVICES PVT LTD (SSPL) BLASTERS SPORTS VENTURES PRIVATE LIMITED (BSVPL) PICTUREHOUSE MEDIA LIMITED (PML)													
** PROPOSED DIVIDEND													
*** % OF SHAREHOLDING													

#### Note:

- Names of Subsidiaries which are yet to commence operations-** PVP Corporate Parks Private Limited, PVP Media Ventures Private Limited, PVP Island Private limited, New Cyberabad City Projects Private Limited.
- Names of subsidiaries liquidated or sold or struck off during the year - NIL**

## **Annexure- 2**

### **Nomination, Remuneration and Performance Evaluation Policy**

#### **1. Introduction**

The Board of Directors (the “Board”) of PVP Ventures Limited (the “Company” or “PVPVL”), has adopted the following policy and procedures with regard to Appointment, Remuneration and Evaluation of performance of Directors, Key Managerial Personnel and Senior Management. The Board/ Audit Committee will review and may amend this policy from time to time.

This policy will be applicable to the Company effective from date of approval of the Board i.e., May 29, 2015.

#### **2. Title**

This policy with regard to Performance Evaluation and Remuneration shall be called the PVP Ventures Limited – Nomination, Remuneration & Performance Evaluation Policy (herein after referred to as the “Policy”).

#### **3. Scope**

This Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### **4. Definitions**

- a.** Act means Companies Act, 2013
- b.** Board means Board of Directors of the Company
- c.** Committee means Nomination and Remuneration Committee of the Company.
- d.** Company means PVP Ventures Limited
- e.** Employee means any employee of the Company (whether working in India or abroad)
- f.** Independent Director means a director who meets the criteria of Independence laid down under Section 149 of the Companies Act, 2013 read with the rules made there under and the Listing Agreement entered with the stock exchanges.

**g.** Key Managerial Personnel means:

- (i.) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii.) Chief Financial Officer;
- (iii.) Company Secretary; and
- (iv.) Such other officer who is reporting to Managing Director/CEO.

**h.** Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49 of the Listing Agreement.

**i.** Senior Managerial Personnel mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

## **5. Objective**

The objective of the policy is to ensure that

- a.** the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b.** relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c.** remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## **6. Composition of the Committee**

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Clause 49, as amended from time to time.

## **7. Role of the Committee**

The role of the NRC will be the following:

- a.** To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and other employees.

- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment and removal of Directors and Senior Management.
- d. To carry out evaluation of Director's performance.
- e. To devise a policy on Board diversity, composition, size.

#### **8. Appointment and Removal of Director, Key Managerial Personnel and Senior Management**

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and compliance of clause 49 of the Listing Agreement.
- d. While appointing Independent Directors, the Committee shall ensure that the person proposed to be appointed possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, administration, research, corporate governance, technical operations, other disciplines related to the Company's business and such other criteria as may be specified by any law amended from time to time.
- e. It shall also ensure that Directors proposed to be appointed are not disqualified under any law. In case of Independent Director, it shall ensure that person proposed to be appointed meets the criteria of independence as laid down by the Companies Act, 2013 and Listing Agreement as amended from time to time.
- f. The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

#### **9. Remuneration to Executive Directors, KMPs, Senior Management Personnel and other Employees of the Company**

- a. The Executive Directors, KMPs and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the rec-

ommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., medical expenses, LTA and other expenses shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- b.** The Managing Director of the Company may decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.
- c.** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director/KMPs in accordance with the provisions of Schedule V to the Companies Act, 2013 or prior approval of the Central Government as the case may be.
- d.** The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- e.** The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- f.** The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## **10. Remuneration to Non- Executive / Independent Director**

- a.** The Non- Executive / Independent Director may receive sitting fees, accommodation, travelling and other expenses incidental thereto for attending meetings of Board or Committee thereof.
- b.** Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c.** Remuneration /Commission, if applicable, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- d.** An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.



## 11. Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Each year the Board of the Company will carry out an evaluation of its own performance. The Board performance evaluation is designed to:

- a. review the pre-determined role of the Board collectively and individual Directors in discharge of duties as set out in the Company from time to time.
- b. annually assess how well directors are discharging their responsibilities; collectively by assessing the Board's effectiveness; and individually by assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities;
- c. annually assess the performance of directors in discharging their responsibilities;
- d. regularly evaluate the Directors' confidence in the integrity towards the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge; and
- e. enable Board members, individually and collectively, to develop the key skills required to meet foreseeable circumstances with timely preparation, agreed strategies and appropriate development goals.

This can be achieved by collectively assessing the Board's effectiveness and by individually assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities.

### Criteria for Evaluation of Performance

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

- a. Attendance and contribution at Board and Committee meetings
- b. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- c. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.

- d. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- e. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- f. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- g. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- h. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- i. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
- j. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- k. His/her contribution to enhance overall brand image of the Company.

#### **Procedure for Board Performance Evaluation**

- a. The Chairperson will meet with the directors either collectively or separately, as he may deem fit, seeking input in relation to the performance of the Board, each Board Committee, other Whole time Directors and his own performance.
- b. Performance should be assessed quantitatively and qualitatively, as appropriate, based on the strategic plans and the roles/position description.
- c. The Chairperson will collect the input and provide an overview report for discussion by the Board.
- d. The Board as a whole will discuss and analyse the performance collectively of each director individually and its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.

## **Procedure for Board Performance Evaluation of Managing Directors and Key Executive of the Company**

The Board will ensure that the Managing Directors and other key executives will execute the Company's strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- a. Each year the Board reviews the Company's strategy.
- b. Following such a review the Board sets the organization performance objectives based on qualitative and quantitative measures.
- c. These objectives are reviewed periodically to ensure that they remain consistent with the Company's priorities and the changing nature of the Company's business.
- d. These objectives form part of the performance targets as assigned to the Managing Directors.
- e. Performance against these objectives is reviewed annually by the Board.
- f. The Managing Directors are responsible for assessing the performance of the key executives and a report is provided to the Board for review.

## **12. Policy on Board Diversity**

- a. This Policy on Board Diversity (the "Policy") forms part of Performance Evaluation and Remuneration Policy and it sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board") and is devised in consultation with the Nomination and Remuneration Committee (the "Committee") of the Board.
- b. The Policy applies to the Board of PVP Ventures Limited (the "Company"). It does not apply to employees generally.
- c. The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are made on merit,

in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

- d. The Board and the Committee will review this Policy on a regular basis to ensure its effectiveness and also compliance with revised Clause 49 of the Equity Listing Agreement (the “Clause 49”).

### **13. Framework for Separate Meeting of Independent Directors**

- a. As required by the provisions of Schedule IV to the Act and the provisions of Clause 49, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.
- b. The meeting shall:
  1. review the performance of Non-independent Directors and the Board as a whole;
  2. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
  3. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- c. This meeting could be held prior or after the Board Meeting as desired.

### **14. Implementation**

- a. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b. The Committee may Delegate any of its powers to one or more of its members.

### **15. Disclosure'**

In accordance with the requirement under the Companies Act, 2013, Rules made thereunder and Listing Agreement, disclosures will be made in the Board Report regarding the manner in which the performance evaluation has been done by the Board of Directors of its own performance, performance of various Committees of Directors and individual Directors.

The Company shall disclose the same in its Annual Report.

This Policy will upload this policy on the website of the Company at [www.pvpglobal.com](http://www.pvpglobal.com). The provisions of this Policy can be amended/modified by the Board of Directors of the Company from time to time and all such amendments/modifications shall take effect from the date stated therein.

**Annexure - 3**  
**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

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

To,  
The Members,  
PVP Ventures Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015, according to the provisions of:

- (i.) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii.) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii.) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv.) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v.) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other Laws applicable to the company as per the representations made by the management

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

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified by the Central Government hence not applicable to the Company during the period of audit)
- (ii.) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited (NSE) and The London Stock Exchange Limited (GDRs).

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

*However during the period under review it was observed that the disclosure of interest of directors was taken on record by the Board at the meeting held on May 28, 2014 and continuation of Mr. Prasad Veera Potluri as Managing Director in Picturehouse Media Limited until the expiry of his term i.e. May 30, 2017 was ratified by the Board at their meeting held on May 28, 2014.*

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period under review it was observed that the company has received show cause notices from SEBI on 26.09.2013 for alleged non-compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 & SEBI (Prohibition of Insider Trading) Regulations, 1992 and the company has represented the case before the Adjudication Officer through its Attorneys and finally the Adjudication Officer has issued adjudication order(s) dated 27.03.2015 imposing a penalty of Rs. 15,00,000/- each on the company and on Mr. Prasad V. Potluri, Chairman and Managing Director. Also penalty of Rs 15,15,00,000/- each was imposed on PVP Global Ventures Private Limited (Wholly owned Subsidiary) and on Mr. Prasad V. Potluri, (Promoter -Director) for allegedly dealing in securities of PVP Ventures Limited during the existence of Un-published price sensitive information.

**We further report that** Board of the company has challenged impugned order before Securities Appellate Tribunal (SAT) and the Appellate Authority admitted the impugned orders challenged by the Company and the matter is sub-judice before the Appellate Authority i.e. SAT.

**We further report that** during the period the company has transferred 13,289 Fully Convertible Debentures (FCD's) of Rs. 1,00,000/- each held in the name of Platex Ltd to India Investment II Pte Ltd on receiving the request for the same from the debenture holders and the same was informed to RBI vide letter dated 07.10.2014.

**Place** Hyderabad  
**Date** 12 August 2015

For D.Hanumanta Raju & Co  
Company Secretaries

Sd/-  
CS Mohit Kumar Goyal  
Partner  
ACS: 12751, CP NO: 32655

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure - A**

To,  
The Members,  
PVP Ventures Limited

Our report of even Date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the company.

**Place** Hyderabad  
**Date** 12 August 2015

For D.Hanumanta Raju & Co  
Company Secretaries

Sd/-  
CS Mohit Kumar Goyal  
Partner  
ACS: 12751, CP NO: 32655



## Annexure - 4

Extract of Annual Return [pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

#### 1. Registration and Other Details

1.	CIN	L72300TN1991PLC020122
2.	Registration Date	01.01.1991
3.	Name of the Company	PVP VENTURES LIMITED
4.	Category/Sub-Category of the Company	Public Company/Subsidiary of Foreign Company and Limited by Shares
5.	Address of The Registered Office and contact Details	KRM Centre, 9 <sup>th</sup> Floor, Door No. 2, Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu Tel: +91-44-3028 5570; Fax: +91-44-3028 5571
6.	Whether listed company	Yes
7.	Name, Address and Contact Details of the Registrar and Transfer Agent, if any.	Karvy Computershare Private Limited C/o Karvy Selenium Towers B, Plot No. 31-32 Gachibowli, Financial District, Nanakramguda Hyderabad 500 032, Telangana  Contact Person: Mr. K. Anandan   Manager Phone: +91-040-67161 591 E-mail: <a href="mailto:anandan.k@karvy.com">anandan.k@karvy.com</a>

#### 2. Principal Business Activities Of The Company

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. NO	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Real Estate	6810	72.00
2.	Sports Activities	9319	28.00

### 3. Particulars of Holding, Subsidiary and Associate Companies

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLI- CABLE SECTION
1.	Platex Limited Address: Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius	--	Holding	54.12	2(46)
2.	PVP Corporate Parks Private Limited Address: KRM Centre, 9 <sup>th</sup> Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U45201TN2003PTC 051595	Subsidiary	100	2(87)
3.	PVP Global Ventures Private Limited Address: KRM Centre, 9 <sup>th</sup> Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U74999TN2006PTC 065653	Subsidiary	100	2(87)
4.	PVP Media Ventures Private Limited Address: KRM Centre, 9 <sup>th</sup> Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U92120TN2013PTC 091100	Subsidiary	100	2(87)
5.	Safetrunk Services Private Limited Address: KRM Centre, 9 <sup>th</sup> Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	U74900TN2015PTC 098854	Subsidiary	100	2(87)
6.	New Cyberabad City Projects Private Limited Address: Plot No. 83 and 84, 4 <sup>th</sup> Floor, Punnaih Plaza, Road No. 2, Banjara Hills, Hyderabad 500 034	U45201TG2006PTC 050706	Subsidiary	81	2(87)
7.	Blasters Sports Ventures Private Limited Address: 54 Free Press House, 215 Free Press Journal Road, Nariman Point, Mumbai 400021	U92412MH2014PTC 257871	Subsidiary	60	2(87)
8.	PVP Island Private Limited Address: H No.12-2-31, Dantu Vari Street, Suryarao Pet, Kakinada 533 001	U70109AP2014PTC 095166	Subsidiary	100	2(87)
9.	Picturehouse Media Ltd. Address: KRM Centre, 9 <sup>th</sup> Floor, Door No. 2 Harrington Road, Chetpet Chennai 600 031	L92191TN2000PLC0 44077	Associate	35.96	2(6)



i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total B1</b>	<b>3069131</b>	<b>0</b>	<b>3069131</b>	<b>1.25</b>	<b>1365732</b>	<b>0</b>	<b>1365732</b>	<b>0.56</b>	<b>-0.69</b>
2. Non-Institutions									
a) Bodies Corp.	12682433	0	12682433	5.18	12531281	0	12531281	5.11	-0.07
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18952217	109175	19061392	7.78	21056437	108674	21165111	8.64	0.86
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	40218747	52500	40271247	16.43	39468328	52500	39520828	16.13	-0.3
c) Others (specify)									
Foreign Bodies	24505270	0	24505270	10.00	24505270	0	24505270	10.00	0
Clearing Members	70186	0	70186	0.03	420129	0	420129	0.17	0.14
Non Resident Indians	4167047	142710	4309757	1.76	4318355	142710	4461065	1.82	0.06
Overseas Corporate Bodies	300	0	300	0	300	0	300	0	0
Trusts	1	0	1	0	1	0	1	0	0
Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
<b>Sub-Total B2</b>	<b>100596201</b>	<b>304385</b>	<b>100900586</b>	<b>41.18</b>	<b>102300101</b>	<b>303884</b>	<b>102603985</b>	<b>41.87</b>	<b>0.69</b>
Total Public Shareholding B=B1+ B2	103665332	304385	103969717	42.43	103665833	303884	103969717	42.43	0
C. Shares held by Custodian for GDRs & ADRs	92218	0	92218	0.04	92218	0	92218	0.04	0
<b>Grand Total A+B+C</b>	<b>244748316</b>	<b>304385</b>	<b>245052701</b>	<b>100</b>	<b>244748817</b>	<b>303884</b>	<b>245052701</b>	<b>100</b>	<b>0</b>

## B. Shareholding of Promoter

S.NO	SHARE HOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHARE HOLDING DURING THE YEAR
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED/ EN-CUMBERED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED/ EN-CUMBERED TO TOTAL SHARES	
1	Platex Limited	132612766	54.12	0	132612766	54.12	0	0
2	Sureddi Jhansi	6878000	2.81	2.81	6878000	2.81	2.81	0
3	Potluri Sai Padma	1500000	0.61	0	1500000	0.61	0.41	0
	<b>Total</b>	<b>140990766</b>	<b>57.53</b>	<b>2.81</b>	<b>140990766</b>	<b>57.53</b>	<b>3.21</b>	<b>0</b>

## C. Change in Promoters' Shareholding [please specify, if there is no change]

S.NO	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	At the beginning of the year	No Change in Promoter's Shareholding during the year under review.			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
3.	At the end of the year				

## D. Shareholding Pattern of Top Ten Shareholders

[Other than Directors, Promoters and Holders of GDRs and ADR]

S.NO	FOR EACH OF THE TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	<b>SSG India Opportunities I Limited</b> At the beginning of the year	2,45,05,270	10	2,45,05,270	10
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	2,45,05,270	10
2.	<b>Arasu Vadasiruvelur Rajavelu</b> At the beginning of the year	38,01,627	1.55	38,01,627	1.55
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	38,01,627	1.55
3.	<b>Vinay Chilakapati</b> At the beginning of the year	1983700	0.81	1983700	0.81
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	1983700	0.81
4.	<b>Ravi Bokka Reddy</b> At the beginning of the year	1438379	0.59	0.59	0.59
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	0.59	0.59
5.	<b>Windy Investments Pvt. Ltd.</b> At the beginning of the year	1016000	0.41	1016000	0.41
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	0	0	0	0
	At the end of the year	--	--	1016000	0.41

<b>6.</b>	<b>Parthasarathy Comandur</b> At the beginning of the year	1008943	0.41	1008943	0.41
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
	At the end of the year	--	--	1008943	0.41
<b>7.</b>	<b>PCS Securities Limited</b> At the beginning of the year	892963	0.36	892963	0.36
	Transfer of Shares	88741	0.036	981704	0.40
	At the end of the year	--	--	981704	0.40
<b>8.</b>	<b>Citigroup Global Markets Mauritius Private Limited</b> At the beginning of the year	2622491	1.07	2622491	1.07
	Open Market Sale	(1653399)	0.67	969092	0.40
	At the end of the year	--	--	969092	0.40
<b>9.</b>	<b>Pragmatic Real Estate Developers Private Limited</b> At the beginning of the year	0	0	0	0
	Open Market Sale	912812	0.37	912812	0.37
	At the end of the year	--	--	912812	0.37
<b>10.</b>	<b>Alpana Mundra</b> At the beginning of the year	1140461	0.47	1140461	0.47
	Open Market Sale	(278416)	0.11	862045	0.35
	At the end of the year	--	--	862045	0.35

## E. Shareholding of Directors and Key Managerial Personnel

S.NO	FOR EACH OF THE DIRECTORS/ KPMs	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
<b>1.</b>	<b>Mr. Prasad V. Potluri</b> <b>Chairman and Managing Director</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
<b>2.</b>	<b>Mr. N S Kumar</b> <b>Director</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0

3.	<b>Mr. R. Nagarajan Director</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
4.	<b>Mrs. Sai Padma Potluri Director</b> At the beginning of the year	150000	0.61	150000	0.61
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	--	--	150000	0.61
5.	<b>Mr. V R Arasu Associate Director (Business Development)</b> At the beginning of the year	3801627	1.55	3801627	1.55
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	--	--	3801627	1.55
6.	<b>Mr. Piyush Dwivedi VP (Strategies and Corporate Finance)</b> At the beginning of the year	2,50,000	0.10	2,50,000	0.10
	Increase/Decrease during the year	(2,50,000)	0.10	0	0
	At the end of the year	0	0	0	0
7.	<b>Mr. S Kannan Chief Financial Officer</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
8.	<b>Mr. G S V Ranga Head - Legal and Company Secretary</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0
9.	<b>Mr. P V Krishna Kishore Babu GM- Legal</b> At the beginning of the year	0	0	0	0
	Increase/Decrease during the year	0	0	0	0
	At the end of the year	0	0	0	0



## F. Indebtedness

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

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	44,05,398.73	1,84,68,63,901	0	1,85,12,69,299.73
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>	<b>44,05,398.73</b>	<b>1,84,68,63,901</b>	<b>0</b>	<b>1,85,12,69,299.73</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	12,28,920.84	41,29,79,724.16	0	41,42,08,645.73
<b>Net Change</b>	<b>12,28,920.84</b>	<b>41,29,79,724.16</b>	<b>0</b>	<b>41,42,08,645.73</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	31,76,477.89	1,43,38,84,176	0	1,43,70,60,654.73
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>31,76,477.89</b>	<b>1,43,38,84,176</b>	<b>0</b>	<b>1,43,70,60,654.73</b>

## 6. Remuneration of Directors and Key Managerial Personnel

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

S.NO	PARTICULARS OF REMUNERATION	PRASAD V. POTLURI, CMD	TOTAL AMOUNT
<b>1.</b>	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
<b>2.</b>	Stock Option	0	0
<b>3.</b>	Sweat Equity	0	0
<b>4.</b>	Commission	0	0
	as % of profit	0	0
	others, specify	0	0

<b>5.</b>	Others, please specify	0	0
	<b>Total (A)</b>	30,00,000	30,00,000
	<b>Ceiling As Per The Act</b>	<b>30,35,550</b>	<b>30,35,550</b>

### B. Remuneration to other Directors

Other Directors are not paid remuneration except the Sitting Fees.

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

S. NO	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL						TOTAL
		CEO*	CS	CFO	V R ARASU [ASSOCIATE DIRECTOR BUSINESS DEVELOP- MENT]	PIYUSH DWIVEDI [VP STRATEGY AND CORPORATE FINANCE]	P V KRISHNA KISHORE BABU [GM- LEGAL]	
<b>1.</b>	Gross salary	-						
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,149,996	4,477,308	6,000,000	4,291,876	2,040,000	17,919,180
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	39,600	39,600	39,600	-	-	118,800
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-	-
<b>2.</b>	Stock Option	-	-	-	-	-	-	-
<b>3.</b>	Sweat Equity	-	-	-	-	-	-	-
<b>4.</b>	Commission	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-
	others, specify	-	-	-	-	-	-	-
<b>5.</b>	Others, please specify	-	-	-	-	-	-	-
	<b>TOTAL</b>	<b>-</b>	<b>3,189,596</b>	<b>4,516,908</b>	<b>6,039,600</b>	<b>4,291,876</b>	<b>2,040,000</b>	<b>18,037,980</b>

\*The Company is not required to appoint a Chief Executive Officer (CEO).

## 7. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March 31, 2015.

## **Annexure- 5**

### **Policy on Corporate Social Responsibility**

#### **1. Introduction**

The Board of Directors (the 'Board') of PVP Ventures Limited (the 'Company' or 'PVPVL'), has adopted the following policy with regard to Corporate Social Responsibility of the Company as defined below.

This policy will be applicable with effect from April 1, 2014.

The Company believes in *looking beyond business* and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as whole. The Management understands that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company's responsibilities towards the community.

#### **2. Scope and Objective**

This Policy is framed, in accordance with the requirement of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 including all statutory modifications / amendments made thereof.

The Board of Directors, may, base on its assessment of the Company's needs, financial soundness, legal and regulatory developments, subject to compliance with the applicable laws and rules, at any time modify, change, vary, alter, amend, this CSR Policy.

The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

#### **3. Definitions**

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modifications or re-enactments thereof.

**Act** means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

**Associate Company** means a Company within the meaning of section 2(6) of the Companies Act, 2013.

**Board** means the Board of Directors of the Company.

**Board's Report** shall mean report of the Board of Directors prepared in accordance with section 134(3) of the Companies Act, 2013.

**Company** means PVP Ventures Limited, a Company incorporated under the Companies Act, 1956

**CSR** means Corporate Social Responsibility.

**CSR Activities** means the activities or projects or programmes as recommended by the CSR Committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the Schedule VI to the Companies Act, 2013.

**CSR Committee** means the Committee of the Board constituted under section 135 of the Act for the purpose of administration of CSR activities, supervising the adherence of this CSR Policy and the matter incidental thereto.

**CSR Policy** means the Corporate Social Responsibility Policy as set out herein and as amended or modified from time to time.

**CSR Rules** means Companies (Corporate Social Responsibility) Rules, 2014.

**Independent Director** means a non-executive director of the Company within the meaning of section 2(47) of the Companies Act, 2013 and clause 49(1)(a)(iii) of the Listing Agreement entered with the Stock Exchange(s).

**Holding Company** means a Company within the meaning of section 2(46) of the Companies Act, 2013.

**Net Profit** means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely -

- a. any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
- b. any dividend received from other Companies in India, which are covered under and complying with the provisions of section 135 of the Act.

**SEBI** means the Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992.

**Subsidiary Company** means a means a Company within the meaning of section 2(87) of the Companies Act, 2013.

#### **4. CSR Activities**

- 1.** The Company shall undertake the activities as recommended by the CSR committee and approved by the Board in accordance with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (CSR Policy) Rules, 2014
  - a.** Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
  - b.** Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
  - c.** Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
  - d.** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water,
  - e.** Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
  - f.** Measures for the benefit of armed forces veterans, war widows and their dependents.
  - g.** Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.
  - h.** Contribution to the Prime Minister's National relief fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women.
  - i.** Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
  - j.** Rural development projects.
- 2.** The CSR activities (either new or ongoing) shall be undertaken by the Company in accordance with this policy and shall exclude activities undertaken in pursuance of its normal course of business.

3. Subject to the provisions of Section 135(5) of the Act, the CSR projects or programs or activities undertaken in India only shall qualify for CSR expenditure.
4. The CSR programs or projects or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with the Act.
5. Contribution of any amount directly or indirectly to any political party under section 182 of the Act shall not be considered as CSR activity.
6. Companies may build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five per cent of total CSR expenditure of the company in one financial year.
7. ***Any Surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.***

## 5. CSR Activities through Trust/Society/Companies

1. The Board may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Act or otherwise subject to following conditions:
  - a. If such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;
  - b. The company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.
2. The Board may also decide to collaborate with other companies for undertaking the CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such CSR activities in accordance with CSR Rules.

## 6. CSR Committee

### Purpose

The Corporate Social Responsibility (CSR) Committee of the Company will be formed by the Board of Directors of the Company to assist the Board in carrying out its responsibilities as per the CSR policy of the Company, (or) the Audit Committee may be re-christened as Audit and CSR Committee.

### Composition of the CSR Committee

- a. The CSR committee shall comprise of three or more directors as the Board may deem fit from time to time, to be appointed from amongst the Directors. Provided however that atleast one of the directors of the CSR Committee shall be an Independent Director. The Board shall at its sole discretion, have the power to appoint any Director, remove any such Director so appointed and appoint another in his place. Any such appointment and/or removal shall be made by a resolution of the Board.
- b. The Chairperson of the Committee shall be designated by the Board from among the Committee members.
- c. The Company Secretary of the Company shall act as Secretary to the Committee.
- d. The Board will have the power to reconstitute CSR Committee as and when required from time to time.

### Role

The Corporate Social Responsibility Committee shall —

- a. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- b. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c. monitor the Corporate Social Responsibility Policy of the company from time to time.

## **7. CSR Expenditure**

- a. As per the provisions of Companies Act, 2013, the Board shall ensure that the Company spends in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years.
- b. CSR Committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.
- c. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

If the Company fails to spend the minimum amount as required under the Act on its CSR activities, the reasons for not spending the amount shall be specified in the Board Report.

## **8. Amendments**

The Board of Directors shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provisions or replace this Policy entirely with a new Policy.

## **9. Disclosures**

The Policy for determining material subsidiaries shall be disclosed on the website of the Company at [www.pvpglobal.com](http://www.pvpglobal.com) and a web link thereto shall be provided in the Annual Report of the Company, as per the provisions of laws in force.



## Annexure- 6

### Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration) of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of Key Managerial Personnel (KMP) and other Executive Directors during the financial year 2014-15.

SL. NO	NAME OF DIRECTOR/KMP	DESIGNATION	RATIO OF REMUNERATION OF EACH DIRECTOR TO MEDIAN REMUNERATION OF EMPLOYEES	% INCREASE IN REMUNERATION
1.	Mr. Prasad V. Potluri	Chairman and Managing Director	4.18	0.00
2.	Mr. V R Arasu	KMP (Associate Director-Business Development)	Not Applicable	0.00
3.	Mr. Piyush Dwivedi	KMP (VP-Strategies and Corporate Finance)	Not Applicable	54.16
4.	Mr. S Kannan	KMP (Chief Financial Officer)	Not Applicable	45.75
5.	Mr. GSV Ranga	KMP (Head - Legal and Company Secretary)	Not Applicable	30.74
6.	*Mr. P Krishna Kishore Babu	KMP (GM- Legal)	Not Applicable	0.00

*\*Mr. P. Krishna Kishore Babu was appointed in the month of March 2014*

2. The Company has 41 permanent employees on the rolls of the Company as on March 31, 2015.
3. The Market Capitalisation of the Company as on March 31, 2015 was Rs.127,67,24,572/- as compared to Rs.119,58,57,180/- as on March 31, 2014. The price earnings ratio of the Company was 74.43 as at March 31, 2015 and was 14.79 as at March 31, 2014. The closing share price of the Company at BSE Ltd on March 31, 2015 being Rs.5.21/- per equity share of face value of Rs.10/- each has declined 39.92 times since the last open offer made in the year 2007 (offer price was Rs.208/- per equity share of face value of Rs.10/- each).
4. **Relationship between Average Increase in Remuneration and Company's Performance:** The average increase in remuneration of the employees is 20%. The individual increments varied from 5% to 30% based on their performance. The increase in remuneration is in line with the market trends, internal parity and current salary of the employees. Further, the percentage increase in the Median remuneration of employees for the financial year is NIL.

5. Average Percentage Increase made in the salaries of the employees other than the Managerial Personnel in the financial year was 10.53% whereas the decrease in the Managerial Personnel was 5.97%.
6. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:** The average decrease in the remuneration of Key Managerial Personnel is 5.97 % as compared to the 79.98% decrease in Profit after tax for the year under review of the Company.
7. Key parameters for any variable component of remuneration: **NOT APPLICABLE**
8. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: **0.17**
9. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy.

#### Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

EMPLOYEE NAME	DESIGNATION	EDUCATIONAL QUALIFICATIONS	AGE (YEARS)	EXPERIENCE	DATE OF JOINING	GROSS REMUNERATION PAID (IN RS.)
V R Arasu	Associate Director - Business Development	B.Tech. MBA	48	20 Years	15.01.2007	60,39,600

#### Annexure - 7

##### Code of Conduct for Directors and Senior Management

As the Chairman and Managing Director of PVP Ventures Limited and as required by Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2014-15.

August 14, 2015  
Chennai

Prasad V. Potluri  
Chairman and Managing Director

## **Annexure - 8**

### **Whistle Blower Policy**

#### **1. Policy Objective and Applicability**

As a public company, PVP Ventures Limited and its subsidiaries ('PVP') believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of these Principles and PVP's Code of Conduct for Employees would be a matter of serious concern for PVP.

Employees have a role and responsibility in pointing out such violations. This policy is formulated to provide a secure environment and to encourage employees of PVP to report unethical, unlawful or improper practices, acts or activities in PVP and to prohibit managerial personnel from taking any adverse personnel action against those employees who report such practices in good faith. This policy applies to all employees of PVP.

The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees, customers and/or third-party intermediaries wishing to raise a concern about serious irregularities within the Company. The Policy neither releases employees, customers and/or third-party intermediaries from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

#### **2. Definitions**

**Whistle-blower** is defined as any Personnel (defined below) who has or had access to data, events or information about an actual, suspected or anticipated Reportable Matter within or by the organisation, and, whether anonymously or not, makes or attempts to make a deliberate, voluntary and protected disclosure or complaint of organisational malpractice.

**Reportable Matters** means Questionable Accounting or Auditing Matters (defined below), and/or any other Company matters involving abuse of authority, breach of Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health and safety, environmental issues, wastage/misappropriation of company funds/assets and any other unethical conduct.

**Questionable Accounting or Auditing Matters** include, without limitation, the following:

- a.** fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- b.** fraud or deliberate error in the recording and maintaining of financial records of the Company;

- c. deficiencies in or non-compliance with the Company's internal accounting controls;
- d. misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- e. Deviation from full and fair reporting of the Company's financial condition.

**Personnel** means any employee, director, officer, customer, contractor and/or third-party intermediary engaged to conduct business on behalf of the Company, such as agents and consultants.

**Audit Committee** means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act read with Clause 49 of the Listing Agreement.

### **3. Roles, Rights and Responsibilities of Whistle-Blowers**

- a. Whistle-Blowers provide initial information based on a reasonable belief that an alleged wrongful conduct has occurred. The motivation of a whistle-blower is irrelevant to the consideration of the validity of the allegations. However, the intentional filing of a false report, whether orally or in writing, is itself considered an improper activity.
- b. Whistle-Blowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered an improper activity.
- c. Whistle-Blowers have a responsibility to be candid with the Investigation Officer or the Members of the Audit Committee or others to whom they make a report of alleged improper activities and shall set forth all known information regarding any reported allegations.
- d. Anonymous whistle-blowers must provide sufficient corroborating evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations would not be undertaken without verifiable evidence. Because investigators are unable to interview anonymous whistle-blowers, it may be more difficult to evaluate the credibility of the allegations and, therefore, less likely to cause an investigation to be initiated.
- e. Whistle-Blowers are "reporting parties," not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the investigating authority.
- f. The identity of the whistle-blower will not be disclosed except where required under the law or for the purpose of the investigation. Should, however, the whistle-blower self-disclose his or her identity, there will no longer be an obligation not to disclose the whistle-blower's identity.

- g.** A whistle-blower's right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the allegations or an ensuing investigation or any other misconduct or wrong doing.
- h.** This policy may not be used as a defence by an employee against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against an employee, whose conduct or performance warrants that action, separate and apart from that employee making a disclosure.

#### **4. False Complaints**

While this Policy is intended to protect genuine Whistle-blowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with mala fide intentions is strictly prohibited. A Personnel who makes complaints with mala fide intentions and which are subsequently found to be false will be subject to strict disciplinary action.

#### **5. Reporting Mechanism**

Personnel should raise Reportable Matters with someone who is in a position to address them appropriately. In most cases, a Personnel's supervisor, manager or point of contact is in the best position to address an area of concern. Supervisors, managers or points of contact to whom Reportable Matters are raised are required to report the same immediately to the Head - Legal & Company Secretary or Chairman of the Audit Committee.

Notwithstanding the aforesaid, Personnel can lodge a complaint in any one of the following ways:

- a.** by contacting the Chairman of the Audit Committee
- b.** by contacting the Head - Legal and Company Secretary, any member of the Audit Committee or anyone in management whom the Whistle-blower is comfortable approaching;
- c.** by sending an email to [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com), or;
- d.** by sending a complaint letter in a sealed envelope marked 'Private and Confidential' to the Group Head - Legal.

A complaint may be made anonymously. If a complaint is made anonymously, however, the complainant must be detailed in their description of the complaint and must provide the basis of making the assertion therein.

Although a Whistle-blower is not required to furnish any more information than what he/she wishes to disclose, it is essential for the Company to have all critical

information in order to enable the Company to effectively evaluate and investigate the complaint. It is difficult for the Company to proceed with an investigation on a complaint, particularly an anonymous complaint, which does not contain all the critical information such as the specific charge. The complaint or disclosure must therefore provide as much detail and be as specific as possible, including names and dates, in order to facilitate the investigation.

To the extent possible, the complaint or disclosure must include the following:

1. The employee, and/or outside party or parties involved;
2. The sector of the Company where it happened (division, office);
3. When did it happen: a date or a period of time;
4. Type of concern (what happened);
  - a. Financial reporting;
  - b. Legal matter;
  - c. Management action;
  - d. Employee misconduct; and/or
  - e. Health and safety and environmental issues.
5. Submit proof or identify where proof can be found, if possible;
6. Who to contact for more information, if possible; and/or
7. Prior efforts to address the problem, if any

## 6. Investigations

Upon receipt of a complaint, the Head - Legal and Company Secretary will make an assessment thereof and place an appropriate complaint before the Audit Committee. The Audit Committee shall address all concerns or complaints regarding Reportable Matters which are placed before them, and ensure resolution of the same.

The Head - Legal and Company Secretary may, in consultation with the Audit Committee, either direct the complaint to the organization/department best placed to address it (while maintaining oversight authority for the investigation), or lead the investigation in person to ensure prompt and appropriate investigation and resolution.

All information disclosed during the course of the investigation will remain confidential, except as necessary or appropriate to conduct the investigation and take any remedial action, in accordance with any applicable laws and regulations. The Company reserves the right to refer any concerns or complaints regarding Reportable Matters to appropriate external regulatory authorities. All Personnel have a duty to cooperate in the investigation of complaints reported as mentioned hereinabove.

Depending on the nature of the complaint, any concerned Personnel, at the outset of formal investigations, may be informed of the allegations against him/her and provided an opportunity to reply to such allegations.

Personnel shall be subject to strict disciplinary action up to and including immediate dismissal, if they fail to cooperate in an investigation, or deliberately provide false information during an investigation. If, at the conclusion of its investigation, the Company determines that a violation has occurred or the allegations are substantiated, the Company will take effective remedial action commensurate with the severity of the offence.

This may include disciplinary action against the concerned Personnel. The Company may also take reasonable and necessary measures to prevent any further violations which may have resulted in a complaint being made. In some situations, the Company may be under a legal obligation to refer matters to appropriate external regulatory authorities.

## **7. Non Retaliation**

No Personnel who, in good faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. Accordingly, the Company strictly prohibits discrimination, retaliation or harassment of any kind against a Whistle-blower who, based on his/her reasonable belief that one or more Reportable Matters has occurred or are occurring, reports that information. Any Personnel who retaliates against a Whistle-blower who has raised a Reportable Matter in good faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company.

If any Personnel who makes a disclosure or complaint in good faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he/she must immediately report those facts to his/her supervisor, manager or point of contact, or the Head - Legal and Company Secretary. If, for any reason, he/she does not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Audit Committee. It is imperative that such Personnel brings the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

## **8. Document Retention**

The Company shall maintain documentation of all complaints or reports subject to this Policy. The documentation shall include any written submissions provided by the complainant, any other Company documents identified in the complaint or by the Company as relevant to the complaint, a summary of the date and

manner in which the complaint was received by the Company and any response by the Company to the complainant. All such documentation shall be retained by the Company for a minimum of six (6) years from the date of receipt of the complaint. Confidentiality will be maintained to the extent reasonably practicable depending on the requirements and nature of the investigation, as indicated above.

## 9. Additional Enforcement Information

In addition to the Company's internal complaint procedure, Personnel should also be aware that certain central, federal, local and state law enforcement agencies and regulatory authorities are authorized to review questionable accounting or auditing matters, or potentially fraudulent reports of financial information. Nothing in this Policy is intended to prevent any Personnel from reporting information to the appropriate agency when the Personnel has reasonable cause to believe that the violation of a central, federal, local or state statute or regulation has occurred.

## 10. Modification

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state, central and federal regulations and/or accommodate organizational changes within the Company.

## 11. Conclusions

The PVP Code of Conduct as well as the Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies are viewed as unacceptable by the Company. Certain violations of the Company's policies and practices could even subject the Company and any individual employee involved to civil and criminal penalties. Before issues escalate to such level, Personnel are encouraged to report any violations covered herein above, or reprisal, discrimination or adverse employment consequences related to such reports.

**For any queries/concerns regarding PVPs Whistle-blower Policy, contact:**  
[Head - Legal and Company Secretary](#)

PVP Ventures Limited

**Regd. Office** Door No. 2, 9<sup>th</sup> Floor, KRM Centre, Harrington Road, Chetpet  
Chennai 600 031

**Corp. Office** Plot No. 83 and 84, 4<sup>th</sup> Floor, Punnaiah Plaza, Road No.2  
Banjara Hills, Hyderabad 500 034

**Phone** +91 40 6730 9999; **Email** [investorrelations@pvpglobal.com](mailto:investorrelations@pvpglobal.com)



## **Annexure- 9**

### **Certification in Terms of Clause 49(V) of The Listing Agreement**

We, Prasad V. Potluri, Chairman and Managing Director and S. Kannan, Head- Finance and Accounts Chief Financial officer of PVP Ventures Limited, responsible for the finance function, certify that:

- a.** We have reviewed financial statements and the cash flow statement for the year ended 31 March, 2015 and that to the best of our knowledge and belief, we state that:
  - 1.** these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - 2.** these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- b.** There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of company's code of conduct.
- c.** We accept responsibility for establishing and maintaining internal controls and for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit Committee.
- d.** During the year under reference:
  - 1.** there were no significant changes in the internal controls or overall financial reporting;
  - 2.** no significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
  - 3.** no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

**Place** Hyderabad  
**Date** May 29, 2015

Sd/-  
Prasad V. Potluri  
Chairman and Managing Director

Sd/-  
S. Kannan  
Chief Financial Officer

**Annexure - 10****Certificate On Corporate Governance****To the Members of M/s. PVP Ventures Limited,**

We have examined the compliance of conditions of Corporate Governance by **PVP VENTURES LIMITED (“the Company”)** for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place** Hyderabad  
**Date** August 12 , 2015

For D.Hanumanta Raju  
Company Secretaries

Sd/-  
CS. Mohit Kumar Goyal  
Partner  
ACS: 12751 CP NO: 32655



- » Standalone Financial Section
- » Consolidated Financial Section
- » Proxy Form
- » Attendance Slip



# **standalone financial section**

## Independent Auditor's Report

To,  
The Members  
PVP Ventures Limited  
Chennai.

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of PVP Ventures Limited ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (the Financial Statements).

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit, and its cash flows for the year ended on that date.

### Emphasis of Matters

*We draw the attention of members notes to the financial statements in Note 12 with regard to the Unquoted investment of equity shares in Subsidiary Companies Rs.54365.90 lakhs with provision for diminution in carrying value provided for Rs.30000.00 lakhs and Note 13 unsecured and good advances to subsidiaries Rs.218180.51 lakhs with provision for diminution in carrying value provided for Rs.5160.16 lakhs. The management is of the view that considering market value of the assets, present value of investments and expected cash flows and expected development of projects the provision already made are adequate (also refer note 21.13) which describes the uncertainty related to the outcome of the future events. Our opinion in respect of these matters is not modified.*

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ( the Order), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e. On the basis of written representation received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed the impact of the pending litigations on its financial position in its financial statements – refer note 24.6 to the financial statements.
  2. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Camp** Hyderabad  
**Date** May 29, 2015

for M/s CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No: 004915S

Sd/-  
R.Thirumalmarugan  
Partner  
Membership No: 200102



## **Annexure To Independent Auditors' Report**

[Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date]

- 1. a.** In our opinion and according to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

**b.** As per the information and explanations provided to us, the Company has physically verified the fixed assets during this year and there is no material discrepancies noticed on such verification.
- 2. a.** According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals.

**b.** According to the information and explanations given to us the procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.

**c.** According to the information and explanation given to us the Company is maintaining proper records of inventory and there is no material discrepancies noticed on physical verification.
- 3.** According to the information and explanations given to us, the Company has granted, secured and unsecured loans to subsidiary Companies, the parties covered in the register maintained under section 189 of the Act. Total outstanding as at the year end is Rs.58327.18 lakhs (including conversion of FCDs into Advances). It is informed that these advances are interest free and recoverable on demand and hence the overdue amount, receipt of principal amount and the interest are not applicable.
- 4.** In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.
- 5.** In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from public during this year. Therefore the provisions of section 73 to 76 and relevant rules framed thereunder and any contravention of these provisions for the year under audit are not applicable.
- 6.** As per the information and explanations given to us, we are of the opinion that the Company has made and maintained the cost records pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Act.
- 7. a.** According to the information and explanation given to us, the Company is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess, wherever applicable, except

few delays in depositing Income Tax TDS. There are no undisputed Statutory outstanding dues as at 31st March, 2015 for a period of more than six months from the date they become payable.

**b.** According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of any dispute, except the following:

STATUE	PERIOD	AMOUNT [RUPEES]	DISPUTE PENDING BEFORE
Income Tax	AY 2007-08	78.21 lakhs	CIT-A, Hyderabad
Income Tax	AY 2008-09	1112.35 lakhs	High Court, Chennai
Income Tax	AY 2009-10	13.24 lakhs	CIT-A, Chennai

**c.** According to the information and explanation given to us, there are no amount required to the transferred to investor education and protection fund in accordance with the provisions of the Act.

- 8.** In our opinion and according to the information and explanation given to us the accumulated losses as at the end of the financial is not more than 50% of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 9.** In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or banks or debenture holders.
- 10.** In our opinion and according to the information and explanation given to us, the Company has given corporate guarantee and security for loans taken from the Banks by its group companies and others, and the terms and conditions whereof are not prejudicial to the interest of the Company.
- 11.** In our opinion and according to the information and explanation given to us, there are no term loans borrowed by the Company.
- 12.** According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**Camp** Hyderabad  
**Date** May 29, 2015

for M/s CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No: 004915S

Sd/-  
R.Thirumalmarugan  
Partner  
Membership No: 200102

## BALANCE SHEET AS AT 31ST MARCH, 2015

[Rs. In Lakh]

	NOTE NO.	AS AT 31-03-2015		AS AT 31-03-2014	
<b>I. Equity And Liabilities</b>					
<b>(1) Shareholders' Funds:</b>					
a. Share Capital	2	24505.27		24505.27	
b. Reserves And Surplus	3	40265.46		41622.85	
c. Money Received Against Share Warrants		--	64770.73	--	66128.12
<b>(2) Share Application Money Pending Allotment</b>			--		--
<b>(3) Non-Current Liabilities:</b>					
a. Long-Term Borrowings	4	14370.61		18512.69	
b. Deferred Tax Liabilities (Net)		--		--	
c. Other Long-Term Liabilities	5	8216.47		8311.55	
d. Long-Term Provisions	6	73.02	22660.10	46.37	26870.61
<b>(4) Current Liabilities:</b>					
a. Short-Term Borrowings		--		--	
b. Trade Payables	7	1070.73		658.59	
c. Other Current Liabilities	8	6331.78		8805.97	
d. Short-Term Provisions	9	39.50	7442.01	540.37	10004.93
<b>Total</b>			<b>94872.84</b>		<b>103003.66</b>
<b>II. Assets:</b>					
<b>(1) Non-Current Assets</b>					
a. Fixed Assets					
(i) Tangible Assets	10	233.41		285.58	
(ii) Intangible Assets	11	4554.51		6072.43	
(iii) Capital Work-In-Progress		--		--	
(iv) Intangible Assets Under Development		--		--	
b. Non-Current Investments	12	28013.52		49720.30	
c. Deferred Tax Assets (Net)		--		--	
d. Long-Term Loans And Advances	13	54198.94		38085.32	
e. Other Non-Current Assets	14	7077.51	94077.89	7588.41	101752.04
<b>(2) Current Assets</b>					
a. Current Investments		--		--	
b. Inventories		--		--	
c. Trade Receivables	15	302.48		250.37	
d. Cash And Cash Equivalents	16	72.29		175.32	
e. Short-Term Loans And Advances	17	190.33		169.60	
f. Other Current Assets	18	229.85	794.95	656.33	1251.62
<b>Total</b>			<b>94872.84</b>		<b>103003.66</b>

\*See accompanying notes to the financial statements

As per report of our even date For and on behalf of the Board of Directors

### FOR M/S. CNGSN & ASSOCIATES LLP

Chartered Accountants  
Firm Reg.No.004915S

SD/-  
**R. THIRUMALMARUGAN**  
Partner M. No : 200102

SD/-  
**PRASAD V. POTLURI**  
Chairman and Managing Director

SD/-  
**R. NAGARAJAN**  
Director

DATE: MAY 29, 2015  
PLACE: HYDERABAD

SD/-  
**KANNAN S.**  
Head-Finance and Accounts

SD/-  
**G.S.V.RANGA**  
Head-Legal and Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

[Rs. In Lakh]

		NOTE NO.	FOR THE YEAR ENDED 31-03-2015	FOR THE YEAR ENDED 31-03-2014
1	Revenue from operations	19a	5336.13	6347.24
2	Other income	19b	44.48	64.88
<b>3</b>	<b>Total Revenue (1 + 2)</b>		<b>5380.61</b>	<b>6412.12</b>
4	Expenses:			
a.	Cost of Sales and Services		1494.61	628.32
b.	Purchases of Stock-in-Trade			
c.	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	510.90	822.61
d.	Employee benefit expenses	21	497.31	447.20
e.	Finance costs		1964.55	1939.91
f.	Depreciation	10	60.26	20.52
g.	Other expenses	22	809.20	1168.67
	<b>Total Expenses</b>		<b>5336.83</b>	<b>5027.23</b>
5	Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		43.78	1384.88
6	Exceptional items	23	49.86	42.86
7	Profit/(Loss) before extraordinary items and tax (5-6)		(6.08)	1342.03
8	Extraordinary items		--	--
9	Profit/(Loss) before tax (7-8)		(6.08)	1324.03
10	Tax Expenses			
	(1) Current tax		38.80	539.82
	(2) Deferred tax		--	--
	(3) of Earlier Year		(205.42)	--
11	Profit / (Loss) for the year from continuing operations (9-10)		160.53	802.21
12	Profit / (Loss) from discontinuing operations		--	--
13	Tax expenses of discontinuing operations		--	--
14	Profit / (Loss) from discontinuing operations (after tax) (12-13)		--	--
<b>15</b>	<b>Profit / (Loss) for the year (11 + 14)</b>		<b>160.53</b>	<b>802.21</b>
16	Earnings per share after extraordinary items:			
	Basic and Diluted		0.07	0.33

\*See accompanying notes to the financial statements

As per report of our even date For and on behalf of the Board of Directors

**FOR M/S. CNGSN & ASSOCIATES LLP**Chartered Accountants  
Firm Reg.No.004915S**SD/-**  
**R. THIRUMALMARUGAN**  
Partner M. No : 200102**SD/-**  
**PRASAD V. POTLURI**  
Chairman and Managing Director**SD/-**  
**R. NAGARAJAN**  
Director**DATE: MAY 29, 2015**  
**PLACE: HYDERABAD****SD/-**  
**KANNAN S.**  
Head-Finance and Accounts**SD/-**  
**G.S.V.RANGA**  
Head-Legal and Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

[In Lakh Rupees]

	31-03-2015	31-03-2014
<b>A</b>		
<b>Cash Flow from Operating Activities</b>		
Net Profit Before Tax	(6.08)	1342.03
<b>Adjustments for:</b>		
Depreciation	60.26	20.52
Interest Paid	1964.55	1939.91
Provision for Employee Benefits	26.79	21.75
Loss on Sale of Investment	0.24	--
Interest Received	(23.82)	(31.35)
Profit on Sale of Investment	--	(343.83)
Dividend Income	(7.49)	(5.53)
Provision for Investments	200.00	--
<b>Operating Profit before Working Capital Changes</b>	<b>2214.45</b>	<b>2943.50</b>
<b>Adjustments For:</b>		
Increase/(Decrease) in Other Long Term Liabilities	(95.08)	(309.85)
Increase/(Decrease) in Long/Short Term Provisions	--	--
Increase/(Decrease) in Trade Payables	412.13	118.67
Increase/(Decrease) in Other Current Liabilities	(2474.19)	(2612.84)
(Increase)/Decrease in Long Term Advances	8718.38	1177.97
(Increase)/Decrease in Non Current Assets	510.91	822.62
(Increase)/Decrease in Trade Receivables	(52.11)	(72.86)
(Increase)/Decrease in Short Term Loans And Advances	(20.73)	(18.49)
(Increase)/Decrease in Other Current Assets	426.48	84.87
<b>Cash Generated from Operations</b>	<b>9640.24</b>	<b>2133.59</b>
<b>Direct Taxes Paid</b>	<b>(334.40)</b>	<b>(910.88)</b>
<b>Net Cash from Operating Activities</b>	<b>9305.84</b>	<b>1222.71</b>
<b>B</b>		
<b>Cash From Investing Activities</b>		
Purchase/Addition to Fixed Assets	(8.59)	(163.97)
Sale Proceeds of Fixed Assets	0.26	--
(Purchase)/Proceeds on Sale of Investments	(3325.22)	547.61
Dividend Received	7.49	5.53
Interest Received	23.82	31.35
<b>Net Cash used in Investing Activities</b>	<b>(3302.24)</b>	<b>420.52</b>
<b>C</b>		
<b>Cash From Financing Activities</b>		
Interest Paid	(1964.55)	(1939.91)
Proceeds From Long Term Borrowings (Net)	(4142.07)	377.55
<b>Net Cash from Financing Activities</b>	<b>(6106.62)</b>	<b>(1562.36)</b>
Net Increase in Cash And Cash Equivalents	(103.03)	80.87
Cash and Cash Equivalents at the Beginning of yhe Year	175.32	94.45
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>72.29</b>	<b>175.32</b>

As per report of our even date For and on behalf of the Board of Directors

**FOR M/S. CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No.004915S

**SD/-**  
**R. THIRUMALMARUGAN**  
Partner M. No : 200102

**SD/-**  
**PRASAD V. POTLURI**  
Chairman and Managing Director

**SD/-**  
**R. NAGARAJAN**  
Director

**DATE: MAY 29, 2015**  
**PLACE: HYDERABAD**

**SD/-**  
**KANNAN S.**  
Head-Finance and Accounts

**SD/-**  
**G.S.V.RANGA**  
Head-Legal and Company Secretary

## NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2015

[In Lakh Rupees]

		AS AT 31-03-2015	AS AT 31-03-2014															
<b>NOTE: 2</b>																		
<b>A</b>	<b>Authorised, Issued, Subscribed and Paid-up share capital and par value per share</b>																	
	Authorised Share Capital																	
	300000000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00															
	Issued, Subscribed and Paid Up																	
	245,052,701 equity shares of Rs. 10 each	24,505.27	24,505.27															
		24,505.27	24,505.27															
<b>B</b>	<b>Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:</b>																	
	Number of equity shares outstanding as at the beginning of the year	245,052,701	245,052,701															
	Add: Number of Shares allotted during the year	--	--															
	Less: Number of Shares bought back	--	--															
	Number of equity shares outstanding as at The end of the year	245,052,701	245,052,701															
<b>C</b>	<b>Shareholding in the company held by holding company Platex Limited</b>	<b>132,612,766</b>	<b>132,612,766</b>															
<b>D</b>	<b>Shares in the company held by each shareholder holding more than 5%:</b>																	
	<table border="1"> <thead> <tr> <th>NAME OF SHAREHOLDER</th> <th>NO OF SHARES AT YEAR END 31-03-2015</th> <th>% AS AT YEAR END 31-03-2015</th> <th>NO OF SHARES AT YEAR END 31-03-2014</th> <th>% AS AT YEAR END 31-03-2014</th> </tr> </thead> <tbody> <tr> <td>Platex Limited</td> <td>132,612,766</td> <td>54.12</td> <td>132,612,766</td> <td>54.12</td> </tr> <tr> <td>Black Kite Investments Limited</td> <td>24,505,270</td> <td>10.00</td> <td>24,505,270</td> <td>10.00</td> </tr> </tbody> </table>	NAME OF SHAREHOLDER	NO OF SHARES AT YEAR END 31-03-2015	% AS AT YEAR END 31-03-2015	NO OF SHARES AT YEAR END 31-03-2014	% AS AT YEAR END 31-03-2014	Platex Limited	132,612,766	54.12	132,612,766	54.12	Black Kite Investments Limited	24,505,270	10.00	24,505,270	10.00		
NAME OF SHAREHOLDER	NO OF SHARES AT YEAR END 31-03-2015	% AS AT YEAR END 31-03-2015	NO OF SHARES AT YEAR END 31-03-2014	% AS AT YEAR END 31-03-2014														
Platex Limited	132,612,766	54.12	132,612,766	54.12														
Black Kite Investments Limited	24,505,270	10.00	24,505,270	10.00														
	a) 13,409,314 equity shares of Rs.10 each fully paid-up in cash has been issued to Platex Ltd upon conversion of 27,355 FCDs of Rs. 100,000 each at conversion price of Rs. 204 per share in terms of the Scheme of Amalgamation during 2010-11.																	

<b>NOTE: 3 RESERVES AND SURPLUS</b>					
		AS AT 31-03-2014	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AS AT 31-03-2015
	Securities Premium Reserve	77,511.10	-	-	77,511.10
	Surplus ( P&L a/c ) as under:	(35,888.25)	(1,357.39)	-	(37,245.64)
		41,622.85	(1,357.39)	-	40,265.46
	Opening Balance	(35,172.54)	-	-	(35,888.25)
	Profit / (Loss) for the year - From P & L	802.21	160.53	-	160.53
	Less: Proposed dividends	-	-	-	-
	Tax on distributed profits	-	-	-	-
	Less: Amortization of Goodwill	1,517.92	1,517.92	-	1,517.92
	<b>Balance of Profit / (Loss)</b>	<b>(35,888.25)</b>	<b>(1,357.39)</b>	<b>-</b>	<b>(37,245.64)</b>
Consequent upon merger of erstwhile PVP Ventures Private Limited with the Company, goodwill of Rs. 15,179.21 lakhs was created which represented the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 years beginning April 01, 2008. Accordingly, during the year, the Company has amortized goodwill of Rs. 1,517.92 lakhs.					

<b>NOTE-4</b>	<b>LONG-TERM BORROWINGS:</b>		
	<b>Unsecured Loans</b>		
	From Banks - Vehicle Loans	31.77	44.05
	Debentures	-	-
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs. 100,000 each.	13,289.00	13,289.00
	<b>Other Loans And Advances</b>		
	- From Subsidiary Companies	1,049.84	4,085.61
	- From Other Body Corporate	-	1,094.03
		<b>14370.61</b>	<b>18512.69</b>
	The debenture holders has extended the conversion/redemption option of the outstanding FCDs to March 31, 2016.		
	Vehicle Loans are as per Hypothecation Agreement		

<b>NOTE-5</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Security Deposit from Developer - Unsecured	8,216.47	8,311.55
		<b>8,216.47</b>	<b>8,311.55</b>

<b>NOTE-6</b>	<b>LONG TERM PROVISIONS</b>		
	Employee Benefits (Refer Note No. 24.7)	73.02	46.37
		<b>73.02</b>	<b>46.37</b>

<b>NOTE-7</b>	<b>TRADE PAYABLE</b>		
	Sundry Creditors For Services	1,070.73	658.59
		<b>1,070.73</b>	<b>658.59</b>

<b>NOTE-8</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Advance received for sale of UDS	6,251.03	8,560.76
	Due to Developer	-	229.69
	Statutory Liabilities payable	80.75	15.52
		<b>6,331.78</b>	<b>8,805.97</b>

<b>NOTE-9</b>	<b>SHORT TERM PROVISIONS</b>		
	Provision for income tax	38.80	539.82
	Provision for Employee Benefits (Refer Note No. 24.7)	0.69	0.55
		<b>39.50</b>	<b>540.37</b>

<b>NOTE-10: FIXED ASSETS - TANGIBLE</b>										
DESCRIPTION	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2014
Plant and Equipment	6.85	-	-	6.85	3.06	1.44	-	4.50	2.35	3.79
Furniture and Fixtures	100.47	0.15	-	100.62	16.51	10.68	-	27.19	73.43	83.96
Vehicles	86.30	-	-	86.30	19.29	12.42	-	31.71	54.59	67.01
Computers and Related Assets	48.74	2.87	1.14	50.47	33.50	6.47	0.64	39.33	11.14	15.24
Office Equipments	126.9	5.57	-	132.47	11.32	29.25	-	40.57	91.90	115.58
	<b>369.26</b>	<b>8.59</b>	<b>1.14</b>	<b>376.71</b>	<b>83.68</b>	<b>60.26</b>	<b>0.64</b>	<b>143.30</b>	<b>233.41</b>	<b>285.58</b>
<b>Previous Year</b>	<b>205.29</b>	<b>163.97</b>	<b>-</b>	<b>369.26</b>	<b>63.16</b>	<b>20.52</b>	<b>-</b>	<b>83.68</b>	<b>285.58</b>	<b>142.13</b>

<b>NOTE-11: FIXED ASSETS - INTANGIBLE</b>										
DESCRIPTION	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2014
Goodwill	15,179.21	-	-	15,179.21	9,106.78	1,517.92	-	10,624.70	4,554.51	6,072.43
	<b>15,179.21</b>	<b>-</b>	<b>-</b>	<b>15,179.21</b>	<b>9,106.78</b>	<b>1,517.92</b>	<b>-</b>	<b>10,624.70</b>	<b>4,554.51</b>	<b>6,072.43</b>
<b>Previous Year</b>	<b>15179.21</b>	<b>-</b>	<b>-</b>	<b>15179.21</b>	<b>7,588.86</b>	<b>1,517.92</b>	<b>-</b>	<b>9,106.78</b>	<b>6,072.43</b>	<b>7,590.35</b>

Note: Pursuant to the enactment of Companies Act 2013, The Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being Depreciated/Amortised over the revised/remaining useful lives. Hence the Depreciation charges is more by Rs. 34.15 lakhs for the Year Ending 31 March, 2015.

<b>NOTE-12</b>	<b>NON CURRENT INVESTMENTS</b>		
<b>A.</b>	<b>Investment In Equity Instruments</b>		
	Long Term - At Cost- Trade		
	(i) Quoted Picturehouse Media Limited 3,353,114 equity shares of Rs. 10 each		
	[Market value as at March 31, 2015: Rs.301.78 Lakhs (2014: Rs. 1267.48 Lakhs)]	531.05	531.05
	Less: Provision for diminution in value of investment	200.00	-
	(A)	331.05	531.05
	(ii) Unquoted		
	PVP Corporate Parks Private Limited 500,000 equity shares of Rs.10 each	50.00	50.00
	PVP Global Ventures Private Limited	-	-
	5,602,869 equity shares of Rs. 10 each fully paid up	54,205.00	54,205.00



	New Cyberabad City Projects Private Limited 1,010,000 equity shares of Rs.10 each fully paid up	101.00	101.00
	PVP Media Ventures Private Limited 19,000 equity shares of Rs.10 each fully paid up	1.90	1.20
	PVP Island Private Limited 10,000 equity shares of Rs.10 each fully paid up	1.00	-
	Blasteres Sports Ventures Private Limited 60,000 equity shares of Rs.10 each fully paid up	6.00	-
	Safetrunk Services Private Limited 10,000 equity shares of Rs.10 each fully paid up	1.00	-
		54,365.90	54,357.20
	Less: Provision for diminution in value of investment	30,000.00	30,000.00
	<b>(B)</b>	<b>24,365.90</b>	<b>24,357.20</b>
	Other than Trade in Non Subsidiaries		
(i)	Quoted		
	Aptech Limited 100 equity shares of Rs.10 each paid up		
	[Market value as at March 31, 2014 - Rs. 0.04Lakhs (2013: Rs. 0.04 Lakhs)]	0.05	0.05
	<b>(C)</b>	<b>0.05</b>	<b>0.05</b>
<b>B</b>	<b>Investment In Debentures</b>		
	New Cyberabad City Projects Private Limited		
	24,832 22% Redeemable Non Convertible Debentures (NCDs) of Rs. 100,000 each	-	24,832.00
	Blasteres Sports Ventures Private Limited	-	-
	3,31,65,200 1% Compulsory Convertible Debentures (CCDs) of Rs. 10 each (Refer Note No. 24.11)	3,316.52	-
	<b>(D)</b>	<b>3,316.52</b>	<b>24,832.00</b>
	Aggregate amount of quoted investments	531.10	531.10
	Aggregate amount of unquoted investments	54,365.90	54,357.20
	Aggregate amount of debentures	3,316.52	24,832.00
		58,213.52	79,720.30
	Less: Aggregate provision made for diminution in value	30,200.00	30,000.00
	<b>( A+B+C+D)</b>	<b>28,013.52</b>	<b>49,720.30</b>
	<p>The NCDs are converted into interest free secured loans (Refer Note No. 24.12)</p> <p>Considering the provisions already made for the diminution in the value of investments and considering the fact that the market value of the assets and expected cash flows from the business of these subsidiaries, the management is of the opinion that the provisions already made are adequate.</p>		

<b>NOTE-13</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Advance to Subsidiaries - Secured and Considered good	21,818.51	-
	Advance to Subsidiaries - Unsecured and Considered good	31,348.51	36,570.09
	Advance to Subsidiaries - Considered Doubtful	5,160.16	5,160.16
	Unsecured and Considered good	-	-
	Security Deposit	177.83	177.83
	Advance to Others	854.09	1,337.40

		59,359.10	43,245.48
	Less: Provision for doubtful advances	5,160.16	5,160.16
		<b>54,198.94</b>	<b>38,085.32</b>
	Considering the provisions already made for the doubtful advances and considering the fact that the market value of the assets and expected cash flows from the business of the subsidiaries, the management is of the opinion that the provisions already made are adequate.		

<b>NOTE-14</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Others - Inventory of land	7,077.51	7,588.41
	(Valued at cost or net realised value which ever is less and as certified by the Management.)		
		<b>7,077.51</b>	<b>7,588.41</b>

<b>NOTE-15</b>	<b>TRADE RECEIVABLE</b>		
	Considered Good		
	Trade receivables outstanding for less than six months from the date they became due for payment	302.48	250.37
		<b>302.48</b>	<b>250.37</b>

<b>NOTE-16</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Balance with banks	72.19	158.30
	Cash on hand	0.10	0.27
	Bank Deposits with more than 12 months maturity	-	16.75
		<b>72.29</b>	<b>175.32</b>

<b>NOTE-17</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Unsecured - Considered good		
	Staff Advances	190.33	169.60
		<b>190.33</b>	<b>169.60</b>

<b>NOTE-18</b>	<b>OTHER CURRENT ASSETS</b>		
	Interest accrued and due	0.53	1.53
	Advance Income Tax	219.57	647.96
	Prepaid Expenses	9.75	6.84
		<b>229.85</b>	<b>656.33</b>

**NOTES TO THE STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH 2015**

[Rs. In Lakh]

		<b>FOR THE YEAR ENDED 31-03-2015</b>	<b>FOR THE YEAR ENDED 31-03-2014</b>
<b>NOTE-19 A</b>	<b>REVENUE FROM OPERATIONS</b>		
	Income from Real Estate	3,841.52	6,002.24
	Income from Sports Activity	14,94.61	345.00
		<b>5,336.13</b>	<b>6,347.24</b>
<b>NOTE-19 B</b>	<b>OTHER INCOME</b>		
	Interest income	23.82	31.35
	Dividend Income from Mutual Fund	7.49	5.52
	Miscellaneous Income	13.17	28.01
		<b>44.48</b>	<b>64.88</b>
<b>NOTE-20</b>	<b>CHANGES IN INVENTORY</b>		
	Opening Stock of Land	7,588.41	8,411.02
	Add: Current year Expenses	-	-
		7,588.41	8,411.02
	Less: Closing Stock of Land	7,077.51	7,588.41
		<b>510.90</b>	<b>822.61</b>
<b>NOTE-21</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and wages	444.78	432.02
	Contribution to PF and other funds	4.71	3.25
	Staff welfare expenses	15.58	7.02
	Retirement Benefits	32.24	4.91
		<b>497.31</b>	<b>447.20</b>
<b>NOTE-22</b>	<b>OTHER EXPENSES</b>		
	Rent	64.01	56.39
	Power and Fuel	10.73	49.91
	Communication Expenses	11.43	9.24
	Legal, Professional and Consultancy	249.54	607.73
	Books and Periodicals	0.30	0.49
	Insurance	8.84	3.86
	Printing and Stationery	20.44	15.11
	Postage and Telegrams	6.90	9.88
	Listing Fees and Others Expenses	29.51	24.27
	Security Charges	7.12	7.10
	Office Expenses	54.99	219.01
	Business Development Expenses	19.64	7.86
	Directors Sitting Fees	3.75	3.41
	Repairs and Maintenance		
	- For Others	14.46	8.16

	Rates and Taxes	11.73	11.71
	Payment To Statutory Auditors		
	-For Statutory Audit	14.05	14.05
	-For Tax Audit	2.81	2.25
	-For Certification	3.65	2.53
	-Bank Charges and Commission	2.43	3.68
	TDS Written Off	-	66.26
	Travelling Expenses and Conveyance	72.37	45.18
	Provision For Diminution In Value Of Investment	200.00	-
	Loss On Sale Of Asset	0.24	-
	Miscellaneous Expenses	0.26	0.58
		<b>809.20</b>	<b>1,168.67</b>
<b>NOTE-23</b>	<b>EXCEPTIONAL ITEMS</b>		
	Profit on Sale of Investments	-	(343.83)
	Advances and Investments Written Off	49.86	386.68
		<b>49.86</b>	<b>42.86</b>

## **NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

### **Note 1. Significant Accounting Policies**

#### **1.1 Basis of Accounting**

- a.** The financial statements of the Company have been prepared under the historical cost convention in accordance with the Accounting standards specified by Companies (Accounts) Rules, 2014 and provisions of the Companies Act, 2013, to the extent applicable.
- b.** All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.

#### **1.2 Use of Estimates**

In preparation of financial statements conforming to GAAP requirements certain estimates and assumptions are essentially required to be made with respect to items such as provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful life period of Fixed Assets. Due care and diligence have been exercised by the Management in arriving at such estimates and assumptions since they may directly affect the reported amounts of income and expenses during the year as well as the balances of Assets and Liabilities including those which are contingent in nature as at the date of reporting of the financial statements.

To comply with GAAP requirements relating to impairment of assets, if any, the Management periodically determines such impairment using external and internal resources for such assessment. Loss, if any, arising out of such impairment is expensed as stipulated under the GAAP requirements. Contingencies are recorded when a liability is likely to be incurred and the amount can be reasonably estimated. To this extent the results may differ from such estimates.

#### **1.3 Revenue Recognition**

As a consistent practice, the Company recognizes revenues on accrual basis. Revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership. Revenue from dividend is recognised upon right to receive the dividend is established. Revenue from Sporting activity are recognized on accrual basis, with cost of services provided for proportionately. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

#### **1.4 Fixed Assets**

Fixed Assets are stated at the cost of acquisition less accumulated depreciation. The cost of acquisition includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

## 1.5 Depreciation

Depreciation is provided on straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013 , as amended.

## 1.6 Impairment

All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment loss being the excess of carrying value over the recoverable value of the assets, are charged to the Statement of Profit and Loss in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

## 1.7 Investments

Long-term investments are stated at cost, less diminution other than temporary in the value of such investments, if any. Current investments are valued at cost or market value which ever is lower.

## 1.8 Inventories

Inventories primarily constitute land and related development activities, which is valued at lower of cost or Net Realizable Value. Cost comprises of all expenses incurred for the purpose of acquisition of land, development of the land and other related direct expenses.

## 1.9 Employee Benefits

### Gratuity

The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out in accordance with revised Accounting Standard 15 (Revised 2005) on "Employee Benefits" as at the end of the period. Actuarial Gains/Losses are recognized immediately in statement of Profit and Loss.

### Leave Encashment

Leave encashment is paid for in accordance with the rules of the Company and provided based on an actuarial valuation as at the balance sheet date. Actuarial Gains/Losses are recognized immediately in statement of Profit and Loss.

### Other Benefit Plans

Contributions paid/ payable under defined contribution plans are recognized in the statement of Profit and Loss in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The company makes monthly contributions and has no further obligations under the plan beyond its contributions.

## 1.10 Taxes on Income

- a. Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.
- b. 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 are

recognised 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

### **1.11 Earnings Per Share**

The earnings considered for ascertaining the Company's Earnings Per Share comprises the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises the weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares.

### **1.12 Borrowing Cost**

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset. All other borrowing costs are charged to statement of profit and loss.

### **1.13 Foreign Currency Transactions**

Foreign currency transactions are translated at the exchange rates prevailing on the respective date of transactions.

Assets and Liabilities outstanding in foreign currency as on the date of the Balance Sheet are translated at exchange rates prevailing as on the last day of the relevant financial year. Differences arising out of such translations are charged to the statement of profit and loss.

### **1.14 Leases**

The assets purchased under hire purchase agreements are included in the Fixed Assets block. The value of the asset purchased is capitalized in the books. A liability for the same amount is created at the time of entering into the agreement. The payments are made to the HP vendors as per the EMI's given in the hire purchase agreements. The finance charges are debited to the statement of profit and loss and the principal amount is adjusted against the liability created for the vendor.

Lease rental in respect of operating lease arrangements are charged to expense on a straight-line basis over the term of the related lease agreement.

### **1.15 Cash Flow Statement**

The Cash flow statement is prepared under the indirect method as per Accounting Standard 3 "Cash Flow Statements".

### 1.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### 1.17 Segment Reporting

The Company is engaged in Real Estate/Urban Infrastructure and Sports activities. These are reportable segments for the year. Entire operations of the company is only in domestic hence reportable geographical segment does not arise. Segment wise Income, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

#### Note 24.1 Other Items

##### a. Joint Development Agreement(JDA) for Perambur Project

Based on the JDA entered between the company and the developers, the Company received Rs.1029.73lakhs (PY: Rs.3404.67lakhs) as its share of collections from the Project. As per the policy on the revenue recognition, the company has recognized revenue for the year Rs.3841.52lakhs (PY 6002.24lakhs) and the balance are shown as Advance received for sale of UDS.

##### b. Sporting Activities

a. During the year the sports activities relating to Indian Badminton League (IBL) was not conducted by Sporty Solutionz (P) Ltd Organisers of IBL and hence there are no revenues for the year from IBL. (PY 345.00 Lakhs)

b. During the year 2014-15 the company has won the runners up title for Indian Super League Season I by Kerala Blasters FC, a franchisee owned by the company. Gross revenue of Rs.1494.61 lakhs have been recognized and shown under Revenue from Operations.

**24.2** The Company is engaged in the development of Real Estate/Urban infrastructure and Sports activities. Disclosure as required by Accounting Standard 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India is given below.



	YEAR ENDING 31ST MARCH 2014 [IN LAKH RUPEES]	YEAR ENDING 31ST MARCH 2015 [IN LAKH RUPEES]
<b>SEGMENT REVENUES</b>		
Real estate/Urban Infrastructure	6002.24	3841.52
Sports Activities	345.00	1494.61
Unallocated	64.88	44.48
<b>Total</b>	<b>6412.12</b>	<b>5380.61</b>
<b>SEGMENT EXPENSES</b>		
Real estate/Urban Infrastructure	4398.91	3842.22
Sports Activities	628.32	1494.61
Un allocated	Nil	Nil
<b>Total</b>	<b>5027.23</b>	<b>5336.83</b>
<b>SEGMENT ASSETS</b>		
Real estate/Urban Infrastructure	63977.29	54835.17
Sports Activities	750.00	3510.08
Un allocated	38276.37	36527.59
<b>Total</b>	<b>103003.66</b>	<b>94872.84</b>
<b>SEGMENT LIABILITIES</b>		
Real estate/Urban Infrastructure	36793.66	29523.73
Sports Activities	81.88	578.38
Un allocated	Nil	Nil
<b>Total</b>	<b>36875.54</b>	<b>30102.11</b>

### 24.3 Lease Rentals

The Company has entered into operating leases agreements for office premises and an amount of Rs. 64.01 lakhs (2014: Rs. 56.39 lakhs) paid under such agreement have been charged to statement of Profit & Loss. The details with regard to finance lease obligations are as under.

	YEAR ENDING 31ST MARCH 2014 [IN LAKH RUPEES]	YEAR ENDING 31ST MARCH 2015 [IN LAKH RUPEES]
Due within 1 year from the Balance Sheet date	16.48	10.26
Due between 1 and 5 years	40.28	18.92
Due after 5 years	Nil	Nil

Details of assets under Hire purchase:

PARTICULARS	GROSS BLOCK [IN LAKH RUPEES]	DEPRECIATION [IN LAKH RUPEES]	NET BLOCK [IN LAKH RUPEES]
Vehicles	64.75	14.59	50.16

### 24.4 Earnings Per Share (EPS)

PARTICULARS		YEAR ENDED MARCH 31 2014	YEAR ENDED MARCH 31, 2015
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
Weighted average number of Equity Shares outstanding during the period	B	245,052,701	245,052,701

Profit/(Loss) after Taxes After Exceptional items (Rs. in Lakhs)	C	802.21	160.53
Earnings Per Share – Basic and diluted (After Extraordinary items) (in Rs.)	C*100000/B	0.33	0.07

## 24.5 Related Party Disclosures

List of related parties where control exists and related parties with whom transactions have taken place and relationships are as follows:

NAMES OF THE RELATED PARTY	RELATIONSHIP
Platex Limited (PL)	Holding Company
PVP Global Ventures Private Limited (PGPL) New Cyberabad City Projects Private Limited (NCCPPL) PVP Corporate Parks Private Limited (PCPL) PVP Media Ventures Private Limited (PMPL) PVP Island Private Ltd(PVPIL) Safetrunk Services Private Limited(SSPL) Blaster Sports Ventures Private Limited(BSVPL)	Subsidiary Companies
Mr. Prasad V. Potluri, Chairman and Managing Director (PV)	Key Managerial Personnel (KMP)
Mr.S.Kannan , Head -Finance and Accounts	
Mr.GSV Ranga , Head - Legal & Company Secretary	
Bruma Properties Private Limited (BPPL) Picturehouse Media Ltd(PHML) PVP Capital Ltd (PCL)	Enterprises where KMP exercise significant influence

### Summary of transactions with the related parties, during the year ended March 31, 2015

NATURE OF TRANSACTIONS	TRANSACTIONS FOR THE YEAR ENDED [IN LAKH RUPEES]	
	MARCH 31, 2014	MARCH 31, 2015
<b>A. Advances/Loans Given</b>		
Subsidiary Company		
- PGPL	14964.44	(5262.09)
- PVPIL	Nil	3.06
- SSPL	Nil	35.94
(Conversion of NCD to Secured loan)		
-NCCPL	2.00	21818.51
-PCPL	629.07	(19.56)
-PMPL	0.05	1.60
-PBT	106.37	Nil
<b>B. Debenture Subscribed</b>		
-BSVPL	Nil	3316.52
<b>C. Interest Payment</b>		
Holding company		
-PL	1926.91	Nil
<b>D. Salary and Perquisites To Chairman and Managing Director **</b>	100.19	30.10
<b>E. Salary to other KMPs</b>	52.68	81.00

\*\* Based on the resolution passed in 22nd AGM dt 26th Sept 2013 an amount of Rs.100.19 lakhs was paid and the excess paid Rs. 25.94 lakhs, were recovered.

### The Outstanding Balances As At The March 31, 2015

PARTICULARS	OUTSTANDING BALANCE AS AT [IN LAKH RUPEES]	
	MARCH 31, 2014	MARCH 31, 2015
<b>A. Advances Receivable</b>		
Subsidiary Company -PGPL	41730.21	36468.02
-PVPIL	Nil	3.06
-SSPL	Nil	35.94
-NCCPL	Nil	21818.52
-PMPL	0.05	1.65
Enterprises where significant influence exists -BPPL	35.00	35.00
<b>B. Unsecured Loans Payable</b>		
Subsidiary Company -NCCPL	3016.22	Nil
-PCPL	1069.40	1049.84
<b>C. Debentures Issued</b>		
Holding Company -PL	13289.00	Nil
<b>D. Debentures Subscribed</b>		
Subsidiary Company -NCCPPL	24832.00	Nil
-BSVPL	Nil	3316.52
<b>E. Corporate Guarantee</b>		
-PHML	2275.00	3325.00
-PCL	10000.00	10000.00

#### 24.6 Contingent Liabilities

- a. For Assessment Year (AY) : 2007-08 while giving effect to the orders of ITAT, the Assessing Officer(AO) raised a demand of Rs.78.21 lakhs, which are disputed before CIT(A), Hyderabad.
- b. For AY : 2008-09 AO reopened the assessment proceedings u/s 148 of Income Tax Act, 1961. Company disputed the re-opening proceeding before Honorable High Court of Madras. In the mean time AO passed an order with a demand of Rs. 1112.35 lakhs and the said order is also disputed before Honorable High Court of Madras.
- c. For AY : 2009-10 AO re-opened the assessment u/s 148 of Income tax Act 1961 and order passed with a demand of Rs. 13.24 lakhs. The company has disputed the demand with CIT - Appeals , Chennai.
- d. Company has received an order from SEBI imposing a penalty of Rs.15 lakhs for the PVP Ventures Ltd and further penalty of Rs.15 lakhs for Prasad V Potluri as Chairman & Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company is challenging the orders before the Securities Appellate Tribunal (SAT).
- e. Based on the Issues and circumstances in consideration for the above cases and based on the expert advice the Company is confident of success, hence no amount has been provided for in the books.

- f. Company has given a corporate guarantee and mortgage of perambur land for Rs.3325.00 lakhs for its group company Picturehouse Media Limited as security for availing term loan from the bank for production of films. The outstanding loan with bank as on 31 March 2015 is Rs. 3006.57 lakhs.
- g. Company has given a corporate guarantee and mortgage of perambur land for Rs.10000.00 lakhs for its group company ie PVP Capital Limited as security for availing working capital limits from the Bank. The company has outstanding loan with bank Rs. 9940.56 lakhs as on 31st March 2015 ( Rs.6166.65 lakhs as on 31 March 2014.)
- h. Company has given mortgage of perambur land for Business Corporates for a consolidated sum of Rs.2000.00 lakhs with a financial institution for temporary financial assistance to the company. The outstanding loan with the financial institution by these companies as of 31 March 2015 is Rs. 2028.19 lakhs.

## 24.7 Employee Benefits

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognized in the financial statements

### Principal Actuarial Assumptions Used

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
Discount rates	9.10%	7.80%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

### Reconciliation of opening and closing balances of the present value of the obligations

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
<b>Present Value of Obligation at the beginning of the period</b>	6.14	11.05
Current service cost	3.20	4.98
Interest cost	0.50	1.01
Actuarial loss/(gain)	1.21	0.41
Benefits paid	Nil	Nil
<b>Present Value of obligation at the end of the period</b>	11.05	17.45

### Actuarial Gain/Loss Recognised

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
<b>Actuarial (gain)/loss for the year</b>		
Obligations	(1.21)	(0.41)
Assets	Nil	Nil
<b>Total (gain)/loss for the year</b>	1.21	0.41

### Amounts Recognized In The Balance Sheet

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
<b>Present value of funded obligation</b>	11.05	17.4
Less: Fair value of Assets*	Nil	Nil
Net Liability / (Asset)	11.05	17.45
*The Company has not created any Trust for meeting the liability and not funded so far and hence no assets are available for valuation and hence there are no disclosures pertaining to plan assets.		

### Expenses Recognised In The Profit and Loss Statement

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
Current Service Cost	3.20	4.98
Interest Cost	0.50	1.01
Actuarial (Gain)/Loss	1.21	0.41
Cost Recognized	4.91	6.39

The following table sets forth the status of the Leave Encashment Plan of the Company and the amounts recognized in the financial statements

### Principal Actuarial Assumptions Used

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
Discount Rates	9.10%	7.80%
Expected Salary Increase Rates	7.50%	7.50%
Expected Rate of Return on Plan Assets	-	-
Expected Average Remaining Working Lives of Employees (years)	22 years	22 years

### Reconciliation of opening and closing balances of the present value of the obligations

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
Present Value of Obligation at The Beginning of the Year	19.03	35.86
Current Service Cost	16.83	20.40
Interest Cost	1.56	3.26
Actuarial Loss/(Gain)	(1.11)	2.18
Benefits Paid	(0.45)	(5.44)
<b>Projected Benefit Obligation at the End of the Period</b>	<b>35.86</b>	<b>56.26</b>

Actuarial Gain/Loss Recognised

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
<b>Actuarial (Gain)/Loss for the Year</b>		
Obligations	(1.11)	(2.18)
Assets	Nil	Nil
<b>Total (Gain)/Loss for the year</b>	<b>(1.11)</b>	<b>(2.18)</b>

Amounts Recognized In The Balance Sheet

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
Present value of funded obligation	35.86	56.26
Less: Fair value of assets	-	-
<b>Net Liability / (Asset)</b>	<b>35.86</b>	<b>56.26</b>

Expenses Recognised In The Profit and Loss Statement

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[IN LAKH RUPEES]	
Current Service Cost	16.83	20.40
Interest Cost	1.56	3.26
Actuarial (Gain)/Loss	(1.11)	2.18
Cost Recognized	(17.28)	25.85

**Defined Contribution Plans**

In respect of the defined contribution plans, an amount of Rs. 4.71 lakhs(2014: Rs. 3.25 lakhs) has been recognized in the Statement of Profit and Loss during the year.

**24.8 Particulars Relating to Expenditure in Foreign Currency (on Payment Basis)**

PARTICULARS	YEAR ENDED MARCH 31 2014	YEAR ENDED MARCH 31, 2015
Travel Related Expenses	1.16	0.86
Professional Fees	66.06	1044.68
London Stock Exchange Fee	11.71	15.51
Interest	1926.91	1926.91
<b>Total</b>	<b>2005.84</b>	<b>2987.96</b>

- 24.9** During the year the holding company , Platex Ltd, transferred the 14.5% Fully Convertible Debentures(FCD) to M/s India Investments II pte Ltd, Singapore with the same terms and conditions. These FCD holders have a option to convert them as equity anytime before 31 March 2016. The company have paid the interest on these FCDs during the year 2014-15.
- 24.10** Non-current investments in quoted shares : The market value of long term investments in quoted equity shares of Picture House Media Ltd (PHML) as on 31.3.2015 was Rs.301.78 lakhs as against the cost of Rs.531.05 lakhs. The management have provided Rs.200 lakhs as provisions for diminution in value of quoted investments. Company have struck off Investments( Rs. 2 lakhs) and long term advances (Rs.3051 lakhs) for which necessary provisions were already made in the earlier years and no significant improvement is expected in the near future. Since the provision is already made there is no impact of the same in the current year operations.
- 24.11** The Company PVP Ventures Ltd (PVPVL) has entered into a participation agreement with Football Sports Development Ltd(FSDL) for acquiring the franchisee rights of Kerala Blaster FC. PVPVL have incorporated a Subsidiary company by name Blaster sports ventures private ltd(BSVPL) with a object of creating a SPV for the said Kerala Blaster FC. In furtherance of the objective a Novation agreement dated 19 March 2015 was entered into between Football Sports Development Ltd, Blaster Sports Ventures Private Ltd(BSVPL) and PVP Ventures Ltd (PVPVL). By virtue of the said Novation agreement all the Franchisee rights and obligations on Kerala Blasters FC was transferred and vested with BSVPL. During the year 2014-15 net impact amounting to Rs.3316.52 lakhs for operations on first season of Football league was transferred and absorbed by BSVPL and in consideration of which BSVPL issued 3,31,65,200 of Rs.10 each of 1% Compulsory Convertible Cumulative Debentures to PVPVL.
- 24.12** Non-convertible debentures(NCD) subscribed in the subsidiary company ie NCCPL , which was utilized for acquiring land by NCCPL. The company has initiated the process of converting these NCDs during 2013-14 as secured interest free loan. The charge held by Debenture trustees have been released on 16 March 2015. Based on the representation from NCCPL , company have waived the interest from 1 April till the date of conversion. To facilitate the company in getting the land securitization and generating revenues by utilizing the land in development activities, the company has created charge with ROC in the land assets for the loan amount and same have been shown under Secured loans and advances.
- 24.13** With regard to the Investments and Loans and Advances to subsidiary companies, considering the business potential of these companies, generation of revenues, expected development of Projects, cash flows expected and recoverability of the securities, the provisions already made have been reviewed. The Management considers that the provision made is adequate and do not foresee any diminution in carrying value as of 31 March 2015.
- 24.14** The Company has not received any intimation from suppliers, regarding their

status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence the required disclosures such as amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

**24.15** The Company has not entered into any Derivative transactions during the year. There are no outstanding foreign currency exposures.

**24.16** The Company has accumulated business losses and depreciation of earlier years. Considering the principles of prudence, the net deferred tax asset has not been recognised as at 31.03.2015.

#### **24.17 Corporate Social Responsibility(CSR)**

As per section 135 of companies act 2013, the company should have spent Rs. 32.74 lakhs, towards CSR activities during the year 2014-15. Management have formed the CSR Committee and Policy in respect of the same, but could not effect payment before 31st March 2015 and the same will be expensed during the current financial year 2015-16.

**24.18** The previous years figures have been regrouped/rearranged wherever necessary to make it comparable with the current year figures.

As per report of our even date  
**FOR M/S. CNGSN & ASSOCIATES LLP**  
 Chartered Accountants  
 Firm Reg.No.004915S

For and on behalf of the Board of Directors

**SD/-**

**R. THIRUMALMARUGAN**  
 Partner  
 M. No : 200102

**SD/-**

**PRASAD V. POTLURI**  
 Chairman and Managing Director

**SD/-**

**R. NAGARAJAN**  
 Director

**DATE: MAY 29, 2015**  
**PLACE: HYDERABAD**

**SD/-**

**KANNAN S.**  
 Head-Finance and Accounts

**SD/-**

**G.S.V.RANGA**  
 Head-Legal and  
 Company Secretary





# **consolidated financial section**

## **Independent Auditor's Report**

To,  
The Members  
PVP Ventures Limited  
Chennai.

### **Report on the consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of PVP Ventures Limited (herein after referred to 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "as Group") comprising of the consolidated Balance Sheet as at 31 March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the assets of the Group and for preventing and detecting frauds and the irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the consolidated financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March, 2015, and their consolidated loss, and their consolidated cash flows for the year ended on that date.

### Emphasis of Matters

*We draw the attention of member's notes to the financial statements in (a) Note 12 and Note 24.3 with regard to the unquoted investment of equity shares of Rs. 13096.99 lakhs and (b) Note 14 and Note 24.2 Land held as inventory with carrying cost of Rs. 22435.00 lakhs. The management is of the view that considering market value of the assets, present value of investments and expected cash flows and expected development of projects the provision already made are adequate which describes the uncertainty related to the outcome of the future events. Our opinion in respect of these matters is not modified.*

### Other Matter

We did not audit the financial statements / financial information of six subsidiaries, whose financial statements / financial information reflect total assets (net) of Rs.50094.14 lakhs as at 31 March, 2015, total revenues of Rs.1187.58 lakhs and net cash inflows amounting to (-) Rs.13.97 lakhs for the year then ended, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's Share of profit of Rs. 297.31 lakhs for the year ended 31 March, 2015, as considered in the consolidated financial statements, in respect of associates, whose financial statements/ financials information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order), issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors reports of the Holding Company and subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representation received from the Directors of the Holding Company as on 31 March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group Companies is disqualified as on 31 March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 24.4 to the consolidated financial statements
  2. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

**Camp** Hyderabad  
**Date** May 29, 2015

for M/s CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No: 004915S

Sd/-  
R.Thirumalmarugan  
Partner  
Membership No: 200102

## **Annexure to Independent Auditors' Report**

[Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Independent Auditors' Report of even date]

- 1. a.** In our opinion and according to the information and explanations given to us, the Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

**b.** As per the information and explanations provided to us, the Group has physically verified the fixed assets during this year and there is no material discrepancies noticed on such verification.
- 2. a.** According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals.

**b.** According to the information and explanations given to us the procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Group and nature of its business.

**c.** According to the information and explanation given to us the Group is maintaining proper records of inventory and there is no material discrepancies noticed on physical verification.
- 3.** According to the information and explanations given to us, the Group has not granted loans to the parties covered in the register maintained under section 189 of the Act.
- 4.** In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Group and the nature of its business, for purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls systems.
- 5.** In our opinion and according to the information and explanation given to us, the Group has not accepted deposits from public during this year. Therefore the provisions of section 73 to 76 and relevant rules framed thereunder and any contravention of these provisions for the year under audit are not applicable.
- 6.** As per the information and explanations given to us, we are of the opinion that the Group has made and maintained the cost records pursuant to the Rules made by the Central Government under sub-section (1) of Section 148 of the Act.

- 7. a.** According to the information and explanation given to us, the Group is depositing undisputed statutory dues with appropriate authorities, like Provident Fund, Employee's State insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess, wherever applicable, except few delays in depositing Income Tax TDS. There are no undisputed Statutory outstanding dues as at 31st March, 2015 for a period of more than six months from the date they become payable.
- b.** According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of any dispute, except the following:

STATUE	PERIOD	AMOUNT [RUPEES]	DISPUTE PENDING BEFORE
Income Tax	AY 2007-08	78.21 lakhs	CIT-A, Hyderabad
Income Tax	AY 2008-09	1112.35 lakhs	High Court, Chennai
Income Tax	AY 2009-10	13.24 lakhs	CIT-A, Chennai
Income Tax	AY 2012-13	4.86 lakhs	CIT-A, Hyderabad
Income Tax	AY 2012-13	793.29 lakhs	CIT-A, Chennai
Service Tax	AY 2009-10	17.66 lakhs	Commissioner Appeals - Central Excise, Chennai

- c.** According to the information and explanation given to us, there are no amount required to be transferred to investor education and protection fund in accordance with the provisions of the Act.
- 8.** In our opinion and according to the information and explanation given to us the accumulated losses of the Group as at the end of the financial is not more than 50% of its net worth. The Group has incurred cash losses during the financial year covered by our audit and has not incurred cash losses during the immediately preceding financial year.
- 9.** In our opinion and according to the information and explanations given to us, the Group has not defaulted in repayment of dues to the financial institutions or banks or debenture holders.
- 10.** In our opinion and according to the information and explanation given to us, the Group has given corporate guarantee and security for loans taken from the Banks by its group companies and others, and the terms and conditions whereof are not prejudicial to the interest of the Group.

11. In our opinion and according to the information and explanation given to us, the term loans borrowed by the Group were applied for the purpose for which the loans were obtained.
12. According to the information and explanation given to us, no fraud on or by the Group has been noticed or reported during the course of our audit.

**Camp** Hyderabad  
**Date** May 29, 2015

for M/s CNGSN & Associates LLP  
Chartered Accountants  
Firm Registration No: 004915S

Sd/-  
R.Thirumalmarugan  
Partner  
Membership No: 200102



## BALANCE SHEET AS AT 31ST MARCH, 2015

[Rs. In Lakhs]

	NOTE NO.	AS AT 31-03-2015		AS AT 31-03-2014	
<b>I. Equity And Liabilities</b>					
<b>(1) Shareholders' Funds:</b>					
a. Share Capital	2	24,396.25		24,396.25	
b. Reserves And Surplus	3	14,260.14		18,318.90	
c. Money Received Against Share Warrants		-	38,656.39	-	42,715.15
d. Minority Interest			(665.87)		117.78
<b>(2) Share Application Money Pending Allotment</b>					
<b>(3) Non-Current Liabilities:</b>					
a. Long-Term Borrowings	4	14,273.50		16,462.32	
b. Deferred Tax Liabilities (Net)		-		-	
c. Other Long-Term Liabilities	5	8,216.46		8329.46	
d. Long-Term Provisions	6	73.02	22562.98	46.37	24,838.15
<b>(4) Current Liabilities:</b>					
a. Short-Term Borrowings		-		-	
b. Trade Payables	7	1,099.81		676.36	
c. Other Current Liabilities	8	6,333.53		8,816.18	
d. Short-Term Provisions	9	132.89	7,566.23	660.66	10,153.20
<b>Total</b>			<b>68,119.73</b>		<b>77,824.28</b>
<b>II. Assets:</b>					
<b>(1) Non-Current Assets</b>					
a. Fixed Assets					
(i) Tangible Assets	10	233.41		285.58	
(ii) Intangible Assets	11	6,714.84		8,232.76	
(iii) Capital Work-In-Progress		9.76		-	
(iv) Intangible Assets Under Development		-		-	
b. Non-Current Investments	12	15,019.43		14,763.28	
c. Deferred Tax Assets (Net)		-		-	
d. Long-Term Loans And Advances	13	15,262.46		22,462.82	
e. Other Non-Current Assets	14	29,267.30	66,507.20	29,778.69	75,523.13
Good will on Consolidation			-		-
<b>(2) Current Assets</b>					
a. Current Investments		-		-	
b. Inventories		-		-	
c. Trade Receivables	15	302.48		250.39	
d. Cash And Cash Equivalents	16	94.10		200.71	
e. Short-Term Loans And Advances	17	190.63		169.61	
f. Other Current Assets	18	1,025.32	1,612.53	1,680.44	2,301.15
<b>Total</b>			<b>68,119.73</b>		<b>77,824.28</b>
*See accompanying notes to the financial statements					

As per report of our even date For and on behalf of the Board of Directors

### FOR M/S. CNGSN & ASSOCIATES LLP

Chartered Accountants  
Firm Reg.No.004915S

SD/-  
**R. THIRUMALMARUGAN**  
Partner M. No : 200102

DATE: MAY 29, 2015  
PLACE: HYDERABAD

SD/-  
**PRASAD V. POTLURI**  
Chairman and Managing Director

SD/-  
**KANNAN S.**  
Head-Finance and Accounts

SD/-  
**R. NAGARAJAN**  
Director

SD/-  
**G.S.V.RANGA**  
Head-Legal and Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

[Rs. In Lakhs]

		NOTE NO.	FOR THE YEAR ENDED 31-03-2015	FOR THE YEAR ENDED 31-03-2014
1	Revenue from operations	19a	5,336.13	6,347.24
2	Other income	19b	1,336.55	1,311.61
<b>3</b>	<b>Total Revenue (1 + 2)</b>		<b>6,672.68</b>	<b>7,658.86</b>
4	Expenses:			
a.	Cost of Sales and Services		4,811.12	628.32
b.	Purchases of Stock-in-Trade		-	-
c.	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	510.90	822.61
d.	Employee benefit expenses	21	497.32	447.20
e.	Finance costs		2,181.86	2027.36
f.	Depreciation and amortisation expenses	10	60.26	20.52
g.	Other expenses	22	637.62	1,203.32
h.	Contingent Provision on Standard Assets		-	-
	<b>Total Expenses</b>		<b>8,699.08</b>	<b>5,149.33</b>
5	Profit/(Loss) before exceptional and extraordinary items and tax (3-4)		(2,026.39)	2,509.53
6	Exceptional items	23	1,039.36	1,687.87
7	Profit/(Loss) before extraordinary items and tax (5-6)		(3,065.75)	821.66
8	Extraordinary items		-	-
9	Profit/(Loss) before tax (7-8)		(3,065.75)	821.66
10	Tax Expenses			
	(1) Current tax		231.95	765.84
	(2) Deferred tax		-	-
	(3) of Earlier Year		(194.65)	1.09
	(4) MAT Credit Entitlement		226.02	(226.02)
<b>11</b>	<b>Profit / (Loss) for the year (before adjustment for Minority Interest) (9 -10)</b>		<b>(3,329.07)</b>	<b>280.75</b>
12	Less: Share of Loss transferred to Minority Interest		(788.21)	(0.12)
<b>13</b>	<b>Profit / (Loss) for the year (11 - 12)</b>		<b>(2,540.86)</b>	<b>280.63</b>
14	Earnings per share after extraordinary items:			
	Basic and Diluted		(1.04)	0.12

\*See accompanying notes to the financial statements

As per report of our even date For and on behalf of the Board of Directors

**FOR M/S. CNGSN & ASSOCIATES LLP**

Chartered Accountants

Firm Reg.No.004915S

SD/-

**R. THIRUMALMARUGAN**

Partner M. No : 200102

SD/-

**PRASAD V. POTLURI**

Chairman and Managing Director

SD/-

**R. NAGARAJAN**

Director

DATE: MAY 29, 2015

PLACE: HYDERABAD

SD/-

**KANNAN S.**

Head-Finance and Accounts

SD/-

**G.S.V.RANGA**

Head-Legal and Company Secretary

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

[Rs. In Lakhs]

	31-03-2015	31-03-2014
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit Before Tax	(3,065.75)	821.66
<b>Adjustments for:</b>		
Depreciation	60.26	20.52
Provision no longer written back	(2,860.51)	-
Profit on sale of Investments	-	(343.83)
Interest paid	2181.86	2027.36
Interest received	(1,210.81)	(1,278.08)
Dividend Income	(7.49)	(5.53)
Provision for employee benefits	26.79	21.75
Bad debts written off	49.87	66.26
Provision for diminution in value of investment	3,850.00	1,648.00
Loss on sale of Asset	0.24	-
Miscellaneous Income	-	-
Loans and Advances Written off	-	386.69
<b>Operating Profit Before Working Capital changes</b>	<b>(975.54)</b>	<b>3364.80</b>
<b>Adjustments for:</b>		
Increase/(Decrease) in Other Long Term Liabilities	(113.00)	(309.85)
Increase/(Decrease) in Long/Short Term Provisions	-	-
Increase/(Decrease) in Trade Payables	423.45	130.63
Increase/(Decrease) in Other Current Liabilities	(2,482.65)	(2,603.16)
(Increase)/Decrease in Long Term Advances	9,414.00	(2,528.62)
(Increase)/Decrease in Non Current Assets	511.39	1,068.16
(Increase)/Decrease in Trade Receivables	(52.09)	(72.89)
(Increase)/Decrease in Short Term Loans and Advances	(21.02)	464.45
(Increase)/Decrease in Other Current Assets	429.08	(542.41)
<b>Cash Generated from Operations</b>	<b>7,133.62</b>	<b>(1,028.87)</b>
<b>Direct Taxes paid including TDS</b>	<b>(565.19)</b>	<b>(1,036.61)</b>
<b>Net Cash from Operating Activities</b>	<b>6,568.43</b>	<b>(2,065.48)</b>
<b>B</b>	<b>CASH FROM INVESTING ACTIVITIES</b>	
Purchase/addition to Fixed Assets including WIP	(18.35)	(163.97)
Purchase of Investments	(4,106.15)	-
Proceeds from Sale of Fixed Assets	0.26	-
Proceeds from Sale of Investments	597.00	668.76
Dividend Received	7.49	5.53
Interest received	1,210.81	1278.08
<b>Net Cash used in Investing Activities</b>	<b>(2,308.94)</b>	<b>1788.40</b>
<b>C</b>	<b>CASH FROM FINANCING ACTIVITIES</b>	
Interest paid	(2,181.86)	(2,027.36)
Proceeds from Issue of Share Capital	4.00	-
Repayment of long term borrowings	-	-
Proceeds from Long Term Borrowings	(2,188.23)	2,302.42
<b>Net Cash from Financing Activities</b>	<b>(4,366.09)</b>	<b>275.04</b>
Net increase in cash and cash equivalents	(106.61)	(2.04)
Cash and cash equivalents at the beginning of the year	200.71	202.75
<b>Cash And Cash Equivalents At The End Of The Year</b>	<b>94.10</b>	<b>200.71</b>

As per report of our even date

For and on behalf of the Board of Directors

**FOR M/S. CNGSN & ASSOCIATES LLP**

Chartered Accountants  
Firm Reg.No.004915S

**SD/-**  
**R. THIRUMALMARUGAN**  
Partner M. No : 200102

**SD/-**  
**PRASAD V. POTLURI**  
Chairman and Managing Director

**SD/-**  
**R. NAGARAJAN**  
Director

**DATE: MAY 29, 2015**  
**PLACE: HYDERABAD**

**SD/-**  
**KANNAN S.**  
Head-Finance and Accounts

**SD/-**  
**G.S.V.RANGA**  
Head-Legal and Company Secretary

## NOTES TO THE CONSOLIDATED ACCOUNTS AS AT 31ST MARCH 2015

[Rs. In Lakhs]

		AS AT 31-03-2015	AS AT 31-03-2014															
<b>NOTE: 2</b>																		
<b>A</b>	<b>Authorised, Issued, Subscribed and Paid-up share capital and par value per share</b>																	
	Authorised Share Capital																	
	300000000 Equity Shares of Rs. 10/- each	30,000.00	30,000.00															
	Issued, Subscribed and Paid Up																	
	245,052,701 equity shares of Rs. 10 each	24,505.27	24,505.27															
	Less: 10,90,235 equity shares held by PVP Global Ventures Private Limited, Subsidiary Company.	(109.02)	(109.02)															
		24,396.25	24,396.25															
<b>B</b>	<b>Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:</b>																	
	Number of equity shares outstanding as at the beginning of the year	245,052,701	245,052,701															
	Add: Number of Shares allotted during the year	-	-															
	Less: Number of Shares held by Subsidiary company	(1,090,235)	(1,090,235)															
	Number of equity shares outstanding as at The end of the year	243,962,466	243,962,466															
<b>C</b>	<b>Shareholding in the company held by holding company Platex Limited</b>	132,612,766	132,612,766															
<b>D</b>	<b>Shares in the company held by each shareholder holding more than 5%:</b>																	
	<table border="1"> <thead> <tr> <th>NAME OF SHAREHOLDER</th> <th>NO OF SHARES AT YEAR END 31-03-2015</th> <th>% AS AT YEAR END 31-03-2015</th> <th>NO OF SHARES AT YEAR END 31-03-2014</th> <th>% AS AT YEAR END 31-03-2014</th> </tr> </thead> <tbody> <tr> <td>Platex Limited</td> <td>132,612,766</td> <td>54.36</td> <td>132,612,766</td> <td>54.36</td> </tr> <tr> <td>Black Kite Investments Limited</td> <td>24,505,270</td> <td>10.04</td> <td>24,505,270</td> <td>10.04</td> </tr> </tbody> </table>	NAME OF SHAREHOLDER	NO OF SHARES AT YEAR END 31-03-2015	% AS AT YEAR END 31-03-2015	NO OF SHARES AT YEAR END 31-03-2014	% AS AT YEAR END 31-03-2014	Platex Limited	132,612,766	54.36	132,612,766	54.36	Black Kite Investments Limited	24,505,270	10.04	24,505,270	10.04		
NAME OF SHAREHOLDER	NO OF SHARES AT YEAR END 31-03-2015	% AS AT YEAR END 31-03-2015	NO OF SHARES AT YEAR END 31-03-2014	% AS AT YEAR END 31-03-2014														
Platex Limited	132,612,766	54.36	132,612,766	54.36														
Black Kite Investments Limited	24,505,270	10.04	24,505,270	10.04														
	<p>a) 13,409,314 equity shares of Rs.10 each fully paid-up in cash has been issued to Platex Ltd upon conversion of 27,355 FCDs of Rs. 100,000 each at conversion price of Rs. 204 per share in terms of the Scheme of Amalgamation during 2010-11.</p> <p>b) PVP Global Ventures Private Limited (PVPGVPL) holds 10,90,235 equity shares of PVP Ventures Ltd, as these shares were acquired before the Company became its subsidiary. However, in terms of the provisions of section 19 (1) (C) of the Act, PVPGVPL does not have any rights to vote at meetings of PVP Ventures Ltd or any class of members thereof over these shares.</p>																	

<b>NOTE: 3</b>	<b>RESERVES AND SURPLUS</b>	AS AT 31-03-2014	AS AT 31-03-2015
	Securities Premium Reserve	85,591.90	85,591.90
	Capital Reserve	2,914.27	2,914.27
	Surplus ( P&L a/c ) net of write off	(74,246.03)	(70,187.27)
		14,260.14	18,318.90
	Consequent upon merger of erstwhile PVP Ventures Private Limited with the Company, goodwill of Rs. 15,179.21 lakhs was created which represented the excess of liabilities over assets taken over on merger. In terms of the Scheme of Amalgamation and the decision of the Board, it is being written off in a phased manner over a period of 10 years beginning April 01, 2008. Accordingly, during the year, the Company has amortized goodwill of Rs. 1,517.92 lakhs.		

<b>NOTE-4</b>	<b>LONG-TERM BORROWINGS:</b>		
	<b>Unsecured Loans</b>		
	From Banks - Vehicle Loans	31.76	44.05
	Debentures	-	-
	13,289, 14.5% Redeemable Fully Convertible Debentures (FCDs) of Rs. 100,000 each.	13,289.00	13,289.00
	707 Compulsorily Convertible Debentures (CCDs) of Rs. 1,00,000/- each held by Platex Limited the Holding Company.	707.00	707.00
	Debenture Application Money	-	0.59
	<b>Other Loans And Advances</b>		
	- From Other Body Corporate	245.74	2,421.68
		14,273.50	16,462.32
	<p>The debenture holders has extended the conversion/redemption option of the outstanding FCDs to March 31, 2016.</p> <p>PVPGVPL had issued 707, Zero Percent CCDs of Rs. 100000/- each, which are mandatorily convertible into equity shares of the Company either upon occurrence of a trigger event (which is defined to include public offering, takeover or merger etc. of the Company) or in case of non-occurrence of a Trigger Event, at any time during the period between Five (5) years to Ten (10) years from the date of issuance of the CCDs i.e. between June 16, 2014 and June 16, 2019. During the year, no such trigger event has taken place.</p> <p>Vehicle Loans are as per Hirepurchase Agreement</p>		

<b>NOTE-5</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Security Deposit from Developer - Unsecured	8,216.46	8,311.55
	Others	-	-
	Security Deposit Payable	-	17.91
		8,216.46	8,329.46

<b>NOTE-6</b>	<b>LONG TERM PROVISIONS</b>		
	Employee Benefits (Refer Note No. 24.7)	73.02	46.37
		73.02	46.37

<b>NOTE-7</b>	<b>TRADE PAYABLE</b>		
	Sundry Creditors For Services	1,099.81	676.36
		1,099.81	676.36

<b>NOTE-8</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Advance received for sale of UDS	6,251.03	8,560.76
	Due to Developer	-	229.69
	Statutory Liabilities payable	82.50	25.73
		6,333.53	8,816.18

<b>NOTE-9</b>	<b>SHORT TERM PROVISIONS</b>		
	Provision for income tax	132.20	660.11
	Provision for Employee Benefits (Refer Note No. 24.7)	0.69	0.55
		132.89	660.66

**NOTE-10: FIXED ASSETS - TANGIBLE**

DESCRIPTION	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2014
Plant and Equipment	6.85	-	-	6.85	3.06	1.44	-	4.50	2.35	3.79
Furniture and Fixtures	100.47	0.15	-	100.62	16.51	10.68	-	27.19	73.43	83.96
Vehicles	86.30	-	-	86.30	19.29	12.42	-	31.71	54.59	67.01
Computers and Related Assets	48.74	2.87	1.14	50.47	33.50	6.47	0.64	39.33	11.14	15.24
Office Equipments	126.90	5.57	-	132.47	11.32	29.25	-	40.57	91.90	115.58
	<b>369.26</b>	<b>8.59</b>	<b>1.14</b>	<b>376.71</b>	<b>83.68</b>	<b>60.26</b>	<b>0.64</b>	<b>143.30</b>	<b>233.41</b>	<b>285.58</b>
<b>Previous Year</b>	<b>205.29</b>	<b>163.97</b>	<b>-</b>	<b>369.26</b>	<b>63.16</b>	<b>20.52</b>	<b>-</b>	<b>83.68</b>	<b>285.58</b>	<b>142.13</b>

**NOTE-11: FIXED ASSETS - INTANGIBLE**

DESCRIPTION	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 1ST APRIL, 2014	ADDI-TION	DELE-TION	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2015	AS AT 31ST MAR, 2014
Goodwill	15,179.21	-	-	15,179.21	9,106.78	1,517.92	-	10,624.70	4,554.51	6,072.43
Goodwill on Consolidation	2,160.33	-	-	2,160.33	2160.33	-	-	-	2,160.33	2,160.33
	<b>17,339.54</b>	<b>-</b>	<b>-</b>	<b>17,339.54</b>	<b>9,106.78</b>	<b>1,517.92</b>	<b>-</b>	<b>10,624.70</b>	<b>6,714.84</b>	<b>8,232.76</b>
<b>Previous Year</b>	<b>17,339.54</b>	<b>-</b>	<b>-</b>	<b>17,339.54</b>	<b>7,588.86</b>	<b>1,517.92</b>	<b>-</b>	<b>9,106.78</b>	<b>8,232.76</b>	<b>7,590.35</b>

Note: Pursuant to the enactment of Companies Act 2013, The Company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being Depreciated/ Amortised over the revised/remaining useful lives. Hence the Depreciation charges is more by Rs.34.15 lakhs for the Year Ending 31 March, 2015.

<b>NOTE-12</b>	<b>NON CURRENT INVESTMENTS</b>		
<b>A.</b>	<b>Investment In Equity Instruments</b>		
	Long Term - At Cost- Trade		
(i)	Quoted	5,772.39	1,666.24
	1. Picturehouse Media Limited 1,87,89,405 equity shares of Rs. 10 each		
	2. Aptech Limited 100 equity shares of Rs.10 each paid up	0.05	0.05
	3. CFL Capital Financial Services Limited 2,000 13% cumulative preference share of Rs. 10 each paid up	-	2.00
		5,772.44	1,668.29
	Less: Provision for diminution in value of investment	3,850.00	2.00
	<b>(A)</b>	<b>1,922.44</b>	<b>1,666.29</b>
(ii)	Unquoted		
	Investment in preference shares		
	Jagati Publications Private Limited (JPL) 36,38,053 equity shares of Rs. 10/- each fully paid up at a premium of Rs. 350/- per equity share.	13,096.99	13,096.99
	<b>(B)</b>	<b>13,096.99</b>	<b>13,096.99</b>
(iii)	Investment in debentures		
	Crust Realtors Private Limited 3280- 0% Optionally Convertible Debentures of Rs. 10,000/- each	328.00	328.00
	Mantel realtors Private Limited 5000- 0% Optionally Convertible Debentures of Rs.10,000/- each	500.00	500.00
	P'n'V Real Estates & Developers Private Limited 4500- 0% Optionally Convertible Debentures of Rs. 10,000/- each	450.00	450.00
	Stone Valley Real Estates Private Limited 3500 - 0% Optionally Convertible Debentures of Rs. 10,000/- each	350.00	350.00
	Herrcules Real Estates and Projects Private Limited 200 - 0% Optionally Convertible Debentures of Rs. 10,000/- each	20.00	20.00
	5970 - 0% Optionally Convertible Debentures of Rs. 10,000/- each	-	597.00
	convertible at any time within a period of 10 year into fully paid euqity shares of Rs. 10/- each at a price to be determine by the Board of Directors of the Company.		
		1,648.00	2,245.00
	Less: Provision for diminution in value of investment	1,648.00	2,245.00
	<b>(C)</b>	<b>-</b>	<b>-</b>
	<b>Total - A+B+C</b>	<b>15,019.43</b>	<b>14,763.28</b>
	Aggregate amount of quoted investments	5,772.44	1,668.29
	Aggregate amount of unquoted investments	13,096.99	13,096.99
	Aggregate amount of debentures	1,648.00	2,245.00
		20,517.43	17,010.28
	Less: Aggregate provision made for dimunition in value	5,498.00	2,247.00
		<b>15,019.43</b>	<b>14,763.28</b>
	<p>PCPPL had invested a sum of Rs. 1,648.00 lakhs in 0% Optionally Convertible Debentures (OCDs) of certain companies, which are engaged in developing real estate projects. These OCDs are convertible at any time with in 10 years into fully paid equity shares of Rs.10/- each at price to be determined by Board of Directors of PCPPL at the time of conversion. The Management has provided for the entire investment value as on 31.03.2014.</p> <p>The management is of the opinion that the investments in JPL are fully represented by the value of the assets and business potential of the investee companies and hence no provision towards diminution in the value of such investments has been made in the books of account of the respective companies.</p>		

<b>NOTE-13</b>	<b>LONG TERM LOANS AND ADVANCES</b>		
	Security Deposits - Unsecured and considered good	201.83	177.83
	Loans and advances to Others - Unsecured and considered good	15,060.63	22,284.99
	Loans and advances to Others - Considered doubtful	90.00	2,353.50
		15,352.46	24,816.32
	Less: Provision for doubtful advances	90.00	2,353.50
		15,262.46	22,462.82
	PVPGVPL has advanced as sum of Rs. 16,999.78 lakhs (PY: Rs.16,999.78 lakhs) towards acquisition of land and other rights for its proposed power project's. In terms of the arrangements, these parties are required to facilitate acquisition of certain areas of land parcels within 48 months against which these advances are paid off, failing the completion of the land parcel, PVPGVPL may demand repayment of the advance and shall not be obliged to acquire the land parcel from these parties.		

<b>NOTE-14</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Others - Inventory of land	29,267.30	29,778.69
	(Valued at cost or net realised value which ever is less and as certified by the Management.)		
		29,267.30	29,778.69

<b>NOTE-15</b>	<b>TRADE RECEIVABLE</b>		
	Unsecured considered good.		
	Trade receivables outstanding for less than six months from the date they became due for payment	302.48	250.39
		302.48	250.39

<b>NOTE-16</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Balance with banks	93.46	176.19
	Cash on hand	0.64	7.77
	Bank Deposits with more than 12 months maturity	-	16.75
		94.10	200.71

<b>NOTE-17</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	Unsecured - Considered good		
	Advances for Others	0.28	-
	Staff Advances	190.35	169.61
		190.63	169.61

<b>NOTE-18</b>	<b>OTHER CURRENT ASSETS</b>		
	Interest accrued and due on Investments	0.52	1.53
	Advance Income Tax	1,013.05	1,446.05
	MAT Credit	-	226.02
	Prepaid Expenses	11.75	6.84
		1,025.32	1,680.44



**NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

[Rs. In Lakhs]

		<b>FOR THE YEAR ENDED 31-03-2015</b>	<b>FOR THE YEAR ENDED 31-03-2014</b>
<b>NOTE-19 A</b>	<b>REVENUE FROM OPERATIONS</b>		
	Income from Real Estate	3,841.52	6,002.24
	Income from Sports Activity	14,94.61	345.00
		<b>5,336.13</b>	<b>6,347.24</b>
<b>NOTE-19 B</b>	<b>OTHER INCOME</b>		
	Interest income	1,210.81	1,278.08
	Dividend Income from Mutual Fund	7.49	5.53
	Miscellaneous Income	118.25	28.01
		<b>1,336.55</b>	<b>1,311.62</b>
<b>NOTE-20</b>	<b>COST OF SALES</b>		
	Opening Stock of Land	7,588.41	8,411.02
	Add: Current year Expenses	-	-
		7,588.41	8,411.02
	Less: Closing Stock of Land	7,077.51	7,588.41
		<b>510.90</b>	<b>822.61</b>
<b>NOTE-21</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries and wages	444.78	432.02
	Contribution to PF and other funds	4.71	3.25
	Staff welfare expenses	15.59	7.02
	Retirement Benefits	32.24	4.91
		<b>497.32</b>	<b>447.20</b>
<b>NOTE-22</b>	<b>OTHER EXPENSES</b>		
	Rent	64.01	56.39
	Power and Fuel	10.73	49.91
	Communication Expenses	11.43	9.24
	Legal, Professional and Consultancy	254.69	610.41
	Books and Periodicals	0.30	0.49
	Insurance	8.84	3.86
	Printing and Stationery	20.44	15.11
	Postage and Telegrams	6.90	9.88
	Listing Fees and Others Expenses	29.51	24.27

	Security Charges	7.12	7.11
	Office Expenses	55.42	219.03
	Business Development Expenses	29.64	7.93
	Directors Sitting Fees	3.75	3.41
	Repairs and Maintenance		
	For Others	14.46	8.16
-	Rates and Taxes	12.14	12.67
	Payment To Statutory Auditors		
-	For Statutory Audit	19.01	20.42
-	For Tax Audit	3.37	2.92
-	For Certification	3.65	2.53
-	For Taxation Matters	0.11	0.31
	Bank Charges and Commission	2.44	3.89
	Bad Debts/Tds Written Off	-	66.26
	Travelling Expenses and Conveyance	75.14	45.18
	Loss On Sale Of Asset	0.24	-
	Goodwill and Merger Expenses Written Off	2.33	-
	Miscellaneous Expenses	1.94	23.94
		637.62	1,203.32
<b>NOTE-23</b>	<b>EXCEPTIONAL ITEMS</b>		
	Provision No Longer Required Written Back	(2,860.51)	(2.99)
	Profit on Sale of Investments	-	(343.83)
	Loans and Advances Written Off	49.87	386.69
	Provision For Diminution In Value Of Investment	3,850.00	1,648.00
		1,039.36	1,687.87

## **NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

### **Note 1. Significant Accounting Policies**

#### **1. Basis of Preparation of Financial Statements**

- a.** The financial statements of the Group have been prepared under the historical cost convention in accordance with the Accounting standards specified by Companies (Accounts) Rules, 2014 issued by the Central Government and the relevant provisions of the Companies Act, 2013, to the extent applicable.
- b.** All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The actual results could differ from those estimates. Examples of such estimates include future obligations under employee retirement benefit plans and the useful life of the fixed assets.

#### **1.2. Principles of Consolidation**

PVP Ventures Limited (“PVP”) is the holding company of the Group. The Consolidated Financial Statements have been prepared on the following basis:

- 1.** The Financial statements of the Company and its subsidiaries are combined line-by-line basis adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard(AS) 21- “Consolidated Financial Statements”.
- 2.** Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable.
- 3.** The difference between the costs of investment in the holding company over the net assets at the time of acquisition of shares in the holding company (before merger) is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- 4.** Minority Interest’s share of net profit or loss of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- 5.** Minority Interest’s share of net assets of consolidated subsidiary for the year is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.
- 6.** The Financial Statements of all the subsidiaries are drawn upto March 31, 2015.
- 7.** Investment in Associate Companies has been accounted under the equity

method as per the Accounting Standard (AS) 23 - "Accounting for Investment in Associates in Consolidated Financial Statements".

8. The difference between the cost of Investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
9. List of Subsidiaries of PVP as at March 31, 2015 considered for consolidation are as follows:

NAME OF SUBSIDIARY COMPANY	COUNTRY OF INCORPORATION	%AGE HOLDING OF PVP	
		2013-2014	2014-2015
New Cyberabad City Projects Pvt. Ltd.(NCCPPL)	India	81	81
PVP Global Ventures Private Ltd (PVGPL)	India	100	100
PVP Corporate Parks Private Limited (PCPPL)	India	100	100
PVP Media Ventures Private Limited ( PMVPL)	India	100	100
PVP ISLAND Private Limited (PVPIL)	India	NA	100
Safetrunk Services Private Limited(SSPL)	India	NA	100
Blaster Sports Ventures Private Limited(BSVPL)	India	NA	60
Adobe Realtors Private Limited (Stepdown subsidiary)	India	100@	100@
@100% shares held by PVPGPL			

NAME OF ASSOCIATE COMPANY	COUNTRY OF INCORPORATION	%AGE HOLDING OF PVP	
		2013-2014	2014-2015
Picture House Media Ltd#	India	12.42	35.96
# Since Share holding exceeds 20% in 2014-15 , As per AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" - Accounting of Investment has been accounted under the equity method during this year.			

### 1.3 Revenue Recognition

As a consistent practice, the Group recognizes revenues on accrual basis. Revenue from sale of undivided share of land is recognised upon transfer of all significant risks and rewards of ownership. Revenue from dividend is recognised upon right to receive the dividend is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

### 1.4 Fixed Assets and Depreciation

Fixed Assets are stated at acquisition cost. Depreciation is charged as per Schedule II to the Companies Act, 2013, as amended

### 1.5 Impairments

All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment loss being the excess of carrying value over the recoverable value of the assets, are charged to the Profit and Loss Account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

## **1.6 Investments**

Long-term investments are stated at cost, less diminution other than temporary in the value of such investments, if any. Current investments are valued at cost or market value whichever is lower.

## **1.7 Inventories**

Inventories primarily constitute land and land development rights and activities, which are valued at cost or net realizable value, whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land, land development rights and other related direct expenses.

## **1.8 Employee Benefits**

### **Gratuity**

The liability as at the Balance Sheet date is provided for based on the actuarial valuation carried out in accordance with revised Accounting Standard 15 (Revised 2005) on "Employee Benefits" as at the end of the period. Actuarial gains /losses are recognized immediately in the statement of profit and loss.

### **Leave Encashment**

Leave encashment is paid for in accordance with the rules of the Group and provided based on an actuarial valuation as at the balance sheet date. Actuarial gains /losses are recognized immediately in the statement of profit and loss.

### **Other Benefit Plans**

Contributions paid/ payable under defined contribution plans are recognized in the Profit and Loss Account in each year. Contribution plans primarily consist of Provident Fund administered and managed by the Government of India. The Group makes monthly contributions and has no further obligations under the plan beyond its contributions.

## **1.9 Borrowing Cost**

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset. All other borrowing costs are charged to statement of profit and loss.

## **1.10 Foreign Currency Transactions**

Foreign currency transactions during the year under review are translated at the exchange rates prevailing on the respective date of transactions.

Assets and Liabilities outstanding in foreign currency as on the date of the Balance Sheet are translated at exchange rates prevailing as on the last day of the relevant financial year. Differences arising out of such translations are charged to the respective revenue accounts.

## **1.11 Leases**

The assets purchased under hire purchase agreements are included in the Fixed Assets block. The value of the asset purchased is capitalized in the books. A liability for the same amount is created at the time of entering into the agreement. The payments are made to the HP vendors as per the EMI's given in

the hire purchase agreements. The finance charges are debited to the profit & loss statement and the principal amount is adjusted against the liability created for the vendor.

Lease rental in respect of operating lease arrangements are charged to expense on a straight-line basis over the term of the related lease agreement.

### **1.12 Taxes on Income**

Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.

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 are recognised 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

### **1.13 Earnings Per Share**

The earnings considered for ascertaining the Group's Earnings Per Share comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises of the weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares.

### **1.14 Cash Flow Statement**

The Cash flow statement is prepared under the indirect method as per Accounting Standard 3 "Cash Flow Statements".

### **1.15 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Group has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### **1.16 Segment Reporting**

The Company is engaged in Real Estate/Urban Infrastructure and Sports activities. These are reportable segments for the year. Entire operations of

the company is only in domestic hence reportable geographical segment does not arise. Segment wise Income, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of cost plus margins. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

## **Note 24. Notes On Accounts**

### **24.1**

#### **a. Joint Development Agreement(JDA) for Perambur Project**

Based on the JDA entered between the company and the developers, the Company received Rs.1029.73lakhs (PY: Rs.3404.67lakhs) as its share of collections from the Project. As per the policy on the revenue recognition, the company has recognized revenue for the year Rs.3841.52lakhs (PY 6002.24lakhs) and the balance are shown as Advance received for sale of UDS.

#### **b. Sporting Activities**

During the year the sports activities relating to Indian Badminton League (IBL) was not conducted by Sporty Solutionz (P) Ltd Organisers of IBL and hence there are no revenues for the year from IBL.(PY 345.00 lakhs)

During the year 2014-15 the company has won the runners up title for Indian Super League Season I by Kerala Blasters FC, a franchisee owned by the company. Gross revenue of Rs.1494.61 lakhs have been recognized and shown under Revenue from Operations.

**24.2** The Group owns land admeasuring 50 acres and 5 guntas and development rights over another 679 acres and 28 guntas at Nadergul at Shamshabad and 9.25 acres in Visakhapatnam. As per the independent valuation done in May 2014, which has considered the present market and political conditions in Hyderabad and other factors, the fair market value of the above land and land development rights of 729 Acres and 33 Guntas is assessed to be Rs. 36466 lakhs, which is higher than their carrying cost of Rs. 22435 lakhs (PY: Rs. 22435 lakhs). The Company has received expression of Interest from developer indicating the potential to generate revenues seeking permission to survey and come out with a plan for development of the said land

**24.3** The Group holds investments aggregating to Rs. 13097 lakhs (2014: Rs. 13097 lakhs) in the equity shares of Jagati Publications Limited. The valuation based on the business potential provided by the companies, generation of revenues and recoverability of the securities the provisions have been reviewed and accordingly provision made is adequate and do not foresee any additional provision required for the year 2014-15.

### **24.4 Contingent Liabilities**

**a.** PVP Ventures Ltd - For Assessment Year (AY) : 2007-08 while giving effect to the orders of ITAT, the Assessing Officer(AO) raised a demand of Rs.78.21 lakhs, which are disputed before CIT(A), Hyderabad.

**b.** PVP Ventures Ltd - For AY : 2008-09 AO reopened the assessment proceedings u/s 148 of Income Tax Act, 1961. Company disputed the

re-opening proceeding before Honorable High Court of Madras. In the mean time AO passed an order with a demand of Rs. 1112.35 lakhs and the said order is also disputed before Honorable High Court of Madras.

- c. PVP Ventures Ltd - For AY : 2009-10 AO re-opened the assessment u/s 148 of Income tax Act 1961 and order passed with a demand of Rs. 13.24 lakhs. The company has disputed the demand with CIT - Appeals , Chennai.
- d. PVP Global Ventures Private Ltd , there is an Income Tax demand of Rs. 4.86 lakhs for Assessment Year 2012-13 pursuant to the scrutiny proceedings under section 143(3) of the Income Tax Act.
- e. PVP Corporate Parks Private Ltd , During the Year 2012-13 the Income tax officer has passed assessment order dt.29.03.2013 u/s 143(3) for A.Y.2010-11 for which raised demand of Rs 7.93 lakhs on disallowing and adding some of items, which are disputed before CIT (A). Out of the demand a sum of Rs. 6.33 lakhs has been recovered by Income tax authorities from the parent company , which has been shown as current assets.
- f. PVP Corporate Parks Private Ltd , The Additional Commissioner of Service Tax has passed an order dt.04.01.2003 for the period 01.04.2009 to 31.03.2010, demanding a sum of Rs 8.84 lakhs and penalty of Rs 8.84 lakhs which was disputed before Commissioner Appeals (Central Excise), Chennai.
- g. PVP Ventures Ltd has received an order from SEBI imposing a penalty of Rs.15 lakhs for the PVP Ventures Ltd and further penalty of Rs.15 lakhs for Prasad V Potluri as Chairman and Managing Director of the company towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company is challenging the orders before the Securities Appellate Tribunal (SAT).

On the same issue PVP Global Ventures Priave Ltd has received an order from SEBI imposing a penalty of Rs.15 Crores and further penalty of Rs.15 Crores for Prasad V Potluri as Promoter Director of the PVP Global Ventures Private Ltd towards alleged violation of Prohibition of Insider Trading (PIT) Regulations during 2009. The company is challenging the orders before the Securities Appellate Tribunal (SAT).

- h. Based on the Issues and circumstances in consideration for the above cases and based on the expert advice the Company is confident of success, hence no amount has been provided for in the books.
- i. PVP Ventures Ltd has given a corporate guarantee and mortgage of perambur land for Rs.3325.00 lakhs for its Associate Company Picturehouse Media Limited as security for availing term loan from the bank for production of films. The outstanding loan with bank as on 31st March 2015 is Rs. 3006.57 lakhs.
- j. PVP Ventures Ltd has given a corporate guarantee and mortgage of perambur land for Rs.10000.00 lakhs for its Associate Company ie PVP Capital Limited as security for availing working capital limits from the Bank. The company has outstanding loan with bank Rs. 9940.56 lakhs as on 31 March 2015 (Rs.6166.65 lakhs as on 31st March 2014.)



- k. PVP Ventures Ltd has given mortgage of perambur land for Business Corporates for a consolidated sum of Rs.2000.00 lakhs with a financial institution for temporary financial assistance to the company. The outstanding loan with the financial institution by these companies as of 31st March 2015 is Rs. 2028.19 lakhs.
- l. The provisional attachment order issued by the Enforcement Directorate, Hyderabad Zonal Office ('ED'), was confirmed by the Adjudicating authority, at New Delhi on May 20, 2015. Consequently, the ED has attached 28 acres of land held by Adobe Realtors Private Limited, at Survey No. 609, Nadargul Village, Saroor Nagar Revenue Mandal, Ranga Reddy Dist., Telangana and taken possession of the property on August 4, 2015. Adobe Realtors Private Limited has challenged the attachment order before the Appellate Tribunal on July 3, 2015 and the matter is pending before it.

## 24.5 Segment Reporting

The Company is engaged in the development of Real Estate/Urban infrastructure and Sports activities. Disclosure as required by Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is given below

	<b>YEAR ENDING 31ST MARCH 2014 [IN LAKH RUPEES]</b>	<b>YEAR ENDING 31ST MARCH 2015 [IN LAKH RUPEES]</b>
<b>SEGMENT REVENUES</b>		
Real estate/Urban Infrastructure	6002.24	3841.52
Sports Activities	345.00	1494.61
Unallocated	1311.62	1336.55
<b>Total</b>	<b>7658.86</b>	<b>6672.68</b>
<b>SEGMENT EXPENSES</b>		
Real estate/Urban Infrastructure	4398.91	3842.22
Sports Activities	628.32	1494.61
Un allocated	122.10	3362.23
<b>Total</b>	<b>5149.33</b>	<b>8699.06</b>
<b>SEGMENT ASSETS</b>		
Real estate/Urban Infrastructure	63977.29	54835.17
Sports Activities	750.00	187.56
Un allocated	13096.99	13096.99
<b>Total</b>	<b>77824.28</b>	<b>68119.72</b>
<b>SEGMENT LIABILITIES</b>		
Real estate/Urban Infrastructure	34909.46	29550.83
Sports Activities	81.88	578.38
Un allocated	Nil	Nil
<b>Total</b>	<b>34991.34</b>	<b>30129.21</b>

- 24.6 As per prudent accounting policy the net deferred tax assets has not been recognized as at 31st March 2015.

## 24.7 Employee Benefits

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognized in the financial statements

### Principal Actuarial Assumptions Used

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
Discount rates	9.10%	7.80%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

### Reconciliation of opening and closing balances of the present value of the obligations

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
<b>Present Value of Obligation at the beginning of the period</b>	6.14	11.05
Current service cost	3.20	4.98
Interest cost	0.50	1.01
Actuarial loss/(gain)	1.21	0.41
Benefits paid	Nil	Nil
<b>Present Value of obligation at the end of the period</b>	11.05	17.45

### Actuarial Gain/Loss Recognised

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
<b>Actuarial (gain)/loss for the year</b>		
Obligations	(1.21)	(0.41)
Assets	Nil	Nil
<b>Total (gain)/loss for the year</b>	1.21	0.41

### Amounts Recognized In The Balance Sheet

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
<b>Present value of funded obligation</b>	11.05	17.4
Less: Fair value of assets*	Nil	Nil
Net Liability / (Asset)	11.05	17.45

\*The Company has not created any Trust for meeting the liability and not funded so far and hence no assets are available for valuation and hence there are no disclosures pertaining to plan assets.

### Expenses Recognised In The Profit and Loss Statement

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
Current service cost	3.20	4.98
Interest cost	0.50	1.01
Actuarial (gain)/loss	1.21	0.41
Cost recognized	4.91	6.39

The following table sets forth the status of the Leave Encashment Plan of the Company and the amounts recognized in the financial statements

### Principal Actuarial Assumptions Used

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
Discount rates	9.10%	7.80%
Expected salary increase rates	7.50%	7.50%
Expected rate of return on plan assets	-	-
Expected Average remaining working lives of employees (years)	22 years	22 years

### Reconciliation of opening and closing balances of the present value of the obligations

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
Present Value of Obligation at the beginning of the year	19.03	35.86
Current service cost	16.83	20.40
Interest cost	1.56	3.26
Actuarial loss/(gain)	(1.11)	2.18
Benefits paid	(0.45)	(5.44)
<b>Projected benefit obligation at the end of the period</b>	<b>35.86</b>	<b>56.26</b>

### Actuarial Gain/Loss Recognised

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
<b>Actuarial (gain)/loss for the year</b>		
Obligations	(1.11)	(2.18)
Assets	Nil	Nil
<b>Total (gain)/loss for the year</b>	<b>(1.11)</b>	<b>(2.18)</b>

### Amounts Recognized In The Balance Sheet

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
Present value of funded obligation	35.86	56.26
Less: Fair value of assets	-	-
<b>Net Liability / (Asset)</b>	<b>35.86</b>	<b>56.26</b>

### Expenses Recognised In The Profit and Loss Statement

	YEAR ENDED MARCH 31, 2014	YEAR ENDED MARCH 31, 2015
	[in lakh rupees]	
Current service cost	16.83	20.40
Interest cost	1.56	3.26
Actuarial (gain)/loss	(1.11)	2.18
Cost recognized	(17.28)	25.85

### Defined Contribution Plans

In respect of the defined contribution plans, an amount of Rs. 4.71 lakhs(2014: Rs. 3.25 lakhs) has been recognized in the Statement of Profit and Loss during the year.

### 24.8 Particulars relating to Expenditure in Foreign Currency (on Payment Basis)

PARTICULARS	YEAR ENDED MARCH 31 2014	YEAR ENDED MARCH 31, 2015
Travel related Expenses	1.16	0.86
Professional fees	66.06	1044.68
London Stock exchange fee	11.71	15.51
Interest	1926.91	1926.91
<b>Total</b>	<b>2005.84</b>	<b>2987.96</b>

**24.9** The Group has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence the required disclosures such as amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

**24.10** The Group has not entered into any Derivative transactions during the year. There are no outstanding foreign currency exposures.

### 24.12 Earnings Per Share (EPS)

PARTICULARS		YEAR ENDED MARCH 31 2014	YEAR ENDED MARCH 31, 2015
Nominal Value of Equity Shares (Rs. per Share)	A	10	10
No. of Shares outstanding as at the year end	B	24,39,62,466	24,39,62,466
Weighted average number of Equity Shares outstanding during the year	C	24,39,62,466	24,39,62,466
Profit/(Loss) after Taxes (Rs. in Lakhs)	D	280.63	(2540.84)
Earnings Per Share-Basic and diluted (in Rs.)	(D*100000)/C	0.12	(1.04)

**Notes:**

Cross holding of equity shares are not considered in computing the EPS.

The potential equity shares due on conversion of debentures outstanding as at March 31, 2014 would be anti-dilutive in nature, hence not considered for calculating the above EPS.

## 24.13 Lease Rentals

The Company has entered into operating leases agreements for office premises and an amount of Rs. 64.01 lakhs (2014: Rs. 56.39 lakhs) paid under such agreement have been charged to statement of Profit & Loss. The details with regard to finance lease obligations are as under.

	YEAR ENDING 31ST MARCH 2014 [IN LAKH RUPEES]	YEAR ENDING 31ST MARCH 2015 [IN LAKH RUPEES]
Due within 1 year from the Balance Sheet date	16.48	10.26
Due between 1 and 5 years	40.28	18.92
Due after 5 years	Nil	Nil

### Details of assets under Hire purchase

PARTICULARS	GROSS BLOCK [IN LAKH RUPEES]	DEPRECIATION [IN LAKH RUPEES]	NET BLOCK [IN LAKH RUPEES]
Vehicles	64.75	14.59	50.16

## 24.14 Related Party Disclosures

List of related parties where control exists and related parties with whom transactions have taken place and relationships are as follows:

NAMES OF THE RELATED PARTY	RELATIONSHIP
Platex Limited (PL)	Holding Company
Mr. Prasad V. Potluri (PV) Mr.V.R.Arasu Mr.Vinay Chilakapathi Mr.Rajeev Kamineni Mr.S.Kannan Mr.G.S.V.Ranga	Key Managerial Personnel (KMP)
Mrs. Jhansi Sureddi	Relative of KMP
Bruma Properties Private Limited (BPPL) Picturehouse Media Ltd(PHML) PVP Capital Ltd(PCL)	Enterprises where KMP exercise significant influence

### Summary of transactions with the related parties, during the year ended March 31, 2015

NATURE OF TRANSACTIONS	TRANSACTIONS FOR THE YEAR ENDED [IN LAKH RUPEES]		BALANCE AS AT [IN LAKH RUPEES]	
	MARCH 31, 2014	MARCH 31, 2015	MARCH 31, 2014	MARCH 31, 2015
<b>(i) Unsecured Loans Availed (Net)/ Amount Payable</b>				
(a) Holding Company- Platex Limited	Nil	(13289.00)	13996.00	707.00
<b>(ii) Interest given</b>				

(a) Holding Company- Platex Limited	1926.91	Nil	1926.91	Nil
<b>(iii) Advances/Loans given</b>				
(a) Enterprises where key management personnel exercise significant influence BPPL	Nil	Nil	35.00	35.00
<b>e. Salary &amp; Perquisites to Chairman and Managing Director **</b>	100.19	30.10	-	-
<b>f. Salaries &amp; Perquisites paid and (Interest Accrued ) and Loans Outstanding with Other KMP</b>	112.68 (18.76)	141.00 (18.76)	134.00	134.00
<b>g. Corporate Guarantee given</b>				
<b>-PHML</b>			2275.00	3275.00
<b>-PCL</b>			10000.00	10000.00

*\*\* Based on the resolution passed in 22nd AGM dt 26th Sept 2013 an amount of Rs.100.19 lakhs was paid and the excess paid Rs. 25.94 lakhs, were recovered.*

**24.15** During the year the holding company , Platex Ltd, transferred the 14.5% Fully Convertible Debentures(FCD) to M/s India Investments II pte Ltd, Singapore with the same terms and conditions. These FCD holders have a option to convert them as equity anytime before 31st March 2016. The company PVP Ventures Ltd have paid the interest on these FCDs during the year 2014-15.

**24.16** Non-current investments in quoted shares : The market value of long term investments in quoted equity shares of Picture House Media Ltd (PHML) as on 31.3.2015 was Rs.301.78 lakhs as against the cost of Rs.531.05 lakhs. The management have provided Rs.200 lakhs as provisions for diminution in value of quoted investments. Company have struck off Investments (Rs. 2 lakhs) and long term advances (Rs.3051 lakhs) for which necessary provisions were already made in the earlier years and no significant improvement is expected in the near future. Since the provision is already made there is no impact of the same in the current year operations.

**24.17** The Company has accumulated business losses and depreciation of earlier years. Considering the principles of prudence, the net deferred tax asset has not been recognised as at 31.03.2015.

**24.18** During the year 2014-15, as per the Accounting Standard AS 23-“Accounting for Investments in associates in Consolidated Financial Statements” the Investment in Associate Companies has been accounted under the equity method and accordingly a sum of Rs.104.49 lakhs have been included in Miscellaneous Income towards the Share of Income from Investment in Picturehouse Media Ltd, an associate for the year and corresponding amount has been adjusted in the carrying amount of Investment.

## 24.19 Corporate Social Responsibility(CSR)

As per section 135 of companies act 2013, the company should have spent Rs. 32.74 lakhs, towards CSR activities during the year 2014-15. Management have formed the CSR Committee and Policy in respect of the same, but could not effect payment before 31st March 2015 and the same will be expensed during the current financial year 2015-16.

**24.20**The previous years figures have been regrouped/rearranged wherever necessary to make it comparable with the current year figures.

As per report of our even date  
**FOR M/S. CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Reg.No.004915S

For and on behalf of the Board of Directors

**SD/-**

**R. THIRUMALMARUGAN**  
Partner  
M. No : 200102

**SD/-**

**PRASAD V. POTLURI**  
Chairman and Managing  
Director

**SD/-**

**R. NAGARAJAN**  
Director

**DATE: MAY 29, 2015**  
**PLACE: HYDERABAD**

**SD/-**

**KANNAN S.**  
Head-Finance and Accounts

**SD/-**

**G.S.V.RANGA**  
Head-Legal and Company  
Secretary

**PVP Ventures Limited**

(CIN: L72300TN1991PLC020122)  
 Regd. Office: KRM Centre, 9<sup>th</sup> Floor, Door No.2, Harrington Road,  
 Chetpet, Chennai 600 031

**PROXY FORM / BALLOT FORM**

[Pursuant to Section 105(6) and 108 of the Companies Act, 2013 and Rule 19(3) and 20 respectively of the Companies (Management and Administration) Rules, 2014]

<b>NAME OF THE COMPANY</b>	<b>PVP VENTURES LIMITED</b>
<b>REGISTERED OFFICE</b>	KRM Centre, 9 <sup>th</sup> Floor, Door No.2 Harrington Road, Chetpet, Chennai 600 031
<b>NAME OF THE MEMBER(S)</b>	
<b>REGISTERED ADDRESS</b>	
<b>E-MAIL ID</b>	
<b>FOLIO NO./CLINT ID</b>	
<b>DP ID</b>	

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint:

- 1..... of..... having e-mail id.....or failing him  
 2..... of..... having e-mail id.....or failing him  
 3..... of..... having e-mail id.....

And whose signature(s) are appended below as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, September 29, 2015 at 10.00 a.m. at Hotel Green Park, 'Vauhini Hall', No. 183, NSK Salai, Arcot Road, Vadapalani, Chennai 600 026, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO	RESOLUTION	VOTE**	
		FOR	AGAINST
Ordinary Business:			
<b>1</b>	Consider and adopt audited Financial Statements, Reports of the Board of Directors' and Auditors' thereon.		
<b>2</b>	Appointment of Auditors and fixing their remuneration.		
Special Business:			
<b>3</b>	Appointment of Mrs. Sai Padma Potluri as Director liable to retire by rotation		
<b>4</b>	Corporate Guarantee and/or Collateral Security extended and to be extended to M/s, Picturehouse Media Limited		
<b>5</b>	To extend Corporate Guarantee or Collateral Security to subsidiary companies		

Signed this..... day of..... 2015

.....  
 SIGNATURE OF THE SHAREHOLDER

.....  
 SIGNATURE OF THE FIRST PROXY HOLDER

.....  
 SIGNATURE OF THE SECOND PROXY HOLDER

.....  
 SIGNATURE OF THE THIRD PROXY HOLDER





## NOTES

1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 hours (forty eight hours) before the time fixed for holding the meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*\* This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. The shareholders who wish to cast their vote for the proposed resolutions through Post may use this form as a ballot paper, by striking off the words "Proxy Form" and send it to the Company at it's Registered Office situated at Chennai by September 28, 2015, i.e. cut off date, by 5.00 pm.

**PVP Ventures Limited**

(CIN: L72300TN1991PLC020122)

Regd. Office: KRM Centre, 9<sup>th</sup> Floor, Door No.2, Harrington Road,  
Chetpet, Chennai 600 031**ATTENDANCE SLIP**

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the company being held on: Tuesday, September 29, 2015 at 10.00 a.m. at Hotel Green Park, 'Vauhini Hall', No. 183, NSK Salai, Arcot Road, Vadapalani Chennai 600 026, Tamil Nadu

<b>NAME OF THE SHAREHOLDER</b>	
<b>NAME OF THE PROXY</b>	
<b>SIGNATURE OF MEMBER/PROXY</b>	
<b>REGD. FOLIO/*CLIENT ID</b>	

**NOTES:**

1. \*Applicable for members holding shares in electronic form
2. This attendance slip is to be signed and handed over the entrance of the meeting venue.









**PVP VENTURES LIMITED**

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Harrington Road, Chetpet, Chennai.600.031

**T** +91 44 3028 5570

**E** .investorrelations@pvpglobal.com

FORM A

1.	Name of the Company	PVP Ventures Limited
2.	Annual Financial Statements for the year ended	March 31, 2015
3.	Type of Audit Observation	Matter of Emphasis
4.	Frequency of Observation	Appearing since financial year ending March 31, 2014
5.	<ul style="list-style-type: none"> <li>• Chairman &amp; Managing Director</li> <li>• Chief Financial Officer (Mr.S Kannan)</li> <li>• Auditor of the Company</li> <li>• Audit Committee Chairman</li> </ul>	    <p><b>For C N G S N &amp; ASSOCIATES LLP</b>  <b>CHARTERED ACCOUNTANTS</b>  <b>FIRM REGN.No.0049155</b></p>  <p><b>R. THIRUMALMARUGAN</b>  <b>PARTNER</b>  <b>MEMB.No.200102</b></p> 

PVP Ventures Ltd.

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